

## **Rhino GP LLC**

### **Charter of the Audit Committee of the Board of Directors**

**Effective as of May 8, 2017**

The Board of Directors (the “Board”) of Rhino GP LLC (the “General Partner”), which is the general partner of Rhino Resource Partners LP (the “Partnership,” and together with its subsidiaries and the General Partner, the “Rhino Entities”), has established the Audit Committee of the Board (the “Committee”) with the authority, responsibility and specific duties as described herein. The Board hereby adopts the following charter for the Committee effective as of the date set forth above (this “Charter”).

This Charter governs the operations of the Committee. At least annually, the Committee shall review and reassess this Charter and recommend any proposed changes to the Board for its approval. The Board shall have sole authority to amend this Charter.

#### **I. Purpose**

The Committee is established by and among the Board for the purpose of overseeing the accounting and financial reporting processes of the Partnership and audits of the financial statements of the Partnership by:

- A. Assisting the Board in fulfilling its oversight responsibilities regarding the:
  - Integrity of the Rhino Entities’ financial statements and the Rhino Entities’ accounting and financial reporting processes and financial statement audits;
  - Rhino Entities’ compliance with legal and regulatory requirements;
  - Independent registered public accounting firm’s qualifications, independence and performance; and
  - Effectiveness and performance of the Partnership’s internal audit function; and
- B. Performing such other functions as the Board may assign to the Committee from time to time.

#### **II. Members**

The Committee shall be composed of at least three members of the Board. Each member of the Committee shall be independent, as defined by the rules of the SEC and the listing requirements of the NYSE, and shall meet all financial literacy requirements of the NYSE. The determination of independence will be made by the Board. In addition, at least one member of the Committee shall be an “audit committee financial expert,” as defined by the applicable rules of the SEC.

Members of the Committee shall be appointed annually by the Board in its sole discretion. The chairman of the Committee shall be appointed by the Board or, if a chairman is not designated by the Board, shall be selected by majority vote of the Committee. Committee members shall serve until their successors are duly appointed and qualified or until their earlier resignation, retirement death or removal. The Board may remove or replace the chairman or any member of the Committee by majority vote at any time, with or without cause. Any vacancy on the Committee shall be filled by a majority vote of the Board.

The Committee may form and delegate authority to subcommittees consisting of one or more members when the Committee deems appropriate. However, subcommittees shall not have the authority to engage independent legal counsel, accounting experts or other advisors unless expressly granted such authority by the Committee. Each subcommittee shall keep minutes and regularly report to the Committee.

Committee members may not simultaneously serve on the audit committees of more than two other public companies.

Notwithstanding the foregoing membership requirements, no action of the Committee shall be invalid by reason of any such requirement not being met at the time such action is taken.

Each member of the Committee as well as the chairman shall be paid the fee set by the Board for his or her services as a member, or chairman, as the case may be, of the Committee. Committee members, including the chairman, will be reimbursed for all reasonable out-of-pocket expenses incurred in connection with their duties as Committee members or as chairman.

### **III. Meetings**

The Committee shall meet as often as it shall determine, but not less frequently than quarterly (prior to filing the Partnership's Quarterly Reports on Form 10-Q and Annual Report on Form 10-K with the SEC). The Committee chairman will approve the agenda for the Committee's meeting and any member may suggest items for consideration. Briefing materials will be provided to the Committee as far in advance of meetings as practicable. Meetings may, at the discretion of the Committee, include non-independent directors, members of the General Partner's management, independent advisors and consultants, representatives of the Partnership's independent registered public accounting firm, the Partnership's internal auditor, any other financial personnel employed or retained by the Rhino Entities or any other persons whose presence the Committee believes to be necessary or appropriate. Those in attendance may observe meetings of the Committee, but shall not participate in any discussion or deliberation unless invited to do so by the Committee, and in any event shall not be entitled to vote. Notwithstanding the foregoing, the Committee may also exclude from its meetings any persons it deems appropriate, including, but not limited to, any director that is not a member of the Committee. Each regularly scheduled meeting will conclude with an executive session of the Committee absent members of management.

In addition, the Committee must have regularly scheduled meetings at which only independent directors are present. It is contemplated that these executive sessions will occur at least three times

a year in conjunction with regularly scheduled meetings, and at least one executive session each year shall be held separately with management, with the independent auditors, and with the internal auditors, all without other parties present.

Except as otherwise provided by the General Partner's limited liability company agreement, as amended from time to time, the frequency, location and operation of meetings and similar procedural matters relating to the Committee shall, to the extent applicable, be the same as those that relate to meetings of, and procedural matters concerning, the Board. The Committee may determine additional rules and procedures, including designation of a chairman pro tempore in the absence of its Chairman and designation of a secretary of the Committee or any meeting thereof.

The Committee shall adopt procedures regarding the recording, distribution and approval of minutes of meetings of the Committee.

