

DMC GLOBAL INC.

Charter of the Audit Committee

The Board of Directors (the “Board”) of DMC Global Inc. (the “Company”) has established an Audit Committee (the “Committee”) comprised of three or more directors.

Establishment and Operating Procedures

The members of the Committee shall be appointed by the Board, based upon the recommendation of the Corporate Governance and Nominating Committee of the Board. The Board shall designate a member of the Committee as the chair. The members of the Committee shall serve for such term or terms as the Board may determine or until earlier resignation or death. The Board may remove any member from the Committee at any time without cause.

The Committee shall meet at least four times each year and at such other times as it deems necessary to fulfill its responsibilities.

The operation of the Committee shall be subject to the Bylaws of the Company and Section 141 of the Delaware General Corporation Law. The Committee is governed by the same rules regarding meetings, action without meetings, notice, waiver of notice, quorum and voting requirements as are applicable to the Board except that any member of the Committee may call a Committee meeting.

Membership Qualifications

To serve on the Committee, a director must be independent. To be considered independent, a director must meet (i) the criteria for independence specified by the NASDAQ Stock Market, the Securities and Exchange Commission (“SEC”) and any applicable laws and regulations, and (ii) any additional criteria established by the Board. No Committee member will serve on the audit committees of more than two other public companies, unless the Board determines that such service does not impair the ability of such member to serve on the Committee.

To serve on the Committee, a director also must be financially literate and must be able to read and understand fundamental financial statements, including balance sheets, income statements and cash flow statements. At least one member of the Committee must qualify as an Audit Committee Financial Expert, as defined by applicable SEC rules. Except as otherwise determined by the Board, the chair of the Committee shall be an Audit Committee Financial Expert, as determined by the Board.

Authority

The Board has granted the Committee the authority herein provided, as well as the authority to investigate any activity of the Company and its subsidiaries related to the Committee’s duties described below. The Committee has been, and shall be, granted unrestricted access to all information and all employees have been, and shall be, directed to cooperate as requested by members of the Committee in carrying out its responsibilities. The Committee may

delegate authority to any member or subcommittee of Committee members when appropriate. The Committee has the authority to retain persons having special competencies (including, without limitation, legal, accounting or other consultants and experts) to assist the Committee in fulfilling its responsibilities. The Company will provide for appropriate funding, as determined by the Committee, for (i) payment of compensation of any such persons and any public accounting firm engaged for the purpose of performing audit, review or attest services for the Company and (ii) the ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

Purpose and Responsibilities

The primary responsibility for financial and other reporting, internal controls, compliance with laws and regulations, and ethics rests with the management of the Company. The Committee is responsible for overseeing the integrity of the accounting and financial reporting process, the audits of the Company's financial statements and the processes designed to ensure that the financial statements adequately represent the Company's financial condition, results of operations and cash flows. These responsibilities include oversight of (i) the integrity of the Company's financial statements; (ii) the Company's compliance with legal and regulatory requirements; (iii) the external auditors' qualifications and independence; and (iv) the performance of the Company's internal and external audit functions. The Committee is also responsible for understanding the Company's internal control structure and areas that represent high risk for material misstatement of the financial statements.

Each of the independent public accountants, the principal accounting officer, and the lead executives of internal audit of the Company shall have direct and unrestricted access to the Committee as well as the opportunity to meet with the entire Board.

Specific Duties

In discharging its responsibilities, the Committee shall have the sole authority to, and shall, do the following:

1. Prior to the recommendation to the Board for approval of release of the annual financial statements and Annual Report on Form 10-K, meet to review and discuss with management and the independent public accountants, upon completion of their audit, the financial results for the year and the results of the audit, including (i) the Company's annual financial statements and related footnotes; (ii) management's discussion and analysis of the financial condition and results of operations; (iii) the results of the audit, including the nature and amount of unrecorded adjustments resulting from the audit; (iv) the independent public accountants' management recommendations; (v) any significant transactions that occurred during the year; (vi) any significant adjustments, critical accounting policies and practices; (vii) management judgments and accounting estimates; (viii) new accounting policies; (ix) alternative treatments of financial information within generally accepted accounting principles, ramifications of the use of alternative disclosures and treatments, and the treatment preferred by the independent public accountants; (x) any disagreements between management and the independent public accountants; and (xi) such other matters as it deems relevant.

