

AUDIT COMMITTEE CHARTER
INOVIO BIOMEDICAL CORPORATION
(the “Company”)

1. Purpose

The Audit Committee (the “Audit Committee”) of the Board of Directors (the “Board”) of the Company will be a standing committee and will be responsible for oversight of all account reporting, financial and internal control practices of the Company and its subsidiaries. The Audit Committee will report to the Board and its primary function will be to assist the Board in fulfilling its responsibilities to shareholders related to: (a) the integrity of the Company's financial statements, (b) the appointment, compensation, qualifications, independence and performance of the Company's independent auditors, (c) the Company's compliance with legal and regulatory requirements, and (d) the performance of the Company's internal audit and controls function; and to prepare an audit committee report as required by the Securities and Exchange Commission (the "SEC"). The Audit Committee's function is one of oversight only and shall not relieve the responsibilities of the Company's management for preparing financial statements, which accurately and fairly present the Company's financial results and condition, or the responsibilities of the independent auditors relating to the audit or review of financial statements. The Audit Committee will have the authority to retain persons having special competence as necessary to assist the Audit Committee in fulfilling its responsibilities.

2. Composition

(a) At Least Three Members. The Audit Committee shall consist of at least three independent directors as defined in Section 2(b) below. The Board shall designate an Audit Committee member as the Chairperson of the Audit Committee, or if the Board does not do so, the Audit Committee members shall appoint a Audit Committee member as Chairperson by a majority vote of the authorized members of the Audit Committee members.

(b) Independence. All members of the Audit Committee shall be "independent" as determined by the Board and as defined in the listing standards of the American Stock Exchange or such other national securities exchange on which the Company's securities are then listed, as the same may be amended from time to time (the "listing standards"), the rules and regulations of the SEC and any other laws applicable to the Company. Without limiting the generality of the foregoing, Audit Committee member shall not be an affiliated person of the Company or receive any compensation other than in his or her capacity as a member of the Audit Committee, the Board of Directors or other Board committee, as defined in applicable SEC rules.

(c) Financial Literacy. Each member of the Audit Committee shall be financially literate, as such qualification is interpreted by the Company's Board of Directors in its business judgment under the listing standards. At least one member of the Audit Committee shall be an "Audit Committee Financial Expert", as defined below. If the Company does not have an Audit Committee Financial Expert it must disclose this fact and explain why it has no such expert. For the purposes of the foregoing, an "Audit Committee Financial Expert" is a person who has, through education and experience as a public accountant or auditor or senior financial officer:

- i. an understanding of generally accepted accounting principles ("GAAP") and financial statements;

- ii. an ability to assess the general application of such principles in connection with the accounting for estimates, accruals and reserves;
- iii. experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by a Company's financial statements, or experience actively supervising one or more persons engaged in such activities;
- iv. an understanding of internal controls and procedures for financial reporting; and
- v. an understanding of audit committee functions.

(d) Appointment. The Board shall appoint Audit Committee members at the first meeting of the Board following the Annual Meeting of Stockholders. Members of the Audit Committee shall serve for a one year term and until their successors are appointed. The Board may fill vacancies on the Audit Committee by a majority vote of the authorized number of directors, but may remove Audit Committee members only with the approval of a majority of the independent directors then serving on the full Board.

(e) Service on Other Audit Committees. No director is eligible to serve on the Audit Committee if he or she serves on more than three public Company audit committees (including the Audit Committee). Notwithstanding the foregoing, if a director is a CEO of another Company, such director may not serve on more than one other public Company audit committee in addition to the Audit Committee.

3. Meetings, Reports and Resources of the Audit Committee

(a) Meetings. In discharging its responsibilities, the Audit Committee shall meet as often as it determines necessary or advisable, but not less frequently than quarterly. The Audit Committee may also hold special meetings or act by unanimous written consent as the Audit Committee may decide. The meetings may be in person or telephone. The Audit Committee shall keep written minutes of its meetings and shall deliver a copy of such minutes to the Board and to the corporate secretary of the Company for inclusion in the Company's minute books. The Audit Committee shall meet periodically with management, the internal auditors and the independent auditors in separate executive sessions. The Audit Committee may request any officer or employee of the Company or the Company's outside counsel or the independent auditors to attend a meeting of the Audit Committee or to meet with any members of, or consultants to, the Audit Committee.

