

**NEW GENERATION BIOFUELS HOLDINGS, INC.
AUDIT COMMITTEE OF THE BOARD OF DIRECTORS
CHARTER**

I. Purpose of Audit Committee

The Audit Committee (the "Audit Committee") of the Board of Directors (the "Board") of New Generation Biofuels Holdings Inc. (the "Company") shall assist the Board in fulfilling its oversight responsibilities with regard to corporate accounting and financial reporting by overseeing the accounting and financial reporting processes of the Company and the audits of the financial statements of the Company.

II. Membership

The membership of the Audit Committee shall consist of at least three non-employee directors, who shall meet the independence, experience and financial and accounting expertise requirements of the Securities and Exchange Commission ("SEC") and any exchange on which the Company's securities are listed, as interpreted by the Board, and such other requirements as may be set by the Board from time to time. The full Board shall appoint Audit Committee members and the Committee Chairman.

III. Powers and Responsibilities

The Audit Committee has the responsibilities and powers set forth in this Charter and those specified by applicable laws, rules and regulations, for audit committees of public companies listed on any exchange on which the Company's securities are listed. The Audit Committee shall have the additional responsibilities and powers that may be specified by future such applicable laws, rules and regulations without the need to amend this Charter, and the Audit Committee may, to the extent it determines it to be advisable, exercise such additional powers or assume such additional responsibilities following the adoption or proposal of any such laws, rules and regulations but before their effectiveness.

The Audit Committee shall have the power to conduct or authorize investigations into any matters within the Committee's scope of responsibilities. The Committee shall be empowered to retain independent counsel, accountants, or others to assist it as it deems appropriate. It may retain these advisors without seeking board approval. The Company will provide appropriate funding, as determined by the Audit Committee, for payment of the compensation of the independent accountants and any advisors engaged by the Audit Committee.

The duties and responsibilities of a member of the Audit Committee are in addition to those duties established for a member of the Board. The responsibilities of the Audit Committee do not preclude the Committee from obtaining the input of

management, but these responsibilities may not be delegated to management. The Audit Committee may form and delegate authority to subcommittees (including single members) when it has concluded that such delegation would be appropriate.

It is not the duty of the Audit Committee to plan or conduct audits, to implement internal controls or to determine that the Company's financial statements are complete and accurate and are in accordance with generally accepted accounting principles. These functions are the responsibility of management (and those designated by management to perform internal audit functions) and the independent accountants. Nor is it the duty of the Audit Committee to conduct investigations regarding or to assure compliance with laws, rules and regulations or the Company's codes of conduct.

To the fullest extent permissible under applicable law, each member of the Audit Committee is entitled to rely in good faith upon the records of the Company and upon such information, opinions, reports or statements presented to the Committee by any of the Company's officers, employees, or committees, the independent accountants, the internal auditors or any other person as to matters the member reasonably believes are within such other person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Company.

IV. Activities

In carrying out its responsibilities, the Audit Committee is expected to undertake the following activities:

1. ***Update Charter.*** Review annually, and to the extent the Committee determines it to be necessary or advisable, update the Committee's charter.
2. ***Audit Committee Report.*** Prepare the Audit Committee report that is required under SEC rules to be included in the Company's annual proxy statement.
3. ***Maintain Open Communications.*** Provide an open avenue of communication among the independent accountants, internal audit, management and the Board.
4. ***Oversee Independent Accountants.*** Be solely and directly responsible for appointment, approval, compensation, oversight and discharge of the independent accountants (including resolution of any disagreements between management and the independent accountants regarding financial reporting). Pre-approve all engagement fees and terms for all audit, review and attest services and any non-audit engagements (to the extent permitted under applicable law). The Audit Committee may adopt pre-approval policies and procedures to avoid the need for Audit Committee approval of services on an engagement-by-engagement basis, which policies and procedures must be detailed as to the particular service and may not involve a delegation of pre-approval responsibility to management. The independent accountants shall report directly to the Audit Committee. Review and evaluate the performance of the

independent auditors and review with the full board of directors any proposed discharge of the independent auditors.

5. ***Oversee Accounting and Financial Staffing, Internal Audit Function.*** Review accounting and financial staffing and succession planning within the Company.
6. ***Confirm Independence.*** Confirm and make appropriate inquiries with respect to the independence of the independent accountants, including:
 - reviewing all services other than audit,
 - reviewing and attesting services provided by the independent accountants and related fees;
 - receiving from the independent accountants and reviewing, at least annually, a formal written statement delineating all relationships between the independent accountants and the Company, as required by law, rule, regulation or accounting policy or standard;
 - actively engaging in a dialogue with the independent accountants with respect to any disclosed relationships or services that may affect the objectivity and independence of the independent accountants; and
 - recommending that the Board take appropriate action on any disclosed relationships to satisfy itself of the independent accountants' independence.

Confirm compliance by the independent accountants with all relevant laws and regulations relating to rotation of independent accountants or independent accountant partners or other personnel. Oversee compliance with requirements regarding employment by the Company of former employees of independent accountants.

