

**CHINA GREEN AGRICULTURE, INC.**  
**CHARTER FOR THE AUDIT COMMITTEE**  
**OF**  
**THE BOARD OF DIRECTORS**

**PURPOSE**

The purpose of the audit committee (the “**Audit Committee**” or the “**Committee**”) established by this charter will be to oversee the corporate accounting and financial reporting process and the internal and external audits of the financial statements of China Green Agriculture, Inc. (the “**Company**”). The Audit Committee will undertake those specific duties, responsibilities and processes listed below, and such other duties as the Board of Directors (the “**Board**”) may from time to time prescribe. In fulfilling this role, the Audit Committee will ensure that there is effective communication among the Board, management and outside auditors. In this way, it will help the Board to fulfill its oversight responsibilities to the stockholders and the investment community relating to the Company's financial statements and financial reporting process.

**CHARTER REVIEW**

The Audit Committee will review and reassess the adequacy of this charter at least once a year. This review is initially intended to be conducted at the first Audit Committee meeting following the Company's annual meeting of stockholders, but may be conducted at any time the Audit Committee desires to do so. In addition, to the extent and in the manner legally required by the rules of the Securities and Exchange Commission (the “**SEC**”), the Audit Committee will cause the Company to publicly file this charter (as then constituted).

**MEMBERSHIP**

The Audit Committee will be comprised of at least three members of the Board, all of whom shall meet the independence requirements established by the Board and applicable laws, regulations, and listing requirements. The members will be appointed by and serve at the pleasure of the Board.

Each member of the Audit Committee also must be able to read and understand fundamental financial statements, including the Company's balance sheet, income statement, and cash flow statement, or must become able to do so within a reasonable period of time after his or her appointment to the Audit Committee. In addition, at least one member of the Audit Committee must have past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background which results in the individual's financial sophistication, including being or having been a chief executive officer, chief financial

officer or other senior officer with financial oversight responsibilities. At least one member of the Committee shall in the judgment of the Board be an "audit committee financial expert" as defined by the rules and regulations of the Securities and Exchange Commission. The Board may remove any member from the Committee at any time with or without cause.

## **COMMITTEE STRUCTURE AND OPERATIONS**

The Chair of the Committee can be designated by the Board or elected by the Committee. The Committee shall fix its own rules of procedure and shall meet where and as provided by such rules or by resolution of the Committee. In addition to the regular meeting schedule established by the Committee, the Chair of the Committee may call a special meeting at any time.

The Secretary of the Corporation shall be the Secretary of the Audit Committee, unless the Committee designates otherwise.

In the absence of the Chair during any Committee meeting, the Committee may designate a Chair pro tempore.

The Committee shall act only on the affirmative vote of a majority of the members at a meeting or by unanimous written consent.

The Committee may establish sub-committees to carry out such duties as the Committee may assign.

## **RESPONSIBILITIES**

The responsibilities of the Audit Committee include:

1. The appointment, compensation, retention and oversight of the work of any registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company, and each such registered public accounting firm must report directly to the audit committee;
2. Reviewing the plan for the audit and related services at least annually;
3. Reviewing audit results and annual and interim financial statements and discussing the audited financial statements with both the Company's outside auditors and the Company's management prior to any public filing of those reports;
4. Reviewing and resolving any disagreements between management

and the outside auditors that arise in connection with financial reporting;

5. Reviewing major issues regarding accounting principles and practices that could significantly impact the Company's financial statements;
6. Discussing with the Company's outside auditors the quality of accounting principles applied in the Company's financial statements and the other matters required by SAS 61 (including amendments or supplements), such as management judgments and accounting estimates that affect financial statements, significant new accounting policies and disagreements with management;
7. Ensuring the receipt of, and reviewing, a formal written statement from the Company's outside auditors delineating all relationships between the outside auditors and the Company, consistent with Independence Standards Board Standard 1;
8. Reviewing and actively discussing with the Company's outside auditors the auditors' independence, including any disclosed relationship or service that may impact the objectivity and independence of the outside auditors;
9. Taking appropriate action to oversee the independence of the outside auditors;
10. Overseeing the adequacy of the Company's system of internal accounting controls, including obtaining from the outside auditors management letters or summaries on such internal accounting controls;
11. Overseeing the Company's procedures for preparing published annual statements and management commentaries;
12. Overseeing the effectiveness of the internal audit function;
13. Overseeing the Company's compliance with SEC requirements for disclosure of auditor's services and Audit Committee members and activities;
14. Ensuring that the Company and its management make any appropriate certifications required by the Rules of the SEC and the NASD;
15. Establishing procedures for the receipt, retention and treatment of

complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and

16. Establishing procedures for the confidential, anonymous submission by the Company's employees of concerns regarding questionable accounting or auditing matters.

In addition to the above responsibilities, the Audit Committee will undertake such other duties as the Board delegates to it.

The Audit Committee will ensure that the outside auditors understand both (i) their ultimate accountability to the Audit Committee, as representatives of the Company's stockholders, and (ii) the Audit Committee's ultimate authority and responsibility to select, evaluate and, where appropriate in the exercise of its business judgment, replace the Company's outside auditors (or to nominate the outside auditors to be proposed for stockholder approval in any proxy statement).

## **POWERS AND AUTHORITY**

The Audit Committee shall have authority to engage independent counsel and other advisers, as it determines necessary to carry out its duties.

The Company must provide for appropriate funding, as determined by the Audit Committee, in its capacity as a committee of the board of directors, for payment of:

- (i) Compensation to any registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company;
- (ii) Compensation to any advisers employed by the Audit Company under the first paragraph of this section of this charter;
- (iii) Ordinary administrative expenses of the audit committee that are necessary or appropriate in carrying out its duties.

## **MEETINGS**

The Audit Committee will meet separately with the President and Chief Executive Officer and the Chief Financial Officer of the Company at least quarterly to review the financial affairs of the Company. The Audit Committee will meet with the Company's outside auditors upon the completion of the annual audit (which meeting may be held without the presence of management), and at such other times as it deems appropriate, to review the outside auditors' examination and management report.

## **REPORTS**

The Audit Committee will, to the extent required by applicable laws and Regulations of the SEC or applicable exchange rules, or to the extent deemed

appropriate, record its summaries of recommendations to the Board in written form that will be incorporated as a part of the minutes of the Board. To the extent required, the Audit Committee also will prepare and sign a report for inclusion in the Company's proxy statement for its annual meeting of stockholders.