

ASPENBIO PHARMA, INC.

CORPORATE GOVERNANCE GUIDELINES

A. Introduction

These Corporate Governance Guidelines established by the Board of Directors of AspenBio Pharma, Inc. provide a structure within which our directors and management can effectively pursue AspenBio's objectives for the benefit of its stockholders. The Board intends that these Guidelines serve as a flexible framework within which the Board may conduct its business, not as a set of binding legal obligations. These Guidelines should be interpreted in the context of all applicable laws, AspenBio's charter documents, policies, and other governing legal documents.

B. Mission of the Board of Directors

AspenBio's Board of Directors believes that its primary responsibility is to provide effective governance over AspenBio's affairs for the benefit of stockholders. 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 stockholders' 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; and
- deciding on matters of corporate governance
- reviewing and approving AspenBio's budget, compensation plan, and annual performance goals

This is an active, not a passive, responsibility. The Board has the responsibility to ensure that in good times, as well as difficult ones, management is capably executing its responsibilities, and has adopted the following 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. The Board currently has eight members.

2. Director Independence. The Board believes that a majority of directors on the Board should be independent as defined by the Sarbanes-Oxley Act of 2002, the rules and regulations of the Securities and Exchange Commission, and the NASDAQ Stock Market. The Board also believes that it is often in the best interest of AspenBio and its stockholders to have non-independent directors, including current and (in some cases) former members of management, serve as directors.

3. Director Tenure. Directors are reelected each year and the Board does not believe it should establish term limits because directors who have developed insight into AspenBio and its operations over time provide an increasing contribution to the Board as a whole. To ensure the Board continues to generate new ideas and to operate effectively, the Nominating/Corporate Governance Committee shall monitor performance and take steps as necessary regarding continuing director tenure.

D. Selection of the Board of Directors

1. Annual Election of the Board by Stockholders. Directors are elected by a plurality of the votes of the stockholders of AspenBio present or represented by proxy at the annual meeting of stockholders. Directors are elected from those persons properly nominated to stand for election at the 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 of Directors. At AspenBio's annual meeting of stockholders, the nominees receiving the highest number of affirmative votes cast shall be elected as directors. Each director so elected shall hold office until the next annual meeting of the stockholders and until a successor has been elected and qualified.

2. Board Membership Criteria. The Nominating/Corporate Governance Committee will evaluate and recommend candidates for membership on the Board, including director nominees to be proposed by the Board to AspenBio's stockholders 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 industry knowledge, senior management experience, relevant skill sets, diversity, business acumen, 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, stockholders, senior management, or individuals personally known to the members. A stockholder of AspenBio may nominate a person for election as a director at AspenBio's annual meeting provided the stockholder follows the procedures specified established AspenBio's Bylaws and in accordance with the requirements set forth in the Nominating/Corporate Governance Charter which procedures are disclosed annually in AspenBio's proxy statement.

4. Board Resignations and Vacancies. AspenBio's Bylaws provide that any director may resign effective immediately by giving written notice or electronic transmission thereof to the Corporate Secretary, unless the notice specifies a later time for that resignation to become effective. 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. Vacancies in the Board of Directors may only be filled by a majority of the remaining directors, even if less than a quorum, or by a sole remaining director; stockholders may not fill a vacancy on the Board other than at a duly called meeting of stockholders.

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 stockholders. 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 stockholders. 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 Chair and Chief Executive Officer. The Board will select the Chair of the Board and 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 Lead Director. The Board may deem it appropriate in its sole discretion to appoint a Lead Director because the Chair of the Board and the Chief Executive Officer are the same person. The Board may appoint a Lead Director recommended by the Nominating/Governance Committee. If appointed the Lead Director's duties shall include the following:

- Preside at all meetings of the Board of Directors at which the Chairman is not present, including 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, in conjunction with the Chair of the Board the Compensation Committee will evaluate the performance of the Chief Executive Officer. It will also review with the Chief Executive Officer the other executive officers. On an annual basis it will determine the compensation of the Chief Executive Officer and the other 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 performance.

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 party transactions for which audit committee approval is required by applicable law or the rules of the NASDAQ Stock Market. The Board will also ensure that there is no abuse of corporate assets or unlawful related party 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 ensure that appropriate systems of control 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 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 will periodically review and evaluate the effectiveness of the governance practices under which the Board operates and make changes to these practices as needed.

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 if 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. Board members shall not serve on more than three other for-profit public company boards that each have a class of securities registered under the Securities Exchange Act of 1934 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 Corporate Governance Committee.

3. a. Director Resignations Upon Job Changes. If a director changes employment, the committee will immediately review the job change for any potential conflict of interest and then recommend whether or not that director should be asked resign.

4. 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 at a minimum should be held twice per year. 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 regularly scheduled Board meetings, and at other times as necessary. Committees of the Board will also meet in executive session as deemed appropriate.

5. Board Access to Management. Members of the Board will 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.

6. Code of Business Conduct. AspenBio has adopted a Code of Business Conduct to provide guidelines for the ethical conduct by directors, officers and employees. 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.

7. 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 will have 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.

8. Stock Retention Policy. In an effort to more closely align the interests of the directors and executive officers with those of the stockholders of AspenBio, AspenBio has implemented a stock retention policy whereby all non-employee directors must retain 50% of any restricted stock grants issued to him or her, net any income taxes owed thereon, until such director's resignation or removal or until his successor shall be duly elected. This policy does not apply to any restricted stock acquired upon a director's exercise of options. The retention percentage required for executive officers is 30% net any income taxes owed thereon.

9. Stock and Stock Option Pricing Policy. Awards and administration of stock grants, stock options, 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 Stockholders

1. Stockholder Communications to the Board. Stockholders 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 AspenBio' Corporate Secretary at AspenBio principal executive offices. Such communication will be forwarded to the intended recipient(s).

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

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 effective: July 29, 2009