2. Prior to the release of quarterly financial statements and Quarterly Report on Form 10-Q, meet to review and discuss with management and the independent public accountants the Company's quarterly financial statements for such quarter, including (i) the quarterly financial statements and related footnotes; (ii) management's discussion and analysis of the financial condition and results of operations; (iii) the result of the quarterly review by the independent public accountant, including the nature and amount of unrecorded adjustments resulting from the review; (iv) any significant transactions that occurred during the quarter; (v) any significant adjustments, (vi) critical accounting policies and practices; (vii) new accounting policies; (viii) alternative treatments of financial information within generally accepted accounting principles, ramifications of the use of alternative disclosures and treatments, and the treatment preferred by the independent public accountants; (ix) any disagreements between management and the independent public accountants; and (x) such other matters as it deems relevant.
3. Prior to the release of each quarterly and annual earnings news release, review the contents of the releases with management.
4. Prepare the "Report of the Audit Committee" included in the Company's annual proxy statement, as provided by applicable SEC rules.
5. Review with management and the independent public accountants the accounting and reporting principles and practices applied by the Company in preparing its financial statements, including: (i) major issues regarding accounting principles and financial statement presentations including any significant changes in the Company's selection or application of accounting principles, and major issues as to the adequacy of the Company's internal controls and any special audit steps adopted in light of material control deficiencies; (ii) analyses prepared by management and/or the independent public accountants setting forth significant financial reporting issues, estimates and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements; and (iii) the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the financial statements of the Company.
6. With respect to the independent public accountants, (i) retain, evaluate and, where appropriate, terminate the Company's independent public accountants and other registered public accounting firms engaged to perform audit, review or attest services for the Company and oversee the work of such firms; (ii) pre-approve all auditing services and related fees and the terms thereof, including the scope of the independent public accountants' audit examination plan, procedures and timing of the audit; (iii) pre-approve any non-audit services (i.e., any services provided other than in connection with the audit or review of financial statements) to be rendered by the Company's independent public accountants, including the terms thereof, and the fees to be paid in connection therewith; and (iv) resolve disagreements, if any, between the Company's independent public accountants and management. The Committee may delegate to one or more members of the Committee the authority to pre-approve services to be provided by the independent public accountants. Any such pre-approval by one or more members of the Committee shall be reported to the full Committee at the next scheduled meeting. The pre-approval

of auditing and non-auditing services can be done with input from, but no delegation of authority to, management.

7. At least annually, (i) obtain and review from the independent public accountants a written statement delineating all their relationships with the Company, which is to include all non-audit services provided and related fees; (ii) discuss with the independent public accountants any disclosed relationships or services that may impact the objectivity and independence of the accountants and (iii) take appropriate action to satisfy itself as to the independence of the accountants.
8. At least annually, (i) consider the independence of the independent public accountant, including whether the provision of non-audit services is compatible with the requirement of independence; and (ii) obtain and review a written report by the independent public accountants describing (a) the firm's internal quality-control procedures, and (b) any material issues raised by the most recent internal quality-control review, peer review or Public Company Accounting Oversight Board review, of the firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting any independent audit carried out by the firm, and any steps taken to deal with any such issues. Based upon the foregoing, (i) evaluate the independent public accountants' (including the engagement partner's) performance and (ii) present the Committee's conclusions to the full Board.
9. Set clear hiring policies for employees or former employees of the independent public accountants in accordance with applicable laws and regulations.
10. Take such action as necessary to assure the rotation of the engagement audit partner at least every five years or such other period as may be required under applicable law.
11. At least annually, (i) inquire of management and the independent public accountant about the significant business, political, regulatory and control issues or exposures to financial risk (including cybersecurity and other risks related to the Company's computerized information system controls and security insofar as such risks relate to financial and reporting matters); (ii) oversee and monitor management's documentation of the significant financial risks that the Company faces and update as events change and risks shift; and (iii) assess the steps that management has taken to control identified financial risks to the Company.
12. Meet periodically and separately with each of management and the independent public accountants.
13. Establish procedures for the receipt, retention and treatment of complaints regarding accounting, internal controls or auditing matters, and the confidential anonymous submission by employees of concerns regarding questionable accounting or auditing practices.
14. To review, approve and oversee any transaction between the Company and any related person (as defined Item 404 of SEC Regulation S-K) and any other potential conflict of

interest situations on an ongoing basis, in accordance with Company policies and procedures.

15. In coordination with the Corporate Governance and Nominating Committee, review and monitor compliance with the Company's Code of Ethics (the "Ethics Code"), investigate any alleged breach or violation of the Ethics Code and enforce the provisions of the Ethics Code; it being understood that the Committee shall have primary responsibility for aspects of the Ethics Code that relate to financial statement and reporting issues and related-party transactions, and the Corporate Governance and Nominating Committee shall generally have primary responsibility for other aspects of the Ethics Code.
16. At least annually, review with management and the Company's independent public accountant, the adequacy and effectiveness of the Company's financial reporting processes, internal control over financial reporting and disclosure controls and procedures, including any significant deficiencies or material weaknesses in the design or operation of, and any material changes in, the Company's processes, controls and procedures and any special steps adopted in light of any control deficiencies, and any fraud involving management or other employees with a significant role in such processes, controls and procedures, and review and discuss with management and the Company's independent public accountants the Company's disclosure regarding its financial reporting processes, internal control over financial reporting and disclosure controls and procedures which is to be included in or attached as exhibits to the Company's annual report on Form 10-K or quarterly report on Form 10-Q, as applicable.
17. Apprise the Board regularly of significant developments in the course of performing the above duties, including reviewing with the full Board any issues that arise with respect to the quality or integrity of the Company's financial statement and reporting processes compliance with legal or regulatory requirements and the performance and independence of the Company's independent public accountants.
18. Review and reassess the adequacy of this charter on a periodic basis and submit any proposed revisions to the Board for consideration and approval.

Approved May 31, 2018.