

BIMINI MORTGAGE MANAGEMENT, INC. AUDIT COMMITTEE CHARTER

1. Audit Committee Purpose

The Audit Committee (the “Committee”) shall assist the Board of Directors of Bimini Mortgage Management, Inc. (the “Board”) in fulfilling its oversight responsibilities. The Committee’s primary duties and responsibilities are to:

- Monitor the integrity of the financial reporting process and systems of internal controls of Bimini Mortgage Management, Inc. (the “Company”);
- Monitor the Company’s compliance with legal and regulatory requirements;
- Monitor the qualifications, independence and performance of the Company’s independent public accountants;
- Monitor the performance of the Company’s internal audit department; and
- Provide an avenue of communication among the independent auditors, management, the internal audit department and the Board.

In discharging its oversight role, the Committee has the power to conduct or to authorize investigations into any matter brought to its attention with full access to all books, records, facilities, and personnel of the Company, including the independent auditors. The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities.

2. Audit Committee Composition

The Committee shall be comprised of at least three directors as appointed by the Board, each of whom shall meet the independence and audit committee composition requirements under the rules and regulations of the New York Stock Exchange as in effect from time to time and shall be free from any relationship that would interfere with the exercise of his or her independent judgment as a member of the Committee.

The Chair of the Committee shall have employment experience in finance or accounting, requisite professional certification in accounting, or 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.

The members of the Committee shall be elected by the Board at the meeting of the Board following each annual meeting of stockholders and shall serve until their successors shall be duly elected and qualified or until their earlier resignation or removal. Unless a Chair is elected by the full Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership.

No director may serve as a member of the Committee if such director serves on the audit committees of more than two other public companies unless the Board determines that such simultaneous service would not impair the ability of such director to effectively serve on the Committee. No director may serve as Chair or as a voting member of the Committee if such director is a beneficial owner of 20% or more of

the Company's voting stock (or is a general partner, controlling shareholder or officer of such a beneficial owner), but such a director may serve as a non-voting member of the Committee.

No member of the Committee shall receive any compensation from the Company other than director's fees (including equity-based awards), which may include additional amounts payable to the Chair and to members of the Committee for meeting more frequently or for longer periods of time than the full Board.

3. Audit Committee Meetings

The Committee shall meet at such times and from time to time as it deems to be appropriate, but not less than quarterly. The Committee shall meet separately, at least quarterly, with management, internal auditors and the independent public accountants. The Committee may request members of management or others to attend meetings and provide pertinent information as necessary.

The Committee shall report regularly to the Board.

4. Audit Committee Responsibilities and Duties

The duties of the Committee shall include the following:

Review Procedures

- Review and reassess the adequacy of this charter at least annually (and update this charter if and when appropriate).
- Review with representatives of management and the independent public accountants the Company's audited financial statements. These discussions shall include consideration of the quality of the Company's accounting principles as applied in its financial reporting, which would entail review of estimates, reserves and accruals, review of audit adjustments whether or not recorded and such other inquiries as may be appropriate.
- Consider the integrity of the Company's financial reporting process and controls in consultation with management, the independent public accountants and in the internal auditors. Discuss significant financial risk exposures and the steps management has taken to monitor, control and report such exposures. Review significant findings prepared by the independent public accountants and the internal audit department together with management's responses including the status of previous recommendations.

Independent Auditors

- The Committee shall have the ultimate authority and responsibility to select, evaluate and, when warranted, replace independent public accountants. The Committee shall approve the fees and other compensation to be paid to the independent public accountants. The independent public accountants shall be ultimately accountable to the Board and the Committee.
- On an annual basis, receive from the independent public accountants and review a formal written statement describing, to the extent permitted under applicable auditing standards: the auditors' internal quality-control procedures; any material issues raised by the most recent internal quality-control review or peer review of the auditors, 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 auditors, and any steps taken to deal with any such issues; and (to assess the auditors' independence) all relationships between the outside auditors and the Company, including each non-audit service provided to the Company and the matters

set forth in Independence Standards Board No. 1. The Committee shall actively engage in a dialogue with the independent public accountants as to any disclosed relationships or services that may impact the independent public accountants' independence. The Committee shall take, or recommend that the Board take, appropriate action to oversee the independence of the independent public accountants.

- On an annual basis, discuss with representatives of the independent public accountants the matters required to be discussed by Statement on Auditing Standards ("SAS") 61, as it may be modified or supplemented.
- Review the independent public accountants' audit plan and engagement letter which discusses the scope, staffing, locations, reliance upon management and internal audit and general audit approach. Additionally, review the scope of non-audit services performed for the Company by the independent auditors and approve any significant non-audit relationship with the independent auditors.
- Consider and discuss with management and the independent auditors any difficulties encountered in the course of audit work or audit-related problems, including any restrictions on the scope of activities or access to required information and any significant disagreements with management and management's response thereto.

Internal Audit Department and Legal Compliance

- Review the budget, plan, changes in plan, activities, organizational structure and qualifications of the internal audit department, as needed.
- Review significant reports prepared by the internal audit department together with management's response and follow-up to these reports.
- On at least an annual basis, review with the Company's counsel any legal matters that could have a significant impact on the Company's financial statements, the Company's compliance with applicable laws and regulations and inquiries received from regulators or governmental agencies.

Other Audit Committee Responsibilities

- Maintain minutes of meetings and periodically report to the Board on significant results of the foregoing activities.
- Discuss guidelines and policies governing the process by which senior management of the Company and the relevant departments of the Company assess and manage the Company's exposure to risk, and discuss the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures.
- Establish clear hiring policies for employees or former employees of the independent auditors.
- Review and approve all related-party transactions.
- Establish procedures for the receipt, retention and treatment of complaints from Company employees on accounting, internal accounting controls or auditing matters, as well as for confidential, anonymous submissions by Company employees of concerns regarding questionable accounting or auditing matters.
- Obtain advice and assistance from outside legal, accounting or other advisors as the Committee deems necessary to carry out its duties.

- Receive appropriate funding, as determined by the Committee, from the Company for payment of compensation to any outside legal, accounting or other advisors employed by the Committee.

5. Performance Evaluation

The Committee shall produce and provide to the Board an annual performance evaluation of the Committee, which evaluation shall compare the performance of the Committee with the requirements of this charter and set forth the goals and objectives of the Committee for the upcoming year. The performance evaluation shall also recommend to the Board any improvements to the Committee's charter deemed necessary or desirable by the Committee. The performance evaluation by the Committee shall be conducted in such manner as the Committee deems appropriate. The report to the Board may take the form of an oral report by the Chair of the Committee or any other member of the Committee designated by the Committee to make this report.