

ASPENBIO PHARMA, INC.

CORPORATE GOVERNANCE GUIDELINES

A. Introduction

These Corporate Governance Guidelines (the “Guidelines”) established by the Board of Directors (the “Board”) of AspenBio Pharma, Inc. (“AspenBio” or the “Company”) provide a structure within which our directors and management can effectively pursue the Company’s objectives for the benefit of its shareholders. The Board uses these Guidelines as a flexible framework within which the Board conducts its business, not as a set of binding legal obligations. These Guidelines should be interpreted in the context of all applicable laws, the Company’s charter documents, policies, and other governing legal documents.

B. Role of the Board of Directors

The Board’s primary responsibility is to provide effective governance and oversight over the Company’s affairs for the benefit of shareholders. The Board is responsible for determining that the Company is managed in such a way as to ensure this result. That responsibility includes:

- representing the shareholders’ interest in perpetuating a successful business;
- optimizing long-term financial returns;
- evaluating the performance of the chief executive officer;
- reviewing and approving periodically long-term strategic and business plans and monitoring corporate performance against such plans;
- adopting policies of corporate conduct, including compliance with applicable laws and regulations and maintenance of accounting, financial, and other controls, and reviewing the adequacy of compliance systems and controls;
- evaluating periodically the overall effectiveness of the Board and its committees;
- deciding on matters of corporate governance; and
- reviewing and approving AspenBio’s budget, compensation plan, and annual performance goals.

These are active, not passive, responsibilities. The Board has the responsibility to ensure that in good times, as well as difficult ones, management is capably executing its duties, and has adopted these Guidelines to assist it in the exercise of its responsibility.

C. Board Structure and Composition

1. Size of the Board. The authorized number of directors will be determined from time to time by resolution of the Board in accordance with the Company’s Bylaws, which currently provide that the Board is comprised of at least one director and no more than nine directors.

2. Director Independence. In order to maintain the listing of the Company’s Common Stock on a NASDAQ stock market, the Board requires that a majority of directors on

the Board be “independent” as required by the Sarbanes-Oxley Act of 2002 (“SOX”), the rules and regulations of the Securities and Exchange Commission (the “SEC”), and the listing standards of the NASDAQ Stock Market (“NASDAQ”). The Board also recognizes the value and input that non-independent Board members provide and evaluates each candidate for membership on the Board to construct a Board designed to be in the best interest of the Company and its shareholders, including current and, in some cases, former members of management.

3. Director Tenure. Directors are reelected each year; there is no staggered Board at the Company. No term limits have been established for members of the Board; instead the Board, through the Nominating/Corporate Governance Committee, analyzes the insight, qualifications, value and contributions of each director on an annual basis. To ensure the Board continues to generate new ideas and to operate effectively, the Nominating/Corporate Governance Committee monitors Board performance and takes steps as necessary regarding continuing director tenure, the addition of other directors and other steps to strengthen the Board.

D. Selection of the Board of Directors

1. Annual Election of the Board by Shareholders. Directors are elected by a plurality of the votes of the shareholders of the Company present or represented by proxy at each annual meeting of shareholders. Directors are elected from those persons properly nominated to stand for election at such annual meeting. The Board has delegated the nomination process to the Nominating/Corporate Governance Committee, which has the authority to identify and nominate candidates for vacancies on the Board. Each director elected at each annual meeting holds office until the next annual meeting of the shareholders and until a successor has been elected and qualified.

2. Board Membership Criteria. The Nominating/Corporate Governance Committee evaluates and recommends candidates for membership on the Board, including director nominees to be proposed by the Board to AspenBio’s shareholders for election or any director nominees to be elected or appointed by the Board to fill interim director vacancies on the Board. The Nominating/Corporate Governance Committee has determined that desirable characteristics for a Board membership include, among other things, industry knowledge, senior management experience, relevant skill sets, diversity, business acumen, public company experience, strength of character and mature judgment.

3. Nomination of New Directors. The Nominating/Corporate Governance Committee generates a list of possible candidates for nomination to the Board. The Nominating/Corporate Governance Committee considers possible candidates suggested by Board members, consultants, shareholders, senior management, or individuals personally known to the members. A shareholder of AspenBio may nominate a person for election as a director at AspenBio’s annual meeting provided the shareholder follows the procedures specified in the Company’s Bylaws and in accordance with the requirements of the Nominating/Corporate Governance Committee which procedures are disclosed annually in AspenBio’s proxy statement preceding each annual meeting of shareholders.

4. Board Resignations and Vacancies. As set forth in the Amended and Restated Bylaws, any director may resign at any time by giving written notice to the Corporate Secretary. Such resignation shall be effective immediately, unless the notice specifies a later time. If the resignation of a director is effective at a future time, the Board of Directors may elect a successor to take office when the resignation becomes effective.

If a director resigns or refuses to stand for re-election to the Board of Directors after the date of the last annual meeting of shareholders because of a disagreement with the Company on any matter relating to the Company's operations, policies or practices, the director must provide written notice to the Corporate Secretary that includes the date of such resignation or refusal to stand for re-election, and a description of the circumstances representing the disagreement that caused the director's resignation or refusal to stand for re-election.

