

CHARTER

AUDIT COMMITTEE OF THE BOARD OF MANAGERS

DORCHESTER MINERALS, L.P.

- I. Composition of the Audit Committee: The Audit Committee shall be comprised of at least three managers, each of whom shall not be an officer or employee of Dorchester Minerals, L.P. (the "Company") or its subsidiaries and shall be independent and experienced (subject to certain exceptions) in accordance with the applicable membership requirements under the rules of the National Association of Securities Dealers, Inc., Section 10A(m)(3) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the rules and regulations of the Securities and Exchange Commission (the "Commission"), as such requirements are interpreted by the Board of Managers in its business judgment. All members of the Audit Committee should be able to read and understand financial statements and at least one member of the Audit Committee shall 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). No member of the Audit Committee shall have participated in the preparation of the financial statements of the Company at any time during the past three years. Members of the Audit Committee shall receive no compensation other than payment for board or committee service. The Chairman of the Audit Committee shall be designated by the Board of Managers or, if no such designation is made, shall be selected by the majority vote of the Audit Committee.
- II. Purposes of the Audit Committee: The purposes of the Audit Committee are assisting the Board of Managers in fulfilling its oversight over:
1. the integrity of the financial statements, internal accounting, financial controls, disclosure controls and financial reporting processes of the Company;
 2. the independent auditor's qualifications and independence, who shall be directly accountable to the Board of Managers and the Audit Committee as the representatives of the Company's limited partners;
 3. the Company's compliance with legal and regulatory requirements; and
 4. the performance of the independent auditors and the company's internal audit function (if applicable).

The Audit Committee will primarily fulfill the foregoing purposes by carrying out the duties enumerated in Article IV of this Charter.

- III. Meetings of the Audit Committee: In addition to such meetings of the Audit Committee as may be required to discuss the matters set forth in Article IV, the Audit Committee should meet separately at least quarterly with management, the internal auditor (if applicable) and the independent auditors; and as a Committee, to discuss any matters that the Audit Committee or any of these persons or firms believe should be discussed privately. The Audit Committee may request any officer or employee of the Company or the Company's outside counsel or independent auditors to attend a meeting of the Audit Committee or to meet with any members of, or consultants to, the Audit Committee. Members of the Audit Committee may participate in a meeting of the Audit Committee by means of conference call or similar communications equipment by means of which all persons participating in the meeting can hear each other.

IV. Duties and Powers of the Audit Committee: To carry out its purposes, the Audit Committee shall have the following duties and powers:

1. with respect to the independent auditors,
 - (i) to appoint, determine funding for, and oversee the independent auditors (including resolving disagreements between management and the independent auditors regarding financial reporting) for the purpose of preparing or issuing an audit report or related work;
 - (ii) to require that the independent auditors prepare and deliver annually a formal written statement delineating all relationships between the independent auditors and the Company ("Statement as to Independence") and the potential impact any such relationship may have on the independence of the independent auditors, and to take, or recommend that the Board of Managers take, appropriate action in response to the Statement as to Independence as necessary to oversee the independence of the independent auditors;
 - (iii) to pre-approve all auditing services and permitted non-audit services;
 - (iv) to discuss a formal written statement, received from the independent auditors annually, of the fees billed for each of the following categories of services rendered by the outside auditors: (i) the audit of the Company's annual financial statements for the most recent fiscal year and the discussions of the financial statements included in the Company's Quarterly Reports on Form 10-Q for that fiscal year; (ii) tax services for the most recent fiscal year, in the aggregate and by each service, and (iii) all other services rendered by the independent auditors for the most recent fiscal year, in the aggregate and by each service;
 - (v) to consider the effect of the independent auditors' provision of (a) tax services (b) other non-audit services to the Company on the independence of the auditors (it being understood that the Audit Committee will rely on the accuracy of the information provided by the independent auditors as to the services provided and the fees paid and will rely on the representations of management in connection with such consideration);
 - (vi) to instruct the independent auditors that the independent auditors are ultimately responsible to, and shall report directly to, the Audit Committee; and
 - (vii) at least annually, to receive a report by the independent auditors describing:
 - the firm's internal 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 on by the firm, and any steps taken to deal with any such issues; and
 - all relationships between the independent auditors and the Company in order to assess the auditors' independence.
 - (viii) to assess the independent auditor's qualifications, performance and independence, including the opinions of management and the internal auditor (if applicable). Audit firm rotation (including discussing industry qualifications of other major accounting firms) and lead partner rotation should also be discussed.

