

AUDIT COMMITTEE CHARTER

CANCER GENETICS, INC.

Purpose

The primary purpose of the Audit Committee (the "**Committee**") is to assist the Board of Directors (the "**Board**") of Cancer Genetics, Inc. (the "**Company**") in fulfilling its responsibility to oversee (a) the integrity of the Company's financial statements and other financial information furnished by the Company, (b) the Company's compliance with legal and regulatory requirements, (c) the Company's systems of internal accounting and financial controls, (d) the independent auditor's engagement, qualifications, performance, compensation and independence, (e) review of related party transactions and (f) compliance with the Company's Code of Business Conduct and Ethics.

Membership

The Committee shall be comprised of at least three members of the Board, the precise number to be determined from time to time by the Board. All Committee members will be directors. Members of the Committee shall be appointed by the Board and may be replaced or removed by the Board at any time with or without cause. Resignation or removal of the director from the Board, for whatever reason, shall automatically constitute resignation or removal, as applicable, from this Committee.

Upon completion of the Company's initial public offering, members shall satisfy the NASDAQ Stock Market ("NASDAQ") independence standards set forth in Section 5605(a)(2) of the NASDAQ Listing Rules and the independence requirements of SEC Rule 10A-3(b)(1) in accordance with the following "phase in" schedule: at least one member shall satisfy such standards on or before the date that the Company completes its initial public offering, at least a majority of the members of the Committee shall satisfy such standards on or before the ninetieth day after the Company completes its initial public offering and all members of the Committee shall satisfy such standards on or before one year after the Company completes its initial public offering.

All Committee members will be directors:

1. who, subject to the "phase in" rules described above, have no relationship to the Company that may interfere with the exercise of their independence from management and the Company; and
2. who are financially literate as such qualification is interpreted by the Board in its business judgment, or who become financially literate within a reasonable period of time after appointment to the Committee.

The Committee shall endeavor to include at least one member who qualifies as an "audit committee financial expert" for purposes of Item 401(d)(5) of SEC Regulation S-K. At a minimum, at least one member of the Committee will have accounting or related

financial management expertise, as the Board interprets such qualification in its business judgment.

Committee Responsibilities and Powers

In furtherance of its purpose, the Committee shall have the following authority and responsibilities:

1. The Committee is empowered to investigate any matter brought to its attention with full access to all books, records, facilities and personnel of the Company. The Committee shall have authority to retain such outside counsel, experts and other advisors as the Committee may deem appropriate in its sole discretion. The Committee shall have sole authority to approve related fees and retention terms. The Committee shall have available appropriate funding from the Company as determined by the Committee for payment of:
 - compensation to any accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company;
 - compensation to any advisers employed by the Committee; and
 - ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.
2. The Committee shall review and discuss with management and the independent auditor, prior to release to the general public and legal and regulatory agencies, the annual audited financial statements and quarterly financial statements, including disclosures contained in "Management's Discussion and Analysis of Financial Condition and Results of Operations," and matters required to be reviewed under applicable legal, regulatory or NASDAQ requirements, including without limitation critical accounting policies and practices. As part of this review process, the Committee shall review management's report on internal controls and the independent auditor's attestation on management's assertion, when and as required by Section 404 of the Sarbanes-Oxley Act of 2002, and discuss with management and the independent auditors (a) any significant deficiencies or material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information and (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.
3. The Committee shall discuss with management and the independent auditor, as appropriate, prior to release to the general public and legal and regulatory agencies, earnings press releases and financial information and, if applicable, earnings guidance. The responsibility to discuss earnings releases, as well as financial information and earnings guidance, may be done generally (i.e., discussion of the types of information to be disclosed and the type of presentation