(b) Procedures. The Audit Committee may establish its own procedures, including the formation and delegation of authority to subcommittees, in a manner consistent with this charter, the bylaws, applicable laws or regulations, or the listing standards. The Chairperson or majority of the Audit Committee members may call meetings of the Audit Committee. A majority of the authorized number of Audit Committee members shall constitute a quorum for the transaction of Audit Committee business, and the vote of a majority of the Audit Committee members present at the meeting at which a quorum is present shall be the act of the Audit Committee, unless in either

case a greater number is required by this charter, the bylaws, applicable laws or regulations, or the listing standards.

(c) Reports. The Audit Committee shall make regular reports to the Board. The Audit Committee shall provide to the Board at an appropriate time (prior to preparation of the Company's proxy statement for its Annual Meeting of Stockholders) a report of the Audit Committee, which shall be included in such proxy statement. The report shall include such information as may be required under the SEC's rules.

(d) The Audit Committee must establish 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 controls or auditing matters.

(e) Audit Committee Access and Resources. The Audit Committee is at all times authorized to have direct, independent and confidential access to the Company's other directors, management and personnel to carry out the Audit Committee's purposes. The Audit Committee shall have the authority (to the extent it deems necessary or appropriate) to retain independent legal, accounting or other advisors. The Company shall provide for appropriate funding, as determined by the Audit Committee, for payment of compensation to the independent auditors for the purpose of preparing or issuing an audit report or performing related work, and to any advisors employed by the Audit Committee.

4. Authority and Responsibilities

The Audit Committee shall have the sole authority to appoint, retain, compensate, evaluate and terminate the Company's independent auditors. The Audit Committee shall have the responsibility to review the qualifications and evaluate the performance of the independent auditors and make recommendations to the Board regarding the selection, appointment or termination of the auditors. The Audit Committee shall be directly responsible for approving all audit engagement fees and terms, and for oversight of the work of the independent auditors (including resolution of disagreements between management and the independent auditors regarding financial reporting) for the purpose of preparing or issuing an audit report or performing related work. The auditors will be ultimately accountable to the Board and report directly to the Audit Committee. The independent auditors shall report directly to the Audit Committee.

The Audit Committee shall pre-approve all auditing services and permitted non-audit services (including the fees and terms thereof) to be performed for the Company by its independent auditor, subject to the de minimis exceptions for non-audit services described in Section 10A(i)(1)(B) of the Exchange Act which are approved by the Audit Committee prior to the completion of the audit. The Audit Committee may form and delegate authority to subcommittees consisting of one or more members when appropriate, including the authority to grant pre-approvals of audit and permitted non-audit services, provided that decisions of such subcommittee to grant pre-approvals shall be presented to the full Audit Committee at its next scheduled meeting.

The Committee shall evaluate the adequacy of its own performance on an annual basis and shall report to the Board the results of an annual review by the Committee of its own performance and shall recommend any proposed changes to the Board for approval.

The Audit Committee, to the extent it deems necessary or appropriate, shall:

Financial Statement and Disclosure Matters

(a) Meet to review and discuss with management and the independent auditors the annual audited financial statements and quarterly financial statements prior to the filing of such financial statements with the SEC, including reviewing the specific disclosures made in Management's Discussion and Analysis of Financial Condition and Results of Operations, and recommend to the Board whether the audited financial statements should be included in the Company's Annual Report Form 10-K.

(b) Discuss with management and the independent auditors any significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements and any major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles, any major issues as to the adequacy of the Company's internal controls and any special steps audit adopted or which need to be adopted in light of material control deficiencies.

(c) Effect or cause to be effected any revisions to the Company's financial statements which the Audit Committee deems necessary or advisable after consultation with the Company's independent auditors or the Audit Committee's advisors.

(d) Review and discuss quarterly reports from the independent auditors on:

- i. All critical accounting policies and practices to be used.
- ii. All alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor.
- iii. Other material written communications between the independent auditors and management such as any management letter or schedule or unadjusted differences.

(e) Discuss with management the Company's earnings press releases, including the use of "pro forma" or "adjusted" non-GAAP information, as well as financial information and earnings guidance provided to analysts and rating agencies. Such discussion may be done generally (consisting of discussing the types of information to be disclosed and the types of presentations to be made).

(f) Discuss with management and the independent auditors the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company's financial statements.