7. ***Review procedures for assessing material risks.*** Inquire of management and the independent accountants about significant risks or exposures, including financial statement risks, the Company's processes for identifying, assessing and disclosing such risks, the steps management has taken to minimize such risk to the Company and the disclosures made regarding such risks. Review with management and assess these processes, including the steps being taken to address such risks and the disclosure regarding these risks.
8. ***Audit plan.*** Consider, in consultation with management and the independent accountants, the scope, planning and staffing of the audit.
9. ***Review of financial statement and accounting matters.*** Review with management, internal audit and the independent accountants:
 - A. *Financial statements.* The Company's financial statements and related footnotes.
 - B. *Audit report.* The independent accountants' audit of the annual financial statements and associated report.
 - C. *Audit plan changes.* Any significant changes in the independent accountants' annual audit plan.

- D. *Disputes.* Any serious disputes or issues with management encountered during the course of the annual audit.
 - E. *Audit-related issues.* Other matters related to the conduct of the annual audit which are to be communicated to the Committee under generally accepted auditing standards, including under Statement on Auditing Standards No. 61, Communications with Audit Committees.
 - F. *Materiality assessments.* The independent accountants' assessment of financial statement materiality.
 - G. *SEC filings.* The Company's filings with the SEC.
 - H. *Audit-related issues.* Legal and regulatory matters that may have a material impact on the financial statements and/or the Company.
 - I. *Company policies.* Any Company policies regarding corporate ethics, financial controls and legal compliance.
 - J. *Internal controls.* Their assessment of the adequacy of internal controls, the resolution of any identified material weaknesses and reportable conditions in internal controls over financial reporting, including the prevention or detection of management override or compromise of the internal control system, and the reports issued with respect to the annual financial statements, the internal control structure and procedures for financial reporting.
10. ***Appropriateness of accounting principles.*** Inquire of management and the independent accountants and consider the judgments that are brought to the attention of the Audit Committee regarding the quality and appropriateness of the Company's accounting principles as applied in the Company's financial reporting, significant accounting policies (including significant estimates and critical accounting policies to be described in the Company's filings with the SEC), audit conclusions regarding the reasonableness of significant accounting estimates and any audit adjustments. Inquire of management and the independent accountants and consider the judgments that are brought to the attention of the Audit Committee regarding alternative accounting principles or policies permitted under generally accepted accounting principles, and the appropriateness of the principles and policies selected for financial reporting purposes. Receive and consider all required communications from the independent accountants regarding these matters.
11. ***Review of annual financial statements.*** Review with management and the independent accountants, the annual financial statements before they are filed with the SEC or other regulators. Based on the review and discussions with management and the independent accountants, determine whether to recommend to the Board that the audited financial statements be included in the Company's Annual Report on Form 10-K (or Form 10-KSB) for the past fiscal year.
12. ***Review adequacy of internal audit function.*** Consider and review with management and any internal auditors:
- A. Any difficulties encountered in the course of their audits, including any restrictions on the scope of their work or access to required information.
 - B. Any changes required in the planned scope of their audit plan.

- C. Internal audit's compliance with appropriate standards for internal auditing.
- D. Significant internal audit findings, management's responses and the timing and reasonableness of corrective action.

13. ***Review of interim financial statements and earnings releases.*** Review with management and, as appropriate, the independent accountants, earnings results and earnings guidance before they are released and the interim financial statements before they are filed with the SEC or other regulators. Discuss with the independent accountants any matters required to be communicated by the independent accountants to the Audit Committee or its Chairman in connection with the independent accountants' review of the interim financial statements of the Company.
14. ***Review and approve related party transactions.*** Adopt policies and procedures with respect to Company transactions in which officers, directors, major shareholders or other related parties have an interest, review and approve such transactions and review with management disclosures regarding such transactions.
15. ***Separate meetings.*** Meet with the independent accountants, any internal auditors, and management in separate sessions to discuss any matters that the Committee or these groups believe should be discussed privately with the Audit Committee.
16. ***Report to the Board; records.*** Report significant Audit Committee findings and actions to the Board with such recommendations as the Committee may deem appropriate. Keep a record of the acts and procedures of the Audit Committee. Perform such other activities, consistent with applicable law and the Company's governing documents as the Audit Committee deems appropriate.
17. ***Meetings.*** Meet at least four times per year or more frequently as circumstances require. The Audit Committee may ask members of management or others to attend the meetings and provide pertinent information as necessary.
18. ***Investigate reports regarding financial statement matters.*** Investigate any matter brought to its attention within the scope of its duties to the extent and in such manner as it considers appropriate (including confidential, anonymous submissions by employees of concerns regarding questionable accounting or auditing matters). Discuss with management and the independent accountants any correspondence with regulators or governmental agencies and any employee complaints or published reports that raise material issues regarding the Company's financial statements or accounting policies. Confirm compliance with provisions of laws, rules and regulations that prohibit discipline of or discrimination against employees who report what they reasonably believe to be violations of any law, rule or regulation applicable to the Company.
19. ***Establish procedures to report concerns to the Audit Committee.*** Establish, implement and conduct an annual review of the procedures for (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and (ii) the confidential, anonymous

submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

20. **Annual evaluation.** If required by the exchange on which the Company's securities are listed, conduct an annual performance evaluation of the Committee.
21. **Employing other external audit firms.** Consider, with management, the rationale for employing audit firms other than the principal independent auditors.
22. **Code of Conduct.** Periodically review the adequacy of and compliance with the company's Code of Business Conduct and Ethics.
23. **Legal and Regulatory Matters.** Review with the general counsel and/or outside counsel pertinent legal and regulatory matters that, in the opinion of management, may have a material impact on the financial statements, related company compliance policies, and programs and reports received from regulators.

Adopted by the Board of Directors on November 13, 2007.