- to be made). Thus, the Committee need not discuss in advance each earnings release or, if applicable, each instance in which the Company may provide earnings guidance
4. The Committee shall appoint, (and recommend that the Board submit for shareholder ratification, if applicable), except where such services are determined to be de minimis under the Securities and Exchange Act of 1934, compensate, retain and oversee the work performed by the independent auditor retained for the purpose of preparing or issuing an audit report or performing other audit or audit-related services. The Committee will review the performance and independence of the independent auditor and remove the independent auditor, if circumstances warrant. The independent auditor shall report directly to the Committee and the Committee will oversee the resolution of any disagreements between management and the independent auditor.
 5. The Committee shall discuss guidelines and policies developed by Company management and the Board with respect to risk assessment and risk management and the steps that the Company's management has taken to monitor and control financial risk exposure, including anti-fraud programs and controls. The Committee shall discuss the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures.
 6. The Committee shall prepare an audit committee report in accordance with SEC regulations to be included in the Company's annual proxy statement.
 7. The Committee shall set policies for the hiring of employees or former employees of the Company's independent auditor.
 8. The Committee shall review and investigate any matters pertaining to the integrity of management, including conflicts of interest, or adherence to standards of business conduct as required in the policies of the Company. The Committee shall review and approve related party transactions according to such policies as may be adopted by the Board from time to time.
 9. The Committee shall review the Company's financial reporting and accounting standards and principles, significant changes in such standards or principles or in their application and the key accounting decisions affecting the Company's financial statements, including alternatives to, and the rationale for, the decisions made.
 10. The Committee shall meet, as frequently as it deems appropriate, separately with (a) the Chief Executive Officer, Chief Financial Officer, Chief Operating Officer and other members of senior management, (b) internal auditors (or other personnel responsible for the internal audit function), if applicable, and (c) the independent auditors, in each case to discuss any matters that the Committee or such persons believe should be discussed privately.

11. The Committee shall obtain and review at least annually a formal written report from the independent auditor delineating:
 - the auditor's internal quality-control procedures;
 - any material issues raised by the most recent internal quality-control review, or peer review, of the auditor, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the auditor, and any steps taken to deal with any such issues; and
 - all relationships between the independent auditor and the Company, in order to assess the auditor's independence.

After reviewing the foregoing report and the independent auditor's work throughout the year, the Committee shall evaluate the independent auditor's qualifications, performance and independence. This evaluation shall include the review and evaluation of the lead partner of the independent auditor. In making its evaluation, the audit committee shall take into account the opinions of management and, if applicable, the Company's internal auditors (or other personnel responsible for the internal audit function). In addition to assuring the regular rotation of the audit partners on the engagement team as required by law, the Committee shall consider whether, in order to assure continuing auditor independence, there should be regular rotation of the audit firm itself. The Committee shall present its conclusions with respect to the independent auditor to the Board.

12. Upon receipt of such written report, the Committee shall discuss with the independent auditor any such disclosed relationships and their impact on the independent auditor's objectivity and independence, and shall recommend that the Board take appropriate action in response to the auditor's report to satisfy itself of the independence of the independent auditor.
13. The Committee shall establish procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters, including procedures for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting, auditing matters or violations of the Company's code of conduct.
14. The Committee shall regularly review with the independent auditor any difficulties the auditor encountered in the course of the audit work, including any restrictions on the scope of the independent auditor's activities or on access to requested information, and any significant disagreements with management.
15. The Committee shall review at least annually the adequacy of this charter and recommend any proposed changes to the Board for approval.

16. The Committee shall conduct and present to the Board an annual performance evaluation of the Committee.

Committee Structure and Operations

The Board shall designate one member of the Committee to act as its chairperson.

The Committee shall meet in person or telephonically at such times and places as shall be determined by the Committee chairperson. The chairperson, with input from the other members of the Committee, shall set the agendas for Committee meetings.

The Committee shall maintain minutes containing a summary of the actions taken at each Committee meeting and shall make regular reports to the Board with respect to actions taken by the Committee and areas of the Committee's responsibilities. These reports shall include a review of any issues that arise with respect to the quality and integrity of the Company's financial statements, the Company's compliance with legal or regulatory requirements or the performance of the Company's independent auditors.

The Committee shall have the authority to delegate matters to subcommittees of the Committee, subject to all laws and regulations applicable to the Committee (including without limitation regulations of the SEC and NASDAQ).