

S&W SEED COMPANY

CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

(As adopted July 15, 2015)

I. STATEMENT OF POLICY

This Charter specifies the scope of the responsibilities of the Audit Committee (the “Committee”) of the Board of Directors (the “Board”) of S&W Seed Company, a Nevada corporation (the “Company”) and the manner in which those responsibilities shall be performed, including the Committee’s structure, processes and membership requirements.

The primary purpose of the Committee is to oversee the integrity of the accounting and financial reporting processes of the Company and the audits of the Company’s financial statements. The Committee shall also review the qualifications, independence and performance, and approve the terms of engagement, of the Company’s independent auditor and prepare any reports required of the Committee under rules of the Securities and Exchange Commission (the “SEC”).

II. ORGANIZATION AND MEMBERSHIP REQUIREMENTS

The Committee shall be comprised of three or more directors selected by the Board, each of whom shall satisfy the independence and experience requirements established by the rules and regulations of The Nasdaq Stock Market (“Nasdaq”), any corporate governance guidelines of the Company that may be in effect from time to time and applicable law. In addition, the Committee shall not include any member who:

- accepts any consulting, advisory, or other compensatory fee from the Company, other than in his or her capacity as a member of the Committee, the Board, or any other committee of the Board;
- has participated in the preparation of the financial statements of the Company or any of its current subsidiaries at any time during the past three years; or
- is an affiliated person of the Company or any subsidiary of the Company, as defined by the rules of the SEC, other than a director who meets the independence requirements of Nasdaq.

Each member of the Committee must be able to read and understand fundamental financial statements, including a balance sheet, income statement, and cash flow statement, and a majority of the members of the Committee shall have a financial background. In addition, at least one member shall have past employment experience in finance or accounting, professional certification in accounting, or other comparable experience or background that results in the member being financially sophisticated. Such experience may include being, or having been, a

chief executive officer, chief financial officer, or other senior officer with financial oversight responsibilities.

The members of the Committee shall be appointed by the Board, upon the recommendation of the Company's Nominating and Governance Committee, and shall serve until their successors are duly elected and qualified or until their earlier resignation or removal. Any member of the Committee may be removed or replaced by the Board. Unless a chairman of the Committee is elected by the full Board, the members of the Committee shall designate a chairman by majority vote of the full Committee membership. The Committee may, from time to time, delegate duties or responsibilities to subcommittees or to a single member of the Committee.

III. RESOURCES AND AUTHORITY

The Committee shall have the authority, in its discretion, to initiate special investigations and to obtain such advice or assistance from legal counsel, accounting or other advisors as it deems appropriate to perform its duties hereunder. The Company shall provide appropriate funding, as determined by the Committee, to compensate any registered public accounting firm engaged by the Committee for the purpose of rendering an audit report or performing other audit, review or attest services for the Company and for the payment of the fees and costs of any other advisor retained by the Committee to assist it in performing its duties hereunder.

IV. MEETINGS AND COMMITTEE ACTION

The Committee shall meet as often as it deems necessary or appropriate to fulfill its responsibilities hereunder, but not less frequently than quarterly. The Committee shall meet with the Company's independent auditor and management on a quarterly basis to review the Company's financial statements, financial reports and other public disclosure of the Company's financial condition and results of operations. The Committee shall meet with management and the independent auditor in separate executive sessions as appropriate.

Formal action to be taken by the Committee shall be by the affirmative vote of at least a majority of the members present (in person or by telephone conference call) at a meeting at which a quorum is present. A quorum shall consist of at least a majority of the members of the Committee. The Committee may also take action by unanimous written consent. The Committee shall maintain written minutes of its meetings and copies of its actions by written consent, which will be filed with the minutes of the meetings of the Board.

V. COMMITTEE AUTHORITY AND RESPONSIBILITIES

A. Oversight of the Company's Independent Auditor

The Committee shall:

1. Be solely responsible for the appointment, compensation and retention of any independent auditor engaged by the Company for the purpose of preparing or issuing an audit report or related work and shall be directly involved in the oversight of such engagement (including resolution of any

disagreements between management and the independent auditor regarding financial reporting) and shall assure that each independent auditor shall report directly to the Committee.

2. Periodically review and discuss with the independent auditor (i) the matters specified by Auditing Standard No. 16 and (ii) any formal written statements received from the independent auditor consistent with and in satisfaction of Independence Standards Board Standard No. 1, as amended, including without limitation, descriptions of (x) all relationships between the independent auditor and the Company, (y) any disclosed relationships or services that may impact the independent auditor's objectivity and independence and (z) whether any of the Company's senior finance personnel were recently employed by the independent auditor.
3. Evaluate annually the qualifications, performance and independence of the independent auditor, including whether the independent auditor's quality control procedures are adequate, the review and evaluation of the lead partner of the independent auditor, taking into account the opinions of management, and report to the Board on its conclusions, together with any recommendations for additional action.
4. Consult with the independent auditor to assure the rotation of the lead audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit every five years and consider issues related to the timing of such rotation and the transition to new lead and reviewing partners.
5. Approve in advance the engagement of the independent auditing firm for all audit services and non-audit services, based on independence, qualifications and, if applicable, performance, and approve the fees and other terms of any such engagement; provided, however, that (i) the Committee may establish pre-approval policies and procedures for any engagement to render such services, provided that such policies and procedures (x) are detailed as to particular services, (y) do not involve delegation to management of the Committee's responsibilities hereunder and (z) provide that, at its next scheduled meeting, the Committee is informed as to each such service for which the independent auditor is engaged pursuant to such policies and procedures, and (ii) the Committee may delegate to one or more members of the Committee the authority to grant pre-approvals for such services, provided that the decisions of such member(s) to grant any such pre-approval shall be presented to the Committee at its next scheduled meeting.
6. Meet with the independent auditor prior to the audit to discuss the planning and staffing of the audit.

