

BIOSANTE PHARMACEUTICALS, INC.
BOARD OF DIRECTORS
CORPORATE GOVERNANCE GUIDELINES

The following Guidelines have been approved by the Board of Directors and together with the Certificate of Incorporation, Bylaws and charters and key practices of the Board Committees provide the framework for the governance of BioSante Pharmaceuticals, Inc. The Board intends that these Guidelines serve as a flexible framework within which the Board may conduct its business and not as a set of binding legal obligations. These Guidelines should be interpreted in the context of all applicable laws, BioSante's charter documents and other governing legal documents. The Board shall from time to time make such revisions to these Guidelines as are considered appropriate.

Size of Board

The Nominating and Corporate Governance Committee will periodically review the size of the Board and, as appropriate, make recommendations to the Board. The size of the Board should accommodate the objectives of effective discussion and decision-making, adequate staffing of Board Committees, and desired mix of management and non-employee directors.

Composition and Qualifications

The Board will have a majority of independent directors who meet the criteria required for independence by applicable law, rules and regulations of the Securities and Exchange Commission and listing standards of the stock exchange or market on which BioSante's securities are listed or quoted. The Board is responsible for determining the independence of each director. The Nominating and Corporate Governance Committee is responsible for articulating and refining any other specific qualifications or criteria for Board membership.

Selection of Directors

All directors are encouraged to submit to the Nominating and Corporate Governance Committee the name of any person deemed qualified to serve on the Board, together with information on the candidate's qualifications. The Nominating and Corporate Governance Committee will screen and submit to the full Board the names and biographical information of those persons considered by the Nominating and Corporate Governance Committee to be viable candidates for election as directors.

Board Leadership

The office of Chairman and Chief Executive Officer may or may not be held by one person. The Board believes it is best not to have a fixed policy on this issue and that it should be free to make this determination based on what it believes is best in the circumstances. However, the Board does strongly endorse the concept of independent directors being in a position of leadership for the rest of the outside directors. If at any time, the Chief Executive Officer and Chairman are the same, the Nominating and Corporate Governance Committee shall elect an independent director to serve as the lead director.

Board Committees

The Board believes its current Committee structure, comprised of an Audit and Finance Committee, Compensation Committee, Nominating and Governance Committee and Scientific Review Committee, is appropriate. Each Committee shall have a charter approved by that Committee and the Board of

Directors, the adequacy of which will be assessed on an annual basis by that Committee. The Board will annually review the Committee structure as well as the charter and composition of each Committee and will make modifications as necessary. The Board reviews the Committee membership when it annually reappoints its Committees and, therefore, does not have a fixed policy on rotation of Committee memberships. The Audit and Finance Committee, Compensation Committee and Nominating and Corporate Governance Committee will be composed entirely of directors who meet the criteria required for independence by applicable law, rules and regulations of the SEC and the listing standards of the stock exchange or market on which BioSante's securities are listed or quoted.

Board Meetings

Board meetings will be scheduled in advance, at least every quarter. In addition to regularly scheduled meetings, additional Board meetings may be called upon appropriate notice at any time to address specific needs of the company. The Chief Executive Officer and Chairman (if the two offices are separated) shall establish the agendas for Board meetings, taking into consideration the "core" agenda items and regular meeting dates that the Board establishes in advance. The Board shall be free to suggest agenda topics and the Chief Executive Officer will seek Board input on agenda items. The Board may also take action by unanimous written consent.

Committee Meetings

Meeting frequency and agenda items for Committee meetings shall be fixed by the Chief Executive Officer and Chairman in conjunction with the Committee Chair, taking into account the regular Committee meeting schedule and core agendas annually fixed by the Board. The Committee Chair will report to the full Board at each regular meeting on Committee actions and recommendations. The agendas and meeting minutes of the Committees shall be shared with the full Board, and other Board members are welcome to attend (but may not vote at) Committee meetings, except as otherwise provide by applicable law, rules and regulations of the SEC and the listing standards of the stock exchange or market on which BioSante's securities are listed or quoted or where a conflict may exist with respect to any such director and the subject matter of the Committee meeting.

