

**PREDICTIVE TECHNOLOGY GROUP, INC.
AUDIT AND COMPLIANCE COMMITTEE CHARTER**

I. Purpose and Authority

The Audit and Compliance Committee (the "Committee") of the Board of Directors (the "Board") of Predictive Technology Group, Inc. ("Predictive"):

- a) assists the Board in fulfilling its responsibilities for general oversight of: (1) Predictive's financial reporting processes and the audit of Predictive's financial statements, including the integrity of Predictive's financial statements, (2) the Company's internal control over financial reporting (3) Predictive's compliance with legal and regulatory requirements relating to securities, (4) the independent auditors' qualifications and independence, (5) the performance of Predictive's independent auditors, and (6) risk assessment and risk management;
- b) prepares the report required by the proxy rules of the Securities and Exchange Commission (the "SEC") to be included in Predictive's annual proxy statement; and
- c) has the additional duties and responsibilities set forth in Section IV below.

The Compliance Officer appointed by the Board is responsible for preparing information for the Committee with respect to compliance issues the Committee requests or needs to meet its oversight responsibilities. The Committee has the authority to obtain advice and assistance from outside legal, accounting or other advisors as the Committee deems necessary to carry out its duties, and the Committee shall receive appropriate funding, as determined by the Committee, from Predictive for payment of compensation to the outside legal, accounting or other advisors employed by the Committee.

II. Membership

The Committee shall consist of at least three directors, each of whom shall meet the independence and experience requirements of the applicable stock exchange listing standards, as determined by the Board. In particular, the Chairman of the Audit Committee shall have accounting or related financial management experience. In addition, no Committee member may have participated in the preparation of the financial statements of Predictive or any of Predictive's current subsidiaries at any time during the past three years. The members of the Audit Committee shall be appointed by the Board.

III. Meetings and Procedures

The Committee shall convene at least six times each year, with additional meetings called as the Committee deems appropriate. The Committee Chair is responsible for the agenda, including input from management, staff and other Committee and Board members as appropriate. A majority of the Committee members shall be present to constitute a quorum for the transaction of the Committee's

business. The Committee shall meet regularly in separate executive sessions and also in private sessions with management and the independent auditors to facilitate full communication. The Committee shall be given open access to the Chairman of the Board, Predictive executives and independent auditors, as well as Predictive's books, records, facilities and other personnel.

IV. Duties and Responsibilities

The Committee shall:

1. Review and reassess annually the adequacy of this charter and submit the charter for approval of the full Board. The Committee also shall conduct an annual self-evaluation of the Committee's performance and processes.
2. Appoint, evaluate and compensate the independent auditors, which shall report directly to the Committee, and oversee the rotation of the independent auditors' lead audit and concurring partners at least once every five years and the rotation of other audit partners at least once every seven years, with applicable time-out periods, in accordance with SEC regulations. The Committee shall determine whether to retain or, if appropriate, terminate the independent auditors.
3. Review and approve in advance the scope of the fiscal year's independent audit and the audit fee, establish policies for the independent auditors' activities and any fees beyond the core audit, approve in advance all non-audit services to be performed by the independent auditors that are not otherwise prohibited by law and associated fees, and monitor the usage and fees paid to the independent auditors. The Committee may delegate to the Chair of the Committee the authority, with agreed limits, to pre-approve non-audit services not prohibited by law to be performed by the independent auditors. The Chair shall report any decisions to pre-approve such services to the full Committee at its next meeting.
4. Review and discuss with the independent auditors their annual written statement delineating all relationships or services between the independent auditors and Predictive, or any other relationships or services that may impact their objectivity and independence.
5. Set clear hiring policies for employees or former employees of the independent auditors, and monitor compliance with such policies.
6. Review with management and the independent auditors:
 - a) Predictive's annual audited and quarterly financial statements, including Predictive's disclosures in "Management's Discussion and Analysis of Financial Condition and Results of Operations," prior to being published;
 - b) the results of the independent auditors' audit and the independent auditors' opinion on the annual financial statements;
 - c) the independent auditors' judgments on the quality, not just the acceptability, and consistent application of Predictive's accounting principles, the reasonableness of

- significant judgments, clarity of disclosures and underlying estimates in the financial statements;
- d) changes in accounting principles or application thereof, significant judgment areas, significant and complex transactions and off-balance sheet structures, if any; and
 - e) any disagreements between management and the independent auditors, about matters that individually or in the aggregate could be significant to Predictive's financial statements or the independent auditors' report, and any serious difficulties the independent auditors encountered in dealing with management related to the performance of the audit.
7. Recommend to the Board whether the audited financial statements should be included in Predictive's Annual Report on Form 10- K, before the report is released.
 8. Prepare the report required by the rules of the SEC to be included in the Company's annual proxy statement.
 9. Discuss earnings press releases, as well as corporate disclosure policies with respect to financial information and earnings guidance provided to analysts and ratings agencies.
 10. At least annually, obtain from and review a report by the independent auditors describing (a) the independent auditors' internal quality control procedures, and (b) any material issues raised by the most recent internal quality-control review, or peer review, or by any governmental or professional inquiry or investigation within the preceding five years regarding any audit performed by the independent auditors, and any steps taken to deal with any such issues.
 11. Review the adequacy and effectiveness of Predictive's disclosure controls and procedures.
 12. Review the adequacy and effectiveness of Predictive's internal controls, including any significant deficiencies in such controls and significant changes or material weaknesses in such controls reported by the independent auditors or management, and any fraud, whether or not material, that involves management or other Predictive employees who have a significant role in such controls.
 13. Review the adequacy and effectiveness of Predictive's information security policies and the internal controls regarding information security.
 14. Review with management the results of its review of compliance with applicable laws and regulations and Predictive's Standards of Business Conduct, and review with management the results of its review of compliance with applicable listing standards.
 15. Assure that procedures are established for the receipt, retention and treatment of complaints on accounting, internal accounting controls or auditing matters, as well as for confidential, anonymous submissions by Predictive's employees of concerns regarding questionable accounting or auditing matters and compliance with the Standards of Business Conduct.
 16. Receive and, if appropriate, respond to attorneys' reports of evidence of material violations of securities laws and breaches of fiduciary duty and similar violations of U.S. or state law.

17. Review significant risks or exposures relating to litigation and other proceedings and regulatory matters that may have a significant impact on Predictive's financial statements.
18. Review the results of significant investigations, examinations or reviews performed by regulatory authorities and management's response.
19. Review and approve all "related party transactions," as defined in applicable SEC rules.
20. Obtain reports from management and the independent auditor that Predictive's subsidiary/foreign affiliated entities are in conformity with applicable legal requirements and Predictive's Code of Conduct, including disclosures of insider and affiliated party transactions.
21. Conduct or authorize investigations into any matters within the Committee's scope of responsibilities.
22. Meet at least quarterly with the chief financial officer and the independent auditor in separate executive sessions.
23. Review the Company's policies relating to compliance with federal securities laws.
24. Provide oversight as needed to ensure that the Company's policies for compliance with federal securities laws effectively prevents and/or detects violations or lapses by Company employees, officers, directors and other agents and associates of the Company.
25. Consider such other matters regarding Predictive's financial affairs, its controls, and the independent audit of Predictive as the Committee, in its discretion, may determine to be advisable.
26. Report regularly to the Board with respect to the Committee's activities.