The results of the process of the two preceding sentences should be reported to the Board of Managers.

2. with respect to financial reporting processes, principles and policies and internal controls and procedures,
 - (i) to advise management and the independent auditors that they are expected to provide to the Audit Committee a timely analysis of significant financial reporting issues and practices;
 - to consider any reports or communications (and management's responses thereto) submitted to the Audit Committee by the independent auditors required by or referred to in Statements on Auditing Standards 61, as may be modified or supplemented;
 - (ii) to review and approve all related-party transactions of the Company;
 - (iii) to discuss reports from the independent auditors on;
 - all critical accounting policies and practices to be used;
 - all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditors; and
 - other material written communications between the independent auditors and management, such as any management letter or schedule of unadjusted differences;
 - (iv) to meet with management and the independent auditors:
 - to discuss the scope of the annual audit;
 - to discuss the interim financial statements and disclosures under Management's Discussion and Analysis of Financial Condition and Results of Operations with management and the independent auditors prior to the filing of the Company's Quarterly Report on Form 10-Q;
 - to discuss the interim financial statements and disclosures under Management's Discussion and Analysis of Financial Condition and Results of Operations with management and the independent auditors prior to the filing of the Company's Annual Report on Form 10-K (or the Annual Report to Limited Partners if distributed prior to the filing of Form 10-K), including discussing their judgment about the quality, not just the acceptability, of accounting principles, the reasonableness of significant changes, and the clarity of disclosures in the financial statement;
 - to discuss the audited financial statements;
 - to discuss any significant matters, including any significant disagreements with management, arising from any audit or report or communication referred to in item 2(ii) above, whether raised by management or the independent auditors, relating to the Company's financial statements;
 - to discuss the form of opinion the independent auditors propose to render to the Board of Managers and limited partners;

- to discuss significant changes to the Company's auditing and accounting principles, policies, controls, procedures and practices proposed or contemplated by the independent auditors or management;
 - to inquire about significant business risks and exposures, if any, and the steps taken to manage and monitor and minimize such risks;
 - to discuss with management and the independent auditors, at the conclusion of the annual audit, significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles, any major issues as to the adequacy of the Company's internal controls, the development, selection and disclosure of critical accounting estimates, and analyses of the effect of alternate assumptions, estimates or GAAP methods on the Company's financial statements;
 - to receive reports at least quarterly from the independent auditors, and prior to the filing of its report with the Commission, on the matters referred to in item 2(iv) above; and
 - to regularly discuss with management and the independent auditors the adequacy and effectiveness of accounting and financial controls;
- (v) to discuss disclosures made to the Audit Committee by the Company's CEO and CFO, during their certification process for the Form 10-K and Form 10-Q, about 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 Company's internal controls;
- (vi) to obtain from the independent auditors assurance that the audit was conducted in a manner consistent with Section 10A of the Exchange Act which sets forth certain procedures to be followed in any audit of financial statements required under the Exchange Act and assurance that Section 10A(b) of the Exchange Act has not been implicated;
- (vii) to discuss with the Company's outside counsel any significant legal matters that may have a material effect on the financial statements, the Company's compliance policies, including material notices to or inquiries received from governmental agencies;
- (viii) to establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters;
- (ix) discuss earnings, press releases, and financial information provided to analysts and rating agencies, at least generally, but not necessarily in advance of each release of information;
3. with respect to reporting and recommendations,
- (i) to prepare any report or other disclosures, including any recommendation of the Audit Committee, required by the rules of the Commission;
 - (ii) to review this Charter at least annually and recommend any changes to the full Board of Managers; and

- (iii) to report its activities to the full Board of Managers on a regular basis and to make such recommendations with respect to the above and other matters as the Audit Committee may deem necessary or appropriate, including recommending to the Board of Managers whether the audited financial statements should be included in the Company's Form 10-K;
- (iv) to evaluate the Audit Committee on an annual basis.

V. Resources and Authority of the Audit Committee: The Audit Committee shall have the resources and authority appropriate to discharge its responsibilities, including the authority to engage independent auditors for audits, discussions and other procedures and to retain independent counsel and other advisors as it determines necessary to carry out its duties. The Company shall provide the Audit Committee with appropriate funding for these purposes. The Audit Committee is empowered to investigate any matter brought to its attention with full access to all books, records, facilities, and personnel of the Company, and the authority to engage independent counsel and other advisors as it determines necessary to carry out its duties.

VI. Limitation of Audit Committee's Role: While the Audit Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of management and the independent auditors.