

ALEXZA PHARMACEUTICALS, INC. AUDIT & ETHICS COMMITTEE CHARTER

Purposes

The purposes of the Audit & Ethics Committee (the “Committee”) of the Board of Directors (the “Board”) of Alexza Pharmaceuticals, Inc. (the “Company”) are to:

- Monitor the integrity and appropriateness of the financial statements and reporting of the Company.
- Review management’s periodic assessment of the adequacy and effectiveness of the Company’s system of internal control.
- Recommend to the Board the selection of the independent auditor and evaluate their performance.
- Oversee the independence and work of the Company’s independent auditor.

Composition

The Committee shall be composed of three or more directors who shall meet the independence, financial literacy and experience requirements of Nasdaq, Section 10A(m)(3) of the Securities Exchange Act of 1934 and the rules and regulations of the Securities and Exchange Commission (the “SEC”).

At least one member of the Committee shall satisfy the applicable Nasdaq financial sophistication requirements as in effect from time to time. At least one member of the Committee shall be an “audit committee financial expert” as defined by the SEC.

No member of the Committee shall, other than in his or her capacity as a member of the Committee, the Board, or any other board committee accept any consulting, advisory, or other compensatory fee from the Company.

The members of the Committee shall be appointed by the Board on the recommendation of the Corporate Governance and Nomination Committee. Unless a chairman is designated by the board of directors, the committee members may appoint their own chairman by majority vote.

Responsibilities

The following are the duties and responsibilities of the Committee and may be modified by the Board from time to time, subject to applicable laws:

1. To determine and approve engagements of the independent auditor, prior

to commencement of such engagements, to perform all proposed audit, review and attest services, including the scope of and plans for the audit, the compensation to be paid, at the Company's expense, to the independent auditor and the negotiation and execution, on behalf of the Company, of the independent auditor's engagement letters, which approval may be pursuant to preapproval policies and procedures established by the Committee consistent with applicable laws and rules, including the delegation of preapproval authority to one or more Committee members so long as any such preapproval decisions are presented to the full Committee at the next scheduled meeting.

2. The Committee shall have the ultimate authority and responsibility to evaluate the performance of the independent auditor, to assess their qualifications (including their internal quality-control procedures and any material issues raised by that firm's most recent internal quality-control review or any investigations by regulatory authorities) and, where appropriate, replace the independent auditor.
3. To determine and approve engagements of the independent auditor, prior to commencement of such engagements (unless in compliance with exceptions available under applicable laws and rules related to immaterial aggregate amounts of services), to perform any proposed permissible non-audit services, including the scope of the service and the compensation to be paid therefore, which approval may be pursuant to preapproval policies and procedures established by the Committee consistent with applicable laws and rules, including the delegation of preapproval authority to one or more Committee members so long as any such preapproval decisions are presented to the full Committee at the next scheduled meeting.
4. To monitor the rotation of the partners of the independent auditor on the Company's audit engagement team as required by applicable laws and rules and to consider periodically and, if deemed appropriate, adopt a policy regarding rotation of auditing firms.
5. To discuss with the independent auditor the matters required to be discussed by *SAS 61*, as it may be modified or supplemented over time.
6. To ensure the receipt of, and evaluate, the written disclosures and the letter that the independent auditor submits to the Committee regarding the auditor's independence in accordance with Independence Standards Board Standard No. 1, discuss such reports with the auditor and, if so determined by the Committee in response to such reports, take appropriate action to

address issues raised by such evaluation.

7. To consider and, if deemed appropriate, adopt a policy regarding Committee preapproval of employment by the Company of individuals employed or formerly employed by the Company's independent auditor and engaged on the Company's account.
8. To review the Company's financial statements, including disclosures contained in "Management's Discussion and Analysis of Financial Condition and Results of Operations," included in its periodic reports to be filed with the SEC.
9. To meet with management and the independent auditor to review and discuss the annual financial statements and the report of the independent auditor thereon, including the independent auditor's assessment of the quality, not just acceptability, of accounting principles, the reasonableness of significant judgments and estimates (including material changes in estimates), any material audit adjustments proposed by the independent auditor and any adjustments proposed but not recorded, the adequacy of the disclosures in the financial statements and any other matters required to be communicated to the Committee by the independent auditor under the standards of the Public Company Accounting Oversight Board (United States), as appropriate, as well as any significant issues encountered in the course of the audit work, including restrictions on the scope of activities, access to required information or the adequacy of internal controls.
10. To review the management recommendations surrounding internal control made by the independent auditor in connection with the audit and to review with management their action plans to remediate the controls as suggested by the independent auditor.
11. To review with the independent auditor and, if appropriate, management, any management or internal control letter issued or, to the extent practicable, proposed to be issued by the independent auditor and management's response, if any, to such letter, as well as any additional material written communications between the independent auditor and management.
12. To review with management and the independent auditor or any other registered public accounting firm engaged to perform review or attest services any material conflicts or disagreements between management and the independent auditor or such other accounting firm regarding financial reporting, accounting practices or policies and to resolve any conflicts or

disagreements regarding financial reporting.

