

PRO-DEX, INC.

WHISTLEBLOWER POLICY

(Adopted by the Board on May 6, 2004)

An employee may submit a good faith complaint regarding accounting or auditing matters to the Company without fear of dismissal or retaliation of any kind. The Company is committed to achieving compliance with all applicable securities laws and regulations, accounting standards, accounting controls and audit practices. The Company's Audit Committee will oversee treatment of concerns in this area.

In order to facilitate the reporting of complaints, the Company's Audit Committee has established the following procedures for: (1) the receipt, retention and treatment of complaints regarding accounting, internal accounting controls, or auditing matters ("Accounting Matters"); and (2) the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

SCOPE OF MATTERS COVERED BY THESE PROCEDURES

- These procedures relate to complaints or reports concerning any of the following:
 - fraud or deliberate error in the preparation, evaluation, review or audit of any financial statement of the Company;
 - fraud or deliberate error in the recording and maintaining of financial records of the Company;
 - deficiencies in or noncompliance with the Company's internal accounting controls;
 - misrepresentation or false statement to or by a senior officer or accountant regarding a matter contained in the financial records, financial reports or audit reports of the Company; or
 - deviation from full and fair reporting of the Company's financial condition.

SUBMISSION OF COMPLAINTS

- Employees with concerns regarding Accounting Matters may report their concerns to the Audit Committee of the Company. Such complaints and reports may be submitted on a confidential or anonymous basis to the Audit Committee via regular mail or via overnight courier to the address below with a legend that states "To be opened by the Audit Committee Chairman."

Chairman of the Audit Committee
c/o George Isaac
36 Whisper Drive
Worcester, MA 01609
(508) 579-5068

TREATMENT OF COMPLAINTS

- Upon receipt of a complaint, the Audit Committee will (i) determine whether the complaint actually pertains to Accounting Matters, and (ii) when possible, acknowledge receipt of the complaint to the sender.
- Complaints relating to Accounting Matters will be reviewed under Audit Committee direction and such other persons as the Audit Committee determines to be appropriate. Confidentiality will be maintained to the fullest extent possible, consistent with the need to conduct an adequate review.
- Prompt and appropriate corrective action will be taken when and as warranted in the judgment of the Audit Committee.
- The Company will not discharge, demote, suspend, threaten, harass or in any manner discriminate against any employee in the terms and conditions of employment based upon any lawful actions of such employee with respect to good faith reporting of complaints regarding Accounting Matters or otherwise as specified in Section 806 of the Sarbanes-Oxley Act of 2002.

REPORTING AND RETENTION OF COMPLAINTS AND INVESTIGATIONS

- The Audit Committee shall retain as a part of the records of the Audit Committee any such complaints or concerns.