(g) Discuss with management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies.

(h) Discuss with the independent auditors the matters required to be discussed by Statement on Auditing Standards No. 61 relating to the conduct of the audit, including any difficulties

encountered in the course of the audit work, any restrictions on the scope of activities or access to requested information, and any significant disagreements with management.

(i) Review disclosures made to the Audit Committee by the Company's CEO and CFO during their certification process for the Form 10-K and Form 10-Q about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company's internal controls.

(j) Meet separately and periodically with management of the Company, the employees of the Company responsible for the internal audit and the Company's independent auditors.

Oversight of the Company's Relationship with the Independent Auditor

(k) Review and evaluate the lead partner of the independent auditor team.

(l) Obtain and review a report from the independent auditors at least annually regarding (i) the independent auditor's internal quality-control procedures, (ii) any material issues raised by the most recent internal quality-control review, or peer review, of the independent auditors, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the independent auditors, (iii) any steps taken to deal with any such issues, and (iv) all relationships between the independent auditors and the Company, including considering whether the auditor's quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditor's independence, taking into account the opinions of management and internal auditors. The Audit Committee will actively engage in a dialogue with the independent auditors with respect to any disclosed relationships or services that may impact objectivity and independence of the independent auditors, and take, or recommend that the full Board take, appropriate action to oversee the independence of the independent auditor. The Audit Committee shall present its conclusions with respect to the independent auditors to the Board.

(m) Ensure the rotation of the audit partners as required by law. Consider whether, in order to assure continuing auditor independence, it is appropriate to adopt a policy of rotating the independent auditing firm on a regular basis.

(n) Establish policies for the Company's hiring of employees or former employees of the independent auditors who participated in any capacity in the audit of the Company.

(o) Discuss with the national office of the independent auditors issues on which they were consulted by the Company's audit team and matters of audit quality and consistency.

(p) Meet separately and periodically with the independent auditors and discuss (i) the issues on which they were consulted by the Company's audit team, (ii) any matters of audit quality and consistency, and (iii) any audit problems or difficulties, including any restrictions on the scope of the independent auditor's activities or on access to requested information, and management's response to such problems or difficulties, including any significant disagreements between the independent auditors and the Company's management.

Oversight of the Company's Internal Audit Function

(q) Review the appointment and replacement of the senior internal auditing employee. The Audit Committee may consult with the Compensation Committee or the CEO of the Company regarding the performance of such employee.

(r) Review the significant reports to management, including ongoing assessments of the Company's risk management processes and systems of internal controls, prepared by the internal auditing department and management's responses.

(s) Discuss with the independent auditors and management the internal audit department responsibilities, budget and staffing and any recommended changes in the planned scope of the internal audit.

Compliance Oversight Responsibilities

(t) Obtain from the independent auditors assurance that Section 10A(b) of the Exchange Act, which addresses the discovery and disclosure of any illegal act, has not been implicated.

(u) Obtain reports from management, the Company's senior internal auditing executive and the independent auditors that such persons are in compliance with applicable legal requirements and the Company's Code of Business Conduct and Ethics. Such reports shall also confirm that, to such person's knowledge, the Company and its subsidiary and affiliated entities are in conformity with applicable legal requirements and the Company's Code of Business Conduct and Ethics. Review reports and disclosures of insider and affiliated party transactions or other conflicts of interest. Advise the Board with respect to the Company's policies and procedures regarding compliance with applicable laws and regulations and with the Company's Code of Business Conduct and Ethics, including the consideration of a waiver in the Code of Business Conduct and Ethics.

(v) Establish procedures for the receipt, retention and treatment of complaints received by the Company from employees of the Company regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

(w) Discuss with management and the independent auditors any correspondence with regulators or governmental agencies and any published reports, which raise material issues regarding the Company's financials statements or accounting policies.

(x) Discuss with the Company's General Counsel legal matters that may have a material impact on the financial statements, or the Company's compliance policies.

(y) Review with the full Board any issues that arise with respect to the quality or integrity of the Company's financial statements, the Company's compliance with legal or regulatory requirements, the performance and independence of the Company's independent auditors, or the performance of the internal audit function.

5. Limitation of Audit Committee's Role

While the Audit Committee has the responsibilities and powers set forth in this charter, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the

Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles applicable rules and regulations. These are the responsibilities of management and the Company's independent auditors.