Executive Sessions of Outside Directors

The outside directors shall meet privately without the Chief Executive Officer on a regular basis.

Meeting Attendance by Non-Directors

The Chief Executive Officer selects senior executives to attend meetings to make presentations to the Board that provides the Board with the opportunity to evaluate senior executives.

Attendance and Information Review

Directors shall make a diligent effort to achieve regular attendance at Board and Committee meetings, and to carefully review the information furnished by management with respect to matters requiring Board or Committee action or monitoring. Directors also have a responsibility, with the assistance of management, to maintain a current understanding of developments in the industry and to be familiar with BioSante's operations and its strengths and weaknesses.

Appropriate Information and Access

Directors are entitled to an adequate information flow from management. They should be provided with an agenda and (to the extent practicable) appropriate supporting materials in advance of Board and Committee meetings. Directors are also entitled to direct access to BioSante's independent auditors and to management. The Chief Executive Officer should be kept advised of substantive contacts in this regard.

Ability to Retain Advisors

The Board and its Committees may, as it deems necessary or appropriate and at BioSante's expense, obtain advice and assistance from internal or external legal or other advisors.

Conflicts of Interest

Directors shall promptly disclose to the Board any situation that could reasonably be considered as a conflict of interest with service as a director, or having the appearance of such. Both the existence of the interest and the nature thereof (*e.g.*, financial, family relationship, professional, charitable or business affiliation) should be disclosed.

Board Interaction with Corporate Constituencies

The Board believes that management speaks for and on behalf of BioSante. Individual Board members may, from time to time, meet or otherwise communicate with various constituencies but this would be done only at the request of the Chief Executive Officer.

Change of Principal Occupation and Board Memberships

The Board does not believe that directors who retire, change their principal occupation or business association or serve on other boards of directors should necessarily leave the Board. However, the Board, through the Nominating and Corporate Governance Committee, will review the continued appropriateness of Board membership under those circumstances.

Retirement and Term Limits

The Board does not believe that a fixed retirement age, or term limits, for directors are appropriate. While mandatory retirement and term limits could help insure that there are fresh ideas and viewpoints available to the Board, they hold the disadvantage of losing the contribution of directors who over time have developed increasing insight into the company and its operations and therefore provide an increasing contribution to the Board as a whole.

Board Compensation

Management directors will not be paid for Board membership in addition to their regular employee compensation. To attract and retain qualified non-employee directors, director remuneration and benefits should be competitive and reviewed annually to ensure that they meet this standard.

Stock Ownership by Directors and Executive Officers

In order to align the interests of stockholders and management, directors and executive officers are encouraged to have a financial stake in BioSante.

Loans to Directors and Executive Officers

Loans from BioSante to directors and executive officers are prohibited.

CEO Evaluation

The Board will ensure that a process is in place, utilizing the Compensation Committee, to annually evaluate the performance of the Chief Executive Officer and to provide a summary of the Board's review to the Chief Executive Officer. The process shall ensure that each outside director has the opportunity to provide written or oral input prior to the evaluation being provided to the Chief Executive Officer.

Board Evaluation

The Board will from time to time utilizing the Nominating and Corporate Governance Committee evaluate the performance of the Board, with a goal of improving the effectiveness of the Board as a whole. Criteria for such evaluation will include level of director attendance, preparedness, participation and candor.

Director Continuing Education

Directors are encouraged to attend from time to time continuing education programs tailored to directors of publicly held companies.

Succession Planning

The Board will work from time to time with the Chief Executive Officer on advance planning for contingencies, such as the departure, death or disability of the Chief Executive Officer or other top executives, so that, in the event of an untimely vacancy, BioSante has in place an emergency succession plan to facilitate the transition to both interim and longer-term leadership.

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Adopted by the Board of Directors of
BioSante Pharmaceuticals, Inc.
March 10, 2005