Vacancies in the Board of Directors will be filled by a majority of the remaining directors, even if less than a quorum, or by a sole remaining director; shareholders may fill a vacancy on the Board only at a duly called special meeting of shareholders.

E. Principal Duties of the Board of Directors

1. To Oversee Management and Evaluate Strategy. The fundamental responsibility of the directors is to exercise their business judgment to act in what they reasonably believe to be the best interests of AspenBio and its shareholders. It is the duty of the Board to oversee the Chief Executive Officer and the other members of senior management who together run AspenBio on a daily basis. The Board also monitors management's performance to ensure that AspenBio operates in an effective, efficient and ethical manner in order to produce value for AspenBio's shareholders. The Board also evaluates AspenBio's overall strategy and monitors AspenBio's performance against its operating plan and against the performance of its peers.

Directors are expected to invest the time and effort necessary to understand AspenBio's business and financial strategies and challenges. The basic duties of the directors include attending Board meetings and actively participating in Board discussions. Directors are also expected to make themselves available outside of board meetings for advice and consultation.

2. To Select the Chief Executive Officer. The Board will select the Chief Executive Officer in compliance with AspenBio's charter documents. However, if there is no Chief Executive Officer or President of AspenBio as a result of the death, resignation or removal of such officer, then the Chair of the Board of Directors may also serve in an interim capacity as the Chief Executive Officer of AspenBio until the Board appoints a new Chief Executive Officer.

3. To Appoint a Chair or Lead Director. The Board shall appoint a Chair of the Board and may, if deemed appropriate in its sole discretion, appoint a Lead Director if the Chair of the Board and the Chief Executive Officer are the same person, or if the Chair of the Board is an executive Chair rather than a non-executive Chair. Recommendations for Chair and/or Lead Director shall be made to the Board by the Nominating/Corporate Governance Committee. The duties of the non-executive Chair of the Board (or Lead Director if the Chair is an executive or non-independent Chair) include the following:

- Preside at all meetings of the Board of Directors, including all executive sessions of the independent directors;
- As requested, serve as the liaison between the Board and the Chief Executive Officer;
- Generally approve, and if necessary coordinate, information sent to the Board;
- Have authority to call meetings of the independent directors;
- If appropriate be available to shareholders for consultation and communication with shareholders; and
- Perform such other duties as the Board may from time-to-time designate.

4. To Evaluate Management Performance and Compensation. At least annually, the Compensation Committee will evaluate the performance of the Chief Executive Officer. It will also review with the Chief Executive Officer the performance of the other executive officers of the Company. On an annual basis the Board will determine the compensation of the Chief Executive Officer and the other executive officers. In cooperation with the Compensation Committee it will also evaluate the compensation plans, policies and programs for officers and employees to ensure they are appropriate, competitive and properly reflect AspenBio's objectives and the performance measures established.

5. To Review Management Succession Planning. The Chief Executive Officer will meet with the Board and the Compensation Committee at least annually to review and recommend to the Board plans for the development, retention and replacement of executive officers of AspenBio.

6. To Monitor and Manage Potential Conflicts of Interest. All members of the Board must inform the Audit Committee of the Board of all types of transactions between them (directly or indirectly) and AspenBio as soon as reasonably practicable even if these transactions are in the ordinary course of business. The Audit Committee of the Board will review and approve all related person transactions for which audit committee approval is required by applicable law or the rules of NASDAQ. The Board will also ensure that there is no abuse of corporate assets or unlawful related person transactions.

7. To Ensure the Integrity of Financial Information. The Audit Committee of the Board evaluates the integrity of AspenBio's accounting and financial reporting systems, including the audit of AspenBio's annual financial statements by the independent auditors, and provides oversight of the internal control systems that are in place. The Audit Committee reports to the Board on a regular basis and the Board, upon the recommendation of the Audit Committee, takes the actions that are necessary to ensure proper oversight of the integrity of AspenBio's accounting and financial reporting systems and that appropriate controls are in place.

8. To Monitor the Effectiveness of Board Governance Practices. The Nominating/Corporate Governance Committee of the Board periodically reviews and evaluates the effectiveness of the governance practices under which the Board operates and make changes to these practices as needed.

9. To Monitor and Oversee Risk Management. The Board shall periodically review and provide oversight of the Company's risk management activities, subject to the authorities delegated to the Audit Committee to provide oversight of risk with respect to the financial statements and financial reporting of the Company. The Corporate Compliance Officer will provide information to the Board as required for this risk management oversight.

F. Board Procedures

Directors are expected to prepare for, attend, and contribute meaningfully in all Board and applicable committee meetings in order to discharge their obligations.

1. Frequency of Board Meetings. Regular meetings of the Board shall be held at such times and places as determined by the Board. There will be at least four regularly scheduled meetings of the Board each year but the Board will meet more often as necessary.

