

CHARTER OF THE CORPORATE GOVERNANCE
AND NOMINATING COMMITTEE
OF THE BOARD OF DIRECTORS OF
NOVADEL PHARMA INC.

Purpose

The Committee is appointed by the Board to:

1. Assist with Board structure, function and composition including:
 - identifying individuals qualified to become Board members; and
 - recommending to the Board the persons to be nominated for election as directors at any meeting of stockholders.
2. Assist with Committee Structure, function and composition including:
 - recommending Committee assignments for members of the Board.
3. Developing and recommending to the Board a set of corporate governance guidelines applicable to the Company.
4. Overseeing the evaluation of the Board and its Committees.
5. Overseeing the governance practices of the Board

Committee Membership

The Committee shall be comprised of at least three Directors. Members shall be appointed, and may be removed, by the Board. Each member of the Committee shall be independent in accordance with the requirements of the American Stock Exchange.

Responsibilities

In carrying out its purpose, the policies and procedures of the Committee should remain flexible, so that it may be in a position to best react or respond to changing circumstances or conditions. The following should be considered within the responsibilities and authority of the Committee:

1. Director Recruitment. Seek individuals qualified to become Directors for recommendation to the Board.

2. Criteria for Selecting Directors. Developing and recommending to the Board the criteria for Board membership which are reflected in the Corporate Governance Guidelines. The criteria should include, among other things:

- reputation for integrity, honesty and high ethical standards;
- demonstrated business acumen, experience and ability to exercise sound judgments in matters that relate to our current and long-term objectives and willingness and ability to contribute positively to our decision-making process;
- commitment to understanding our business and our industry;
- adequate time to attend and participate in meetings of the Board of Directors and its Committees;
- ability to understand the sometimes conflicting interests of the various stakeholders of our Company, which include stockholders, employees, customers, governmental units, creditors and the general public and to act in the interest of all stockholders; and
- such other attributes, including independence, that satisfy requirements imposed by the Securities and Exchange Commission and the American Stock Exchange.

3. Nominees. Recommend to the Board nominees for Director to be elected at each annual meeting and to consider nominees suggested by stockholders.

4. Committee Assignments. Recommend Committee assignments, within the following guidelines:

- The independence requirements of American Stock Exchange and the Company's Corporate Governance Guidelines.
- Other legal and regulatory considerations, including Rule 16b-3.
- Expertise and diversity characteristics appropriate for each Committee.
- Size and composition lending itself to efficient operation of each Committee.

5. Independence Assessments and Director Conflicts of Interest. Recommend an independence standard to the Board. Assist the Board with independence assessments of individual Directors. Recommend policies regarding the conduct of business between the Company and any Director, his/her affiliates and other Director conflict of interest matters.

6. Corporate Governance Guidelines. Annually review and reassess the adequacy of the Corporate Governance Guidelines of the Company and recommend any proposed changes to the Board for approval.

7. Board and Committee Performance Process. Recommend the scope of the annual Board and Committee performance assessment, including whether the performance of individual Directors will be assessed in addition to the assessment of the performance of the Board as a group. Receive comments from all Directors and report annually to the Board with an assessment of the Board's performance, to be discussed with the full Board following the end of each fiscal year.

Assess actions to be taken with respect to a Director, if any, when the Director is unable to perform the duties required of Directors and make appropriate recommendations to the Board.

8. Proxy Statement and Stockholder Interaction. Review and discuss with management the responses to stockholder proposals, if any, disclosures in the proxy statement concerning corporate governance and proposed stockholder interaction about such matters.

Meetings and Operation

The Corporate Governance and Nominating Committee shall meet as often as it deems necessary in order to perform its responsibilities. The Committee chair sets the agenda for each meeting and determines the length and frequency of meetings. The Committee may request any officer or employee of the Company, outside counsel or consultant to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

The Committee shall operate in full compliance with the American Stock Exchange requirements for nominating committees and any other applicable laws and regulations.

The Corporate Governance and Nominating Committee may form and delegate authority to one or more subcommittees (including a subcommittee consisting of a single member), as it deems appropriate from time to time under the circumstances.

The Corporate Governance and Nominating Committee shall report its activities to the Board in such manner and at such times as it deems appropriate.

The Corporate Governance and Nominating Committee shall annually review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval.

Advisors

1. Director Search Consultants. The Committee shall have sole authority to retain and terminate any search firm to be used to identify Director candidates, including sole authority to approve such search firm's fees and other retention terms.
2. Legal, Accounting and Other Consultants. The Committee shall have authority to obtain advice and assistance from in-house or outside legal, accounting and other advisors.
3. Funding. The Company shall provide for appropriate funding, as determined by the Committee, for payment of compensation to the consultants and advisors retained by the Committee.

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