

CHARTER OF THE AUDIT COMMITTEE OF DGSE COMPANIES, INC.

MEMBERSHIP AND STRUCTURE

This charter governs the operations of the Audit Committee of DGSE Companies, Inc., a Nevada corporation (the “Company”). The Audit Committee shall review and reassess this charter on at least an annual basis and obtain the approval of the board of directors of the Company (the “Board”). The Audit Committee shall be appointed by the Board and shall consist of at least three directors, all of whom are independent of management and the Company (except as otherwise permitted by the rules of the NYSE American or any other exchange on which the common stock of the Company is traded). Members of the Audit Committee shall be considered independent if they have no relationship that may interfere with the exercise of their independence from management and the Company and meet the standards of independence required by the NYSE American or any other exchange on which the common stock of DGSE Companies, Inc. is traded. The members shall be financially literate, or shall become financially literate within a reasonable period of time after appointment to the audit committee, and at least one member shall have accounting or related financial management expertise as required by the rules of the NYSE American or any other exchange on which the common stock of DGSE Companies, Inc. is traded.

The Audit Committee shall appoint a member of the Audit Committee as its Chairperson. The Chairperson shall rotate at least once every five (5) years.

RESPONSIBILITIES AND PROCESSES

The Audit Committee shall provide assistance to the Board in fulfilling their oversight responsibility to the shareholders, potential shareholders, the investment community, and others relating to the Company’s financial statements and financial reporting process, the systems of internal accounting and financial controls, the internal audit function, the annual independent audit of the Company’s financial statements, and the legal compliance and ethics programs as established by management and the Board. In so doing, it is the responsibility of the Audit Committee to maintain free and open communication between the Audit Committee, independent auditors, the internal auditors and management of the Company. In discharging its oversight role, 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 power to retain outside counsel at the Company’s expense, or other experts for this purpose.

The purpose and primary responsibility of the Audit Committee is to oversee the Company’s accounting and financial reporting process and audits of the financial statements on behalf of the Board and report the results of their activities to the Board. Management is responsible for preparing the Company’s financial statements, and the independent auditors are responsible for auditing those financial statements. The Audit Committee, in carrying out its responsibilities, believes its policies and procedures should remain flexible to best react to changing conditions and circumstances. The audit committee should take the appropriate actions to set the overall corporate ‘tone’ for quality financial reporting, sound business risk practices, and ethical behavior.

The following shall be the principal recurring processes of the Audit Committee in carrying out its oversight responsibilities. The processes are set forth as a guide with the understanding that the Audit Committee may supplement them as appropriate.

- The Audit Committee shall have a clear understanding with management and the independent auditors that the independent auditors are ultimately accountable to the Board and the Audit Committee, as representatives of the Company's shareholders. The Audit Committee shall be directly responsible for the appointment, compensation, retention and oversight of the work of the independent auditors for purpose of preparing or issuing an audit report or performing audit, review or attest services for the Company. The Audit Committee shall discuss with the auditors their independence from management and the Company and the matters included in the written disclosures required by the Independence Standards Board. At least annually, the Audit Committee shall obtain and review a formal written report from the Company's external auditor describing all relationship between the independent auditor and the Company that addresses the matters set forth in PCAOB Auditing Rule 3526. The Audit Committee shall engage in a dialogue with the independent auditor with respect to any disclosed relationships or services that may impact the objectivity and independence of the independent auditor. The Audit Committee shall evaluate the independent auditor's qualifications, performance and independence on the basis of such report.
- The Audit Committee shall review with the independent auditor all steps taken by the auditor to annually review internal controls and procedures and the findings of the independent auditor with respect to such controls and procedures.
- The Audit Committee shall review the interim financial statements with management prior to the filing of the Company's Quarterly Reports on Form 10-Q. Also, the Audit Committee shall discuss the results of the quarterly review and any other matters required to be communicated to the audit committee by the independent auditors under generally accepted auditing standards. The chair of the Audit Committee may represent the entire committee for the purposes of this review.
- The Audit Committee shall review and pre-approve all material market communications, including, but not limited to, press releases, scripts for analyst conference calls and SEC filings, prior to public release.
- The Audit Committee shall review with management and the independent auditors the financial statements to be included in the Company's Annual Reports on Form 10-K (or the annual reports to shareholders if distributed prior to the filing of Form 10-K), including their judgment about the quality, not just acceptability, of accounting principles, the reasonableness of significant judgments, and the clarity of the disclosures in the financial statements. Also, the Audit Committee shall discuss the results of the annual audit and any other matters required to be communicated to the audit committee by the independent auditors under generally accepted auditing standards. The Audit Committee shall ensure that all communications between the Audit Committee and the Company's internal and external auditors are conducted in compliance with Public Company Accounting Oversight Board ("PCAOB") Auditing Standard Number 16, Communications with Audit Committees.
- In conjunction with the procedures established by the Compliance, Governance, and Nominating Committee of the Company, the Audit Committee shall establish procedures

for the treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters.

- The Audit Committee shall have the authority to engage independent counsel and other advisers, as it determines necessary to carry out its duties.
- The Audit Committee shall determine the appropriate funding that the Company shall provide 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 Committee; and
 - (iii) Ordinary administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its duties.

MEETINGS

The Audit Committee shall annually have at least four (4) regularly scheduled meetings to review the Company's annual and interim financial statements and disclosures, as well as related independent auditor attestations/certifications/reports. As a routine item on its agenda for each of its regularly scheduled meetings, the Audit Committee shall hold executive sessions with the Company's independent auditor, separate from the Company's financial management. The Audit Committee shall meet with the Compliance, Governance, and Nominating Committee semi-annually to review compliance matters which pose material financial, operational, and legal/regulatory related risks, and to evaluate the Company's disclosures and obligations arising from such risks.

The Chairperson shall meet with the independent auditors, in person or via telephone, at least four (4) times annually, including before the filing of the Company's quarterly and annual reports with the SEC. The Chairperson also shall meet with the Chief Financial Officer of the Company, in person or via telephone, at least four (4) times annually, including before the filing of the Company's quarterly and annual reports with the SEC. Such meetings with the Chief Financial Officer shall be held confidentially and outside the presence of the Chief Executive Officer of the Company.

Effective: February 20, 2015