

AUDIT COMMITTEE CHARTER

POPE MGP, Inc.

As revised May 2018

I. PURPOSE

The primary function of the Audit Committee (“Committee”) is to assist the Board of Directors of Pope MGP, Inc. in fulfilling its oversight responsibilities for Pope Resources and its subsidiaries (the “Partnership”) with respect to the following:

- Accounting and financial reporting,
- Assessment and management of risk and the related internal control environment,
- Compliance with laws and regulations, and
- Internal and external audit processes.

In fulfilling its responsibilities, the Committee will:

- Serve as an independent and objective party to monitor the Partnership's financial reporting process and internal control system,
- Have sole authority for appointment, retention, and firing of independent accountants,
- Review and pre-approve any audit and non-audit services provided to the Partnership by the independent accountants,
- Review and evaluate the audit efforts of the independent accountants and the Partnership's internal audit activities, with “internal audit” as used herein understood to cover that function in broad terms, whether formally or informally established,
- Facilitate an open avenue of communication among the independent accountants, internal audit, and the Board of Directors,
- Establish procedures for receiving and treating concerns (including anonymous ones from employees of the Partnership and its subsidiaries and affiliated companies) regarding accounting, internal accounting controls, and auditing and ensure that such concerns are treated confidentially with no actual or threatened retaliation to the party surfacing the concern.

The Committee will have the complete and unrestricted authority and funding to conduct investigations into any matters within the Committee's scope of responsibilities. The Committee shall be empowered to retain independent counsel and other advisors to assist in the conduct of any investigation, and to require that the Partnership pay the fees and expenses of same.

The Committee will primarily fulfill these responsibilities by carrying out the activities enumerated in Section III of this Charter.

II. COMPOSITION, MEETINGS AND ADMINISTRATIVE MATTERS

Number of Directors: The Committee shall be comprised of three or more directors as determined by the Board.

Independence of Directors: Each member of the Committee shall be an independent director. A director shall be considered “independent” if he or she is free from any relationship that may

interfere with the exercise of his or her independence from management and the General Partners or that interferes with the director's independent judgment as a member of the Committee and otherwise meets SEC and Nasdaq requirements for independence. No member shall have participated in the preparation of the financial statements of the Partnership or any current subsidiary of the Partnership during the prior three years or shall have received compensation from the Partnership other than the fees received for services as a member of the Board or any committee of the Board. The determination of whether a director is independent for this purpose shall rest with the Board of Directors, and the determination of the Board in compliance with the requirements set forth in SEC and Nasdaq regulations shall be conclusive.

Committee Member Qualifications: All members of the Committee shall have a working familiarity with basic finance and accounting practices and be able to read and understand financial statements at the time of their appointment.

Designation of "Financial Expert": The Committee will designate at least one of its members in the Partnership's annual Form 10-K as a "financial expert" so defined under SEC rules. The financial expert need not be the Chair of the Committee and, unless otherwise required under SEC rules, need not be specifically identified in the Partnership's public disclosures.

Appointment of Committee Members: The Members of the Committee shall be elected by the Board at the annual meeting of the Board and shall serve until their resignation, removal, or replacement. A Chair shall be elected by the full Board.

Meeting Frequency: The Committee shall meet at least four times annually in regularly scheduled meetings. The Committee shall also meet at other times as necessary to discharge its responsibilities and as circumstances dictate. Meetings of the Committee may be in person or telephonic.

Meeting Attendees: In addition to Committee Members, the Committee may ask that members of Partnership management, the Partnership's independent accountants, other members of the Board, and/or others be present at Committee meetings as appropriate to the subject matter under consideration.

Private Communications: Regularly at Committee meetings, there will be an opportunity for Committee members to have private communications with each of management, the financial officers, internal audit, and the independent accountants. As part of its job to foster open communication, the Committee shall meet regularly, and at least annually, with the independent accountants in separate executive session to discuss any matters that the Committee or the independent accountants believe should be discussed privately. The Committee shall take reasonable measures to assure that the Partnership does not interfere with the ability of any employee to communicate with the SEC or any of its divisions, or to any other agency charged with the enforcement of the securities laws.

Minutes: The Committee Chair shall appoint an individual (who may or may not be a member of the Committee or the Board or an officer of the Company) to prepare minutes for each meeting. Draft minutes shall be distributed to Committee members for approval at the next regular meeting. Approved minutes shall be distributed to the Board of Directors and such minutes shall be retained with the permanent corporate records of the Partnership.

Reporting to the Board: The Chair or his or her designee will report Committee actions to the Board of Directors with such recommendations as the Committee may deem appropriate.

Committee Charter: Annually, the Committee shall review its Charter and, if appropriate, adopt revisions.

III. DUTIES AND RESPONSIBILITIES

To fulfill its duties and responsibilities the Committee shall:

Maintain its Independence

1. Adhere strictly to limitations on member compensation stipulated by applicable law and Nasdaq rules.
2. Monitor rules defining “affiliated persons” and prohibited relationships so as to avoid independence issues.