2. Attendance at Board Meetings. To facilitate participation at the Board meetings, directors may attend in person or via telephone conference. Materials are distributed in advance of meetings so that the directors have a sufficient amount of time to review and evaluate materials prior to meetings.

3. Other Commitments. Each member of the Board is expected to ensure that other existing and future commitments, including employment responsibilities and service on the boards of other entities, do not materially interfere with the member's service as director of the Company. Board members shall not serve on more than three other for-profit public company boards in addition to AspenBio's Board. Newly appointed or elected directors shall have a grace period of nine months to gain compliance with this condition. Determinations regarding the definition of "for-profit public company board" shall be made by the Nominating/Corporate Governance Committee.

4. Director Resignations Upon Job Changes. If a director changes employment at his or her principal place of employment, the director is required to notify the Chair of the Nominating/Corporate Governance Committee promptly after such change occurs. Such Committee will then, as soon as practicable, review whether such job change presents any potential conflict of interest or other issues, and then recommend to the Board whether or not that director should be asked resign from the Board.

5. Executive Sessions of Non-Management Directors. NASDAQ rules require independent Board members to regularly meet in executive session without non-independent directors and that such executive sessions should be held twice per year at a minimum. The Board's policy is to hold executive sessions without the presence of management, including the Chief Executive Officer and other non-independent directors in connection with each regularly scheduled Board meeting, and at other times as necessary. Committees of the Board also meet in executive session as deemed appropriate.

6. Board Access to Management. Members of the Board have access to AspenBio's management and employees as needed to fulfill their duties. Furthermore, the Board encourages

management to, from time to time, bring managers into meetings of the Board who: (a) can provide additional insight into the items being discussed because of personal involvement in these areas, and/or (b) are managers with future potential that senior management believes should be given exposure to the Board.

7. Code of Business Conduct. AspenBio has adopted a Code of Business Conduct and Code of Ethics to provide guidelines for the ethical conduct by its directors, officers, employees and consultants. The Code of Business Conduct is posted on AspenBio's website. AspenBio's Code of Ethics is a part of the Code of Business Conduct.

8. Engaging Experts. The Board and each committee of the Board has the authority to obtain advice, reports or opinions from internal and external counsel and expert advisers and has the power to hire independent legal, financial and other advisers as they may deem necessary or appropriate, without consulting with, or obtaining approval from, management of AspenBio in advance.

9. Stock and Stock Option Pricing Policy. Awards and administration of stock grants, stock options, and stock incentive plans and programs shall be based upon recommendations and programs considered by the Compensation Committee and submitted to the Board for approval. In no event shall an award, grant or computation be considered that would have the effect of or be considered as re-pricing or back-dating any stock option or stock award.

G. Board Committees

1. Number and Composition of Committees. The Board currently has the following standing committees: an Audit Committee, a Compensation Committee and a Nominating/Corporate Governance Committee. From time to time the Board may form a new committee or disband a current committee depending on the circumstances. Each committee shall comply with the independence and other requirements established by applicable law and regulations, including SEC and NASDAQ rules.

2. Committee Appointments. Members of all standing committees are appointed by the Board, in cooperation and consultation with the Nominating/Corporate Governance Committee. The Board determines the exact number of members and can at any time remove or replace a committee member. All members of the Audit, Compensation, and Nominating/Corporate Governance Committees shall be independent under SEC and NASDAQ rules.

3. Committee Proceedings. The Chair of each committee of the Board will, in consultation with appropriate committee members and members of management, and in accordance with the committee's charter, determine the frequency and length of committee meetings and develop the committee's agenda.

H. Director Continuing Education

The Board believes that ongoing education is important for maintaining a current and effective Board. Accordingly, the Board encourages directors to participate in ongoing education, as well as participation in accredited director education programs. AspenBio will reimburse directors for reasonable expenses incurred in connection with these education programs.

I. Board Performance

The Board develops and maintains a process whereby the Board, its committees and its members are subject to evaluation and self-assessment. The Nominating/Corporate Governance Committee oversees this process.

J. Board Compensation

The Compensation Committee of the Board has the responsibility to review and recommend to the Board fees or other compensation programs for non-employee directors.

K. Auditor Rotation

The Audit Committee of the Board will ensure that the lead audit partner and the audit review partner be rotated every 5 years as is required by the rules of the SEC.

L. Communications with Shareholders

1. Shareholder Communications to the Board. Shareholders who wish to communicate with members of the Board of Directors, including the independent directors individually or as a group, can send correspondence to them in care of the Chair of the Audit Committee of the Board. The identity of, and contact information for, the Audit Committee Chair is set forth in each proxy statement for a shareholders' meeting at which directors are to be elected.

2. Annual Meeting of Shareholders. Each director is expected to attend the Annual Meeting of Shareholders.

M. Periodic Review of the Corporate Governance Guidelines

These guidelines shall be reviewed periodically by the Nominating/Corporate Governance Committee. The Board will make changes when appropriate based on recommendations from the committee.

Adopted, as revised, effective November 23, 2010