

PHARMATHENE, INC.

GOVERNANCE AND NOMINATING COMMITTEE CHARTER

I. ORGANIZATION

A. Membership

The Governance and Nominating Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of PharmAthene, Inc. (the “**Company**”) shall consist of “independent directors,” as such term is defined in the rules and regulations of each of the United States Securities and Exchange Commission (“**SEC**”) and the American Stock Exchange.

Membership on the Committee shall be determined annually by the Board upon the recommendation of the Committee. Unless a Chairman of the Committee is elected by the full Board, the members of the Committee may designate a Chairman of the Committee by majority vote of the full Committee membership. A Secretary of the Committee shall be selected by the Chairman of the Committee. Should any member of the Committee cease to be independent, such member shall immediately resign his or her membership on the Committee. The Board may remove a member of the Committee. In case of a vacancy on the Committee, the Board may appoint an independent director to fill the vacancy for the remainder of the term.

B. Meetings

The Committee shall meet at least once each year. Additional meetings may be scheduled as needed and may be called by the Chairman of the Committee. A majority of the members of the Committee shall constitute a quorum for the transaction of business. Minutes shall be recorded by the Secretary to the Committee. Approval by a majority of the members present at a meeting at which a quorum is present shall constitute approval by the Committee. The Committee may also act by unanimous written consent without a meeting.

II. BASIC FUNCTION AND PURPOSE

The role of the Committee is to:

- select, or recommend for the Board’s selection, nominees for director;
- identify qualified individuals to become Board members in conjunction with the Statement of Policy Regarding Identification of Director Nominees attached as Annex A hereto;
- assist the Board in determining the composition of the Board and its committees; and
- assist the Board in developing the Company’s corporate governance guidelines.

III. RESPONSIBILITIES

The Committee, in consultation with the Chairman of the Board and the Chief Executive Officer, shall:

1. Review and make recommendations on the range of skills and expertise which should be represented on the Board, and the eligibility criteria for individual Board and committee membership.
2. Review and recommend to the Board the appropriate structure of the Board.
3. Identify and recommend potential candidates for election or re-election to the Board.
4. Implement a policy and procedures with regard to the consideration of any director candidates recommended by security holders.
5. Have sole authority to retain and terminate any search firm to be used to identify director candidates, including sole authority to approve the search firm, fees and other retention terms.
6. Review and recommend to the Board the appropriate structure of Board committees, committee assignments and the position of chairman of each committee.
7. Have authority to delegate any of its responsibilities to subcommittees or individuals as the Committee deems appropriate.
8. Have authority to obtain advice and assistance from internal and external legal, accounting or other advisers.
9. Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
10. Annually evaluate its own performance.

IV. REPORTING RESPONSIBILITY

Any action taken by the Committee shall be reported to the Board at the next Board meeting following such action.

In addition, nomination matters may be discussed in executive session with the full Board during the course of the year.

Statement of Policy Regarding Identification of Director Nominees

The Company is of the view that the continuing service of qualified incumbents promotes stability and continuity in the board room, contributing to the ability of the Board to work as a collective body, while giving the Company the benefit of the familiarity and insight into the Company's affairs that its directors have accumulated during their tenure. Accordingly, the process of the Committee for identifying nominees shall reflect the Company's practice of re-nominating incumbent directors who continue to satisfy the Committee's criteria for membership on the Board, whom the Committee believes continue to make important contributions to the Board and who consent to continue their service on the Board.