

VERI-TEK INTERNATIONAL, CORP.
AUDIT COMMITTEE CHARTER

1. Purpose. The Audit Committee shall review and monitor the Company's financial reports and accounting practices to ascertain that they are within acceptable limits of sound practice in such matters.

2. Composition and Term of Office. The members of the Audit Committee shall be non-affiliated, independent directors, appointed by the Board of Directors, and shall not be officers or employees of the Company. The members of the Audit Committee shall be financially literate, as such qualifications are interpreted by the Board, in its business judgment. In addition, at least one member of the Audit Committee shall have accounting or related financial management expertise. The Board shall elect or appoint a chairperson of the audit committee who will have authority to act on behalf of the Audit Committee between meetings.

3. Duties and Responsibilities.
 - (a) Study and make recommendations to the Board of Directors with respect to auditing policies and procedures and the scope and extent of audits.

 - (b) Review with independent auditors, at a time when the annual audit plan is being developed, its scope, purpose or procedures to be included.

 - (c) Review with corporate management the audited financial results for the year, quarter and the proposed footnotes to the Financial Statements as soon after the receipt of the independent auditor's opinion as possible and prior to the release of these items.

 - (d) Prior to submitting the annual consolidated financial statements to the Board of Directors for approval, review with the independent auditors, on completion of the annual audit, the results of the completed audit, their experience, any restrictions on their work, cooperation received, significant transactions outside normal company business, if any, their findings and their recommendations.

 - (e) Review with the independent auditors their evaluation of the Company's internal controls and management response.

 - (f) Review the Company's actions to correct any significant control

deficiencies noted by the independent auditors in their annual review.

- (g) Recommend to the Board of Directors the selection of the public accounting firm who shall be the Company's independent auditor and the fee for such engagement.
- (h) Report annually to the Board of Directors, after the close of each fiscal year but prior to the Company's Annual Meeting of Shareholders, as well as any other occasion whatever it deems appropriate concerning the activities of the Audit Committee.
- (i) Review annually the Company's internal auditing program, if any, with the Chief Executive Officer, Chief Financial Officer, President and Vice President - Administration.
- (j) Review with corporate Management all major accounting policy matters involved in the preparation of interim financial reports and insure that any deviations from prior practice have been reviewed with the Company's independent auditors.
- (k) Review with corporate Management its Sarbanes-Oxley (Section 404) compliance.

4. Frequency of Meetings. The Audit Committee shall meet at least five times per year. The first meeting should be held as soon after completion of the annual audit as possible. The principal purpose of this meeting should be to review the financial results for the year and to be satisfied with the statement of accounting policies and the proposed footnotes that management plans to include in the Annual Report. The Audit Committee shall meet following the completion of the financial results for the end of each quarter and prior to the release of the Company's quarterly earnings results. The second meeting shall be held in October or November to discuss preparations for the annual audit, including election of the prepared auditor for the coming year. Additional meetings may be scheduled from time to time as required upon the call of the Committee Chairman. Minutes of each of these meetings shall be kept and the Chief Financial Officer of the Company will function as the Management Liaison Officer to this Committee. Unless otherwise requested by the Audit Committee, the Chief Executive Officer or the Chief Financial Officer shall attend all meetings of the Audit Committee.

5. Limitations. The Audit Committee is responsible for the duties set forth in this charter but is not responsible for either the preparation of the financial statements or the auditing of the financial statements. Management has the responsibility for preparing the financial statements and implementing internal controls and the independent accountants have the responsibility for auditing the financial statements and monitoring the effectiveness of the internal controls. The review of the financial statements by the Audit Committee is not of the same quality as the audit performed by the independent accountants. In carrying out its responsibilities, the Audit Committee believes its policies and procedures should remain flexible in order to best react to a changing environment.