#### **IV. Authority**

The Committee is delegated all authority of the Board as may be required or advisable to fulfill the purposes of the Committee. Without limiting the generality of the preceding statement, the Committee shall have the authority to engage independent counsel and other advisors, including the independent registered public accounting firm, as it determines necessary to carry out its duties. The Committee may also utilize the services of the Partnership's regular outside legal counsel or other advisors to the Rhino Entities. The General Partner shall provide for appropriate funding, as determined by the Committee, for payment of: (1) compensation to the independent registered public accounting firm employed for the purpose of rendering or issuing an audit report or performing other audit, review or attest services for the Rhino Entities; (2) compensation to any advisors employed by the Committee; and (3) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

In carrying out its duties, it is the goal of the Committee to maintain free and open communication among the Committee, the Board, independent auditor, internal auditor, and management of the General Partner. In discharging its oversight role, the Committee is empowered to investigate any matter, including, but not limited to complaints relating to accounting, internal accounting controls or auditing matters, brought to its attention and within the scope of the responsibilities delegated to the Committee as it deems appropriate, with full access to all books, records, facilities and personnel of the Rhino Entities, including the authority to request any officer, employee or advisor of the Rhino Entities to meet with the Committee or any advisors engaged by the Committee.

The Committee will primarily fulfill its responsibilities by carrying out the activities enumerated in Section V of this charter.

#### **V. Responsibilities**

The Committee is entrusted with the following recurring processes in carrying out its purpose. These are set forth as a guide with the understanding that the Committee may supplement them as appropriate.

The Committee's responsibilities are limited to oversight. Although the Committee has the responsibilities set forth in this Charter, it is not the responsibility of the Committee to plan or conduct audits or to determine that the Partnership's financial statements and disclosure are complete and accurate and are in accordance with generally accepted accounting principles ("GAAP") and applicable laws, rules and regulations. These are the responsibilities of management, the internal auditor and the independent registered public accounting firm.

1. *Relating to the Independent Auditor*

- (a) The Committee shall have the sole authority and direct responsibility to appoint, retain, compensate, terminate and replace the independent auditor. The Committee may receive input from management on these matters but shall not delegate these responsibilities. The Committee shall be responsible for the oversight of the independent auditor, including the resolution of any disagreements between management and the independent auditor regarding financial reporting or other matters, and the independent auditor shall report directly to the Committee.
- (b) The Committee shall have the sole authority to approve the scope, fees and terms of all audit engagements, as well as all permissible non-audit engagements of the independent auditor. The Committee shall pre-approve all audit and permissible non-audit services to be performed for the Partnership by the independent auditor. Committee pre-approval of audit and non-audit services is not required if the engagement for the services is entered into pursuant to pre-approval policies and procedures established by the Committee. The Chairman of the Committee has the authority to grant pre-approvals, provided such approvals are within the pre-approval policy and presented to the Committee at a subsequent meeting. On an annual basis, the Committee shall consider whether the provision of non-audit services by the independent auditor, on an overall basis, is compatible with maintaining the independent auditor's independence from the Rhino Entities.
- (c) The Committee shall, at least annually, obtain and review a report by the independent auditor describing the firm's internal independence and quality-control procedures, any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues, and all relationships between the independent auditor and the Rhino Entities. The Committee shall discuss with representatives of the independent auditor its independence from the Rhino Entities, and shall review all additional written disclosures provided by the independent auditor describing all relationships between the independent registered public accounting firm and the Rhino Entities, consistent with the applicable requirements of the Public Company Accounting Oversight Board ("PCAOB") regarding the independent auditor's communications with the Committee concerning independence, and consider the impact that any relationships or services may have on the objectivity and independence of the independent

registered public accounting firm. The Committee shall evaluate the auditor's qualifications, performance and independence, including the performance of the auditor's lead partner, taking into consideration the opinions of management and the Partnership's internal auditor. The Committee shall ensure the rotation of the lead partner and the audit partner responsible for reviewing the audit to the extent required by law, and shall consider whether regular rotation of the independent registered public accounting firm is necessary or appropriate to ensure continuing auditor independence. The Committee shall report on its evaluation and conclusions, and any actions taken pursuant thereto, to the Board. If applicable, the Committee shall consider whether the provision by the independent registered public accounting firm of any permitted information technology services or other non-audit services to the Rhino Entities is compatible with maintaining the independence of the independent registered public accounting firm.

- (d) The Committee shall establish clear policies governing the hiring of employees or former employees of the independent auditors.