Review of Documents and Reports

3. Review with management the Partnership’s annual financial statements and the independent accountants’ opinion with respect to such financial statements.
4. Review with the independent accountants the results of their audits of both the annual financial statements and internal controls over financial reporting, including all matters required to be communicated to audit committees under generally accepted auditing and PCAOB standards. Such communications should include significant audit adjustments, significant accounting policies and any related changes thereto, management judgments and accounting estimates, disagreements with management, and any other difficulties encountered during their audit.
5. Review the Forms 10-Q and 10-K (and any related earnings release) including the “Management’s Discussion and Analysis” section and officer certifications of the Partnership’s quarterly report prior to filing. This review may take place at a scheduled meeting or it may take place as a result of dissemination of draft 10-Q, 10-K, and earnings release followed by individual responses to either management or the Committee Chair.

6. Following such review and discussions, if so determined by the Committee, recommend to the Board that the annual financial statements be included in the Partnership's annual report on Form 10-K.
7. Prepare or supervise the preparation of the Committee report required by applicable securities regulations to be included in the Partnership's report on Form 10-K.
8. Review comments provided by the independent accountants relating to the Partnership's internal controls or other related matters, and review and monitor management's response and follow-up actions.
9. Review any internal reports (if applicable) to management prepared by internal auditors and management's response.

Independent Accountants

10. Assume direct responsibility for appointment, compensation, oversight, and evaluation of the independent accountant. The independent accountant reports directly to the Committee.
11. Review the independent accountants' plan and scope relating to their audit of the annual financial statements. Review with the independent accountants the coordination of audit effort to assure completeness of coverage, reduction of redundant efforts, and the effective use of audit resources.
12. On an annual basis, review and discuss with the independent accountants all significant relationships the independent accountants have with the Partnership to determine and confirm the accountants' independence. Obtain a formal written statement (including the letter to be submitted to the Committee by the independent accountant regarding its independence in accordance with applicable auditing standards) from the outside auditors delineating all relationships with the Partnership. Ensure that the CEO, CFO, Controller (or persons in equivalent positions) have not been employed by the company's audit firm during the 1-year period preceding the filing of the most recent annual financial statements on Form 10-K.
13. Ensure that the independent accountants will not provide any impermissible non-audit services including: a) bookkeeping or other services related to the accounting records or financial statements of the audit client; b) financial information systems design and implementation; c) appraisal or valuation services, fairness opinions, or contribution-in-kind reports; d) actuarial services; e) internal audit outsourcing services; f) management functions or human resources; g) broker or dealer, investment adviser, or investment banking services; h) legal services or expert services unrelated to the audit; i) any other service that the Committee determines is impermissible under applicable securities laws or regulations. The independent auditor may engage in any permissible non-audit service,

including tax services, not listed above, only if the activity is pre-approved by the Audit Committee.

14. Ensure that the lead audit or coordinating partner and the reviewing partner rotate off of the audit every 5 years. In addition, ask that the audit firm report annually on any relevant PCAOB review results and that the audit firm allow the Committee to ask questions about any such PCAOB report.

Financial Reporting Processes and Internal Controls

15. Review with financial management the Partnership's significant accounting and reporting policies and any changes thereto.
16. Review with financial management the accounting treatment of individual events or transactions that may have a significant impact on financial reporting.
17. Consider, through periodic discussions, the independent accountants' judgments about the quality and appropriateness of the Partnership's accounting principles as applied in its financial reporting.
18. Determine that management has implemented policies and procedures ensuring that the Partnership's risks are identified and that controls are adequate, in place, and operating effectively.
19. Consider and review with management and the independent accountants:
 - The adequacy of the Partnership's internal controls including computerized information system controls and security.
 - The Partnership's risk management policies and practices and management's promotion of and adherence to those policies.
 - Any related significant findings and recommendations of the independent accountants regarding internal controls together with management's responses thereto.
20. Assure that the Partnership complies with all laws, regulations and agency interpretive guidance pertaining to the communication by Partnership employees to the appropriate enforcement authorities any information the employee believes to represent a violation of applicable securities laws.
21. Evaluate whether management is setting the appropriate tone at the top by communicating the importance of internal controls and ensuring all individuals possess an understanding of their roles and responsibilities.
22. Require the independent accountants to keep the Committee timely informed about fraud, illegal acts, and significant deficiencies and material weaknesses in internal control.

23. Review and pre-approve any related party transactions and significant unusual transactions.

Ethical and Legal Compliance

24. Confirm that management has an appropriate review system in place to ensure that the Partnership's financial statements, reports and other financial information (disseminated to governmental organizations and the public) satisfy legal requirements.
25. Evaluate the need for and related activities (if applicable) of the Partnership's internal audit activities. If applicable, review such activities, organizational structure, and qualifications of internal audit resources.
26. Review, with management and Partnership counsel, the Partnership's policies and procedures to minimize and monitor risks and exposures from noncompliance with laws and regulations. Specifically consider compliance matters pertaining to securities trading policies.
27. Approve a code of ethics for senior financial officers and review it annually for potential improvement. Obtain annually an assurance in writing from each senior financial officer that they have complied.
28. Establish and maintain procedures to receive, retain, and treat complaints from employees and others about accounting, internal accounting controls, or auditing matters. The procedures established must address "whistleblower complaints" by establishing for the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters. Remind employees annually of the availability of the procedures and how to utilize them.
29. Ensure prompt communication of all significant deficiencies, material weaknesses, and fraud to the Committee and the independent accountants by management with appropriate follow-up in response to any findings.
30. Review, with management and Partnership counsel, the process for determining risks and exposures from litigation, claims and assessments, including counsel's assessment of specific significant matters.
31. Perform any other activities consistent with this Charter, the Partnership Agreement and governing law, as the Committee or the Board deems necessary or appropriate.