7. Approve as necessary the termination of the engagement of the independent auditor and select a replacement independent auditor.
8. Regularly review with the independent auditor any significant difficulties encountered during the course of the audit, any restrictions on the scope of work or access to required information and any significant disagreement among management and the independent auditor in connection with the preparation of the financial statements.
9. Review with the independent auditor any accounting adjustments that were noted or proposed by the auditor but that were “passed” (as immaterial or otherwise), any communications between the audit team and the auditor’s national office respecting auditing or accounting issues presented by the engagement and any “management” or “internal control” letter or schedule of unadjusted differences issued, or proposed to be issued, by the auditor to the Company.
10. Review with the independent auditor the critical accounting policies and practices used by the Company, all alternative treatments of financial information within generally accepted accounting principles (“GAAP”) that the independent auditor has discussed with management, the ramifications of the use of such alternative disclosures and treatments and the treatment preferred by the independent auditor.

B. Review of Financial Reporting Policies and Processes

To fulfill its responsibilities and duties, to the extent that it deems necessary or appropriate, and in addition to the items described above, the Committee shall:

1. Review and discuss with management and the independent auditor the Company’s annual audited financial statements, and any certification, report, opinion or review rendered by the independent auditor, and recommend to the Board whether the audited financial statements should be included in the Company’s annual report on Form 10-K.
2. Review and discuss with management and the independent auditor the Company’s disclosure under “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in connection with the Company’s annual report on Form 10-K.
3. Review and discuss with management and the independent auditor the Company’s quarterly financial statements and the Company’s disclosure under “Management’s Discussion and Analysis of Results of Operation” appearing in the Company’s periodic reports.
4. Review and discuss with management press releases regarding the Company’s financial results and other information provided to securities

analysts and rating agencies, including any “pro forma,” “non-GAAP” or adjusted financial information.

5. Review with management and the independent auditor any significant judgments made in management’s preparation of the financial statements and the view of each as to appropriateness of such judgments.
6. Review with management its assessment of the effectiveness and adequacy of the Company’s internal control structure and procedures for financial reporting (“Internal Controls”), and review annually with the independent auditor the attestation to and report on, the assessment made by management, and consider whether any changes to the Internal Controls are appropriate in light of management’s assessment or the independent auditor’s report.
7. Review with management its evaluation of the Company’s procedures and controls designed to assure that information required to be disclosed in its periodic public reports is recorded, processed, summarized and reported in such reports within the time periods specified by the SEC for the filing of such reports (“Disclosure Controls”), and consider whether any changes are appropriate in light of management’s evaluation of the effectiveness of such Disclosure Controls.
8. Review and discuss with management and the independent auditor any off-balance sheet transactions or structures and their effect on the Company’s financial results and operations, as well as the disclosure regarding such transactions and structures in the Company’s public filings.
9. Review with management and the independent auditor the effect of regulatory and accounting initiatives on the financial statements. Review any major issues regarding accounting principles and financial statement presentations, including any significant changes in selection of an application of accounting principles. Consider and approve, if appropriate, changes to the Company’s auditing and accounting principles and practices as suggested by the independent auditor or management.
10. Review with the independent auditor and management the extent to which changes or improvements in financial or accounting practices, as approved by the Committee, have been implemented.

C. Risk Management, Related Party Transactions, Legal Compliance and Ethics

To further fulfill its responsibilities and duties, and in addition to the items described above, the Committee shall:

1. Review with the Chief Executive Officer and the Chief Financial Officer of the Company any report on significant deficiencies in the design or

operation of Internal Controls that could adversely affect the Company's ability to record, process, summarize or report financial data, any material weaknesses in Internal Controls, and any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls.

2. Review and approve any transactions between the Company and any related parties (other than transactions that are subject to review and approval by the Compensation Committee).
3. 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 the Company of concerns regarding questionable accounting or auditing matters. Adopt, as necessary, appropriate remedial measures or actions with respect to such complaints or concerns. Assure that management establishes appropriate policies to inform employees of these procedures and reporting mechanisms.
4. In consultation with the Nominating and Corporate Governance Committee, develop and recommend to the Board for adoption a Code of Conduct, applicable to all employees and directors, which meets the requirements of Item 406 of Regulation S-K promulgated by the SEC and applicable Nasdaq rules, and provide for prompt disclosure to the public of any change in, or waiver of, any provision of such Code of Conduct. Review such Code of Conduct periodically, recommend to the Board such changes as the Committee shall deem appropriate, and adopt procedures for monitoring and enforcing compliance with such Code of Conduct.
5. Discuss with management and the independent auditor any correspondence with regulators or governmental agencies that raise material issues regarding the Company's financial statements or accounting policies.
6. Review the status of any legal matters that could have a significant impact on the Company's financial statements and discuss with management the Company's procedures for monitoring compliance with applicable legal and regulatory requirements.
7. In connection with the administration of the Company's risk management program, as in effect from time to time, consult with management regarding major areas of financial risk exposure and the steps management has taken to monitor and control such exposures.
8. Consider the establishment of an internal audit function for the Company and oversee its activities.

9. Prepare the Committee's report required by the rules of the SEC to be included in the Company's annual proxy statement.
10. Review and reassess this Charter's adequacy at least annually and recommend to the Board any changes the Committee determines are appropriate.
11. Perform such other activities consistent with this Charter, the Company's Bylaws and governing law as the Committee deems necessary or appropriate or as the Board may direct.
12. Report to the Board on the Committee's activities on a regular basis.