## 2. *Relating to Annual Audits and Financial Statements*

### (a) *Meetings with Management, the Independent Registered Public Accounting Firm and the Internal Auditor:*

- (i) The Committee shall meet with management, the independent registered accounting firm and the internal auditor in connection with each annual audit to discuss the overall scope, procedures to be followed and the staffing of the annual audit. In addition, the Committee shall discuss with management, the independent auditor, and the internal auditor the adequacy and effectiveness of the accounting and financial controls, including the Rhino Entities' system to monitor and manage business risk, and legal and ethical compliance programs.
- (ii) The Committee shall review and discuss with management and the independent auditor: (1) major issues regarding accounting principles and financial statement presentations, including any significant changes in the Partnership's selection or application of accounting principles, and major issues as to the adequacy of the internal controls and any special audit steps adopted in light of material control deficiencies of either; (2) any analyses prepared by management or the independent registered public accounting firm setting forth significant financial reporting issues and judgments made in connection with the preparation of the Partnership's financial statements, including analyses of the effects of alternative treatments of financial information within GAAP on such financial statements; and (3) the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on such financial statements.

- (iii) The Committee shall review with management and the independent auditor the audited financial statements (including the specific disclosures contained under “Management’s Discussion and Analysis of Financial Conditions and Results of Operations”) to be included in the Partnership’s Annual Report on Form 10-K, including its judgment as to the quality, and not only the acceptability, of accounting principles, the reasonableness of significant judgments and the clarity of the disclosures in the financial statements. The Committee also shall discuss the results of the annual audit and any other matters required to be communicated to the Committee by the independent auditor under the auditing standards of the PCAOB.
  - (iv) The Committee shall review and discuss with management and the independent auditor the disclosures made by officers of the General Partner in the certification required to be filed (1) as part of the Partnership’s Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q, regarding any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Partnership’s internal controls and (2) pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, regarding the compliance of periodic reports and their fair presentation of the Partnership’s financial statements and results of operations.
  - (v) The Committee shall review and discuss with management, the independent auditor, and the internal auditor the plans for and compliance with Section 404 of the Sarbanes-Oxley Act of 2002 including reviewing management’s report on the Partnership’s internal control over financial reporting and the related attestation report of the independent registered public accounting firm.
- (b) *Separate Meetings with the Independent Registered Public Accounting Firm*
- (i) The Committee shall review with the independent auditor any audit problems or difficulties encountered during the course of the audit work, including management’s response to these difficulties. This review shall include a discussion of any restrictions on the scope of the auditor’s activities or access to requested information, as well as any significant disagreements with management. The Committee shall discuss with the independent auditor (1) any noted or proposed accounting adjustments that were “passed,” (2) communications between the auditors and the audit firm’s national office regarding auditing or accounting issues presented by the engagement and (3) any proposed or issued “management” or “internal control” letters.
  - (ii) The Committee shall discuss with the independent auditor any additional matters required to be discussed pursuant to Auditing Standard No. 16, , and

shall obtain from the independent auditor assurance that Section 10A(b) of the Exchange Act of 1934, as amended (the “Exchange Act”) (including auditor discovery that illegal acts may have occurred) has not been implicated.

- (iii) The Committee shall review each report of the independent auditor, delivered to the Committee pursuant to Section 10A(k) under the Exchange Act, concerning: (1) all critical accounting policies and practices to be used, (2) all alternative treatments of financial information within GAAP that have been discussed with management, ramifications of the use of such alternative disclosures and treatments and the treatment preferred by the independent auditor and (3) other material written communications between the independent auditor and management, such as any management letter, management representation letter, reports on observations and recommendations on internal control over financial reporting, the independent auditor’s engagement letter, the independent auditor’s independence letter, schedule of unadjusted differences and a listing of adjustments and classifications not recorded, if any.
- (c) Based on the review and discussions in paragraphs 2(a)(iii) and 2(b)(ii) above, and based on the disclosures received from the independent registered public accounting firm regarding its independence and discussions with representatives of the firm regarding such independence pursuant to subparagraph 1(c) above, and on review of other information made available to the Committee, the Committee shall recommend to the Board whether the audited financial statements should be included in the Partnership’s annual report on Form 10-K.

### 3. *Relating to Interim Reports and Financial Statements*

The Committee shall review with management and the independent auditor the interim financial statements prior to the filing of each of the Partnership’s Quarterly Reports on Form 10-Q, including specific disclosures contained under “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” therein and quarterly certifications pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. The Committee also shall discuss the results of the quarterly review and any other matters required to be communicated to the Committee by the independent auditor under GAAP. The chairman of the Committee may represent the entire Committee for the purposes of this review.

### 4. *Relating to the Internal Audit Function*

- (a) The Committee shall also be directly responsible for the selection, compensation, and oversight of the work of the director of internal audit of the Partnership, and the director of internal audit will report to the Committee for audit matters and to the Chief Financial Officer for administrative matters. (b) The Committee shall establish, or determine that there has been established an Internal Audit Charter

including guidelines and procedures for the maintenance of an internal audit function and shall assist with Board oversight of the internal audit function.