13. To meet at least one time each year in a separate executive session with the independent auditor to discuss matters that the Committee or the independent auditor believes could significantly affect the financial statements and that should be discussed privately.
14. To have such meetings with management as the Committee deems appropriate to discuss significant financial risk exposures facing the Company, and steps management has taken to monitor and control such exposures.
15. To review significant changes to the Company's accounting principles and practices proposed by the independent auditor or management.
16. At the request of Company counsel, review with Company counsel any regulatory matters that may have a significant impact on the Company's financial statements, compliance policies or programs.
17. To consider and review with management, the independent auditor, outside counsel, as appropriate, and, in the judgment of the Committee, such special counsel, separate accounting firm and other consultants and advisors as the Committee deems appropriate, any correspondence with regulators or governmental agencies and any published reports that raise material issues regarding the Company's financial statements or accounting policies.
18. To review the results of management's efforts to monitor compliance with the Company's programs and policies designed to ensure adherence to applicable laws and rules, as well as to its Code of Conduct, or similar policy or code, on a Company-wide basis, including review and approval of related-party transactions as required by Nasdaq rules.
19. To establish procedures, when and as required by applicable laws and rules, for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and the confidential and anonymous submission by employees of concerns regarding questionable accounting or auditing matters.
20. To determine and approve engagements of any registered public accounting firm (in addition to the independent auditor) to perform any other review or attest service, including the compensation to be paid to such firm and the negotiation and execution, on behalf of the Company, of

such firm's engagement letter, which approval may be pursuant to preapproval policies and procedures, including the delegation of preapproval authority to one or more Committee members, so long as any such preapproval decisions are presented to the full Committee at the next scheduled meeting.

21. To conduct or authorize such inquiries into matters within the Committee's scope of responsibility as the Committee deems appropriate. The Committee shall be empowered to retain independent counsel and other professionals to assist in the conduct of any such inquiries.
22. To provide minutes of Committee meetings to the Board, and report to the Board on any significant matters arising from the Committee's work.
23. To periodically review and reassess this charter and, if appropriate, recommend proposed changes to the Board.

It is not the responsibility of the Committee to plan or conduct audits, or to determine whether the Company's financial statements are complete and accurate or in accordance with generally accepted accounting principles. It is not the responsibility of the Committee to conduct inquiries, to resolve disagreements, if any, between management and the independent auditor, or to assure compliance with laws, regulations or Company compliance policies or programs. It shall be the responsibility of management, and not the responsibility of the Committee, to prepare the Company's financial statements and periodic reports and the responsibility of the Auditors to audit those financial statements.

Meetings

The Committee will meet in person or telephonically at least four times per year at a time and place determined by the Committee chair, with further meetings to occur, or actions to be taken by unanimous written consent, when deemed necessary or desirable by the Committee or its chair. The Committee may, in its discretion, delegate all or a portion of its duties and responsibilities to a subcommittee of the Committee.

Committee Reports

The Committee shall provide the following reports to the Board.

1. Any report that may be required by the rules of the SEC to be included in the Company's annual proxy statement or other reports files with the SEC.
2. An annual performance evaluation of the Committee, which evaluation must compare the performance of the Committee with requirements of this charter.

Resources and Authority

The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to select, retain, terminate, and approve the fees and other retention terms of special counsel or other experts or consultants, as it deems appropriate, without seeking approval of the Board or management. The Committee shall have full access to all books, records, facilities and personnel of the Company as deemed necessary or appropriate by any member of the Committee to discharge his or her responsibilities hereunder. The Committee shall have authority to require that any of the Company's personnel, counsel, accountants (including the independent auditors) or investment bankers, or any other consultant or advisor to the Company attend any meeting of the Committee or meet with any member of the Committee or any of its special legal, accounting or other advisors and consultants. The approval of this Charter by the Board shall be construed as a delegation of authority to the Committee with respect to the responsibilities set forth therein.