- (c) Each year, the Committee shall review the activities and structure of the internal audit function, including staffing of the internal audit function and credentials of the internal audit personnel.
- (d) The Committee shall meet regularly with the internal auditor to discuss the internal auditor's assessment of the Partnership's risk management processes and system of internal control.
- (e) The Committee shall periodically meet separately with the internal auditor to discuss the responsibilities, budget and staffing of the internal audit function and any issues that the internal auditor believes warrant the Committee's attention. In addition, the Committee shall discuss with the internal auditor any significant reports to management prepared by the internal auditor and any responses from management.
- (f) The Committee shall at least annually meet separately with the Partnership's independent auditor to review the responsibilities, budget and staffing of the Partnership's internal audit function, the scope of internal audit and progress made with respect to the audit plan.

5. *Relating to Other Compliance Matters*

- (a) The Committee shall make regular reports to the Board of its actions and recommendations to the Board with respect to any issues which arise with respect to the quality or integrity of the Partnership's financial statements, the Rhino Entities' compliance with legal and regulatory requirements, the performance and independence of the Partnership's independent auditors, the performance of the Partnership's internal audit function and any other matter the committee determines is necessary or advisable to report to the Board.
- (b) The Committee shall establish, or determine that there have been established, procedures for the receipt, retention and treatment of complaints received by the Rhino Entities regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters and shall monitor ongoing compliance with those provisions.
- (c) The Committee shall regularly discuss the type of information to be disclosed and types of presentations to be made in connection with the Partnership's earnings press releases (paying particular attention to any use of "pro forma" or "adjusted" non-GAAP information), as well as financial information and earnings guidance provided to analysts and rating agencies.

- (d) The Committee will meet separately with management on a periodic basis to discuss matters related to the Partnership's internal control over financial reporting and other matters related to the Partnership's internal audit function.
- (e) The Committee shall review, approve or ratify related party transactions.
- (f) The Committee shall at least annually review and discuss the Partnership's policies with respect to risk assessment and risk management and the annual Risk Assessment conducted by the internal auditor related to fraud detection. The Committee shall discuss policies and guidelines to govern the process by which the General Partner undertakes these functions, including discussing the Partnership's major financial risk exposures and the steps management has taken to monitor and control such exposures.
- (g) The Committee shall review such other reports, adopt such other policies and implement such other procedures as shall be necessary to comply with the rules and regulations that, from time to time, may be established by the NYSE or the SEC.
- (h) With respect to any reference in this Charter to the NYSE or SEC requirements, the Committee shall be required to comply with these requirements when the Partnership is subject to the requirements of the NYSE or the SEC.
- (i) The Committee shall, on an annual basis, complete a self-evaluation of the Committee's performance. The Committee shall report on the results of this self-evaluation to the Board and submit itself to a review and evaluation by the Board.
- (j) The Partnership shall post this Charter on the Partnership's website as required by applicable rules and regulations. In addition, the Partnership shall disclose in its annual report on Form 10-K that a copy of this Charter is available on the Partnership's website and provide the website address.
- (k) The Committee shall discuss with management and the independent registered public accounting firm any correspondence from or with regulators or governmental agencies, any employee complaints or any published reports that raise material issues regarding the Partnership's financial statements, financial reporting process, accounting policies or internal audit function.
- (l) The Committee shall discuss with the General Counsel of the General Partner ("General Counsel") or outside counsel any legal matters brought to the Committee's attention that could reasonably be expected to have a material impact on the Partnership's financial statements.
- (m) The Committee shall review annually the adequacy and succession planning of the Rhino Entities' accounting and financial personnel.

- (n) The Committee shall review the effect of regulatory and accounting initiatives, as well as off-balance-sheet structures, on the Partnership's financial statements.
- (o) The Committee shall establish, or determine that there have been established, procedures for the receipt, retention and treatment of complaints received by the Rhino Entities regarding potential violations of applicable laws, rules and regulations or of the Rhino Entities' codes, policies and procedures. The Committee shall also establish procedures for the confidential and anonymous submission by employees of concerns regarding questionable compliance matters.
- (p) The Committee periodically shall review with the General Counsel the Code of Financial and Business Ethics for Directors, Officers, and Employees and its enforcement.
- (q) The Committee shall perform other specific duties and function in the accordance with the General Partner's limited liability company agreement, as amended from time to time.
- (r) The Committee shall approve or disapprove, as the case may be, any matters regarding the business and affairs of the General Partner and the Partnership required to be considered by, or submitted to, the Committee pursuant to the terms of the Partnership's Agreement of Limited Partnership, as amended from time to time.

\* \* \*

*While the Committee members have the duties and responsibilities set forth in this Charter, nothing contained in this Charter is intended to create, or should be construed as creating, any responsibility or liability of the Committee members, except to the extent otherwise provided under applicable federal or state law.*