

CYCLACEL PHARMACEUTICALS, INC.

Amended and Restated Charter for the Audit Committee of the Board of Directors

Purpose and Powers

The purpose of the Audit Committee (the “Committee”) is to assist the Board of Directors (the “Board”) in its oversight of the accounting and financial reporting processes of Cyclacel Pharmaceuticals, Inc. (the “Company”); to appoint, compensate and oversee the Company’s independent accountants; and to supervise the finance function of the Company (which will include, among other matters, the Company’s investment activities). The Committee will have the power to engage and compensate independent counsel and other advisors as it deems necessary to carry out its duties. In addition, the Committee has the authority, to the extent permitted under applicable laws, rules, and regulations, and the Company’s bylaws and Certificate of Incorporation, to delegate to one or more of its members the authority to grant pre-approvals of audit services and permissible non-audit services, provided such decisions are presented to the full Audit Committee at regularly scheduled meetings.

The Audit Committee’s responsibility is oversight. The Company’s management, and not the Committee, is responsible for the Company’s financial statements, as well as the Company’s financial reporting processes, principles, and internal control systems. The independent auditor, and not the Committee, is responsible for performing an audit of the Company’s annual financial statements, expressing an opinion as to the conformity of such annual financial statements with generally accepted accounting principles, reviewing the Company’s quarterly financial statements, and other procedures. In dispatching its duties under this charter, each member of the Audit Committee shall be entitled to rely on: (i) the integrity of those persons within the Company and of the professionals and experts (such as the independent auditor) from which it receives information, (ii) the accuracy of the financial and other information provided to the Audit Committee by such persons, professionals, or experts, absent actual knowledge to the contrary, and (iii) representations made by the independent auditor’s management as to any non-audit services provided by the independent auditor to the Company. Similarly, it is not the responsibility of the Committee to ensure that the Company complies with all laws, regulations, and Company policy, including its Code of Business Conduct and Ethics.

The Committee will undertake those specific duties and responsibilities listed below, and such other duties as the Board from time to time may prescribe. The Committee will provide to the Board the results of its examinations and recommendations, and such additional information and materials as it may deem necessary to make the Board aware of significant financial matters that require Board attention.

Charter

The Committee will review and reassess the adequacy of this charter at least once annually. This charter (as then constituted) shall be publicly filed, as may be required by the Securities Exchange Act of 1934 (the “**Exchange Act**”), or the rules and regulations of the SEC, the FINRA, Nasdaq, or any other applicable regulatory authority.

Membership

The Committee shall consist of at least three non-employee members of the Board. Such members will be elected by the Board at the annual organizational meeting of the Board, and shall hold office until their resignations or until their successors shall be duly elected and qualified. The Committee’s membership shall comply with the independence standards set forth in the Exchange Act

and the rules of the Nasdaq Stock Market, and with the financial literacy and sophistication requirements of the Nasdaq Stock Market, provided, however, that in conformity with the rules of the Nasdaq Stock Market, the Board may decide that, if it is in the best interests of the Company, one non-employee member of the Board that meets the independence standards set forth in the Exchange Act, but not the independence standards of the Nasdaq Stock Market, may serve on the Audit Committee for up to two years.

Meetings

The Committee will meet separately with the Chief Executive Officer and separately with the Chief Financial Officer of the Company at least quarterly to review the financial affairs of the Company. The Committee will meet with the independent accountants of the Company outside the presence of management at least quarterly, including upon the completion of the annual audit, and at such other times as the Committee deems appropriate to review the independent accountants' examination and management report. The Audit Committee will meet as necessary to develop its procedures to discharge its duties as the Company's Qualified Legal Compliance Committee.

Responsibilities

Oversight of Independent Auditors

The Committee shall have the sole authority to select, evaluate, and, if necessary, replace the independent auditor, subject to stockholder ratification, if such ratification is required by applicable law or sought by the Board. In connection with this authority, the Committee will:

1. Review annually the audit engagement fees and terms, and the plan for and scope of the audit and related services.
2. Confirm annually that the proposed audit engagement team from the independent accountants complies with the applicable auditor rotation rules.
3. Pre-approve all non-audit services to be provided by the independent accountants; this authority may be delegated to one or more members of the Committee, who will report regularly to the full Committee on non-audit services approved.
4. Inquire of management and the independent accountants about significant risks or exposures and assess the steps management has taken to minimize such risk to the Company.
5. Review with management any significant changes to GAAP, SEC pronouncements or other accounting policies or standards that will impact or could impact the financial reports under review.
6. At the completion of the annual audit, review with management and the independent accountants:
 - a. the Company's annual financial statements and related footnotes;
 - b. the independent accountant's audit of the financial statements;
 - c. any significant changes required in the independent accountant's audit plan;

d. any serious difficulties or disputes with management encountered during the course of the audit;

e. other matters related to the conduct of the audit which are to be communicated to the Committee under generally accepted auditing standards.

7. Review the report from the independent accountants required by Section 10A of the Exchange Act.

8. Review the written annual statement from the Company's independent accountants delineating all relationships between the accountants and the Company, consistent with Independence Standards Board Standard 1.

9. Review with the Company's independent accountants any disclosed relationship or service that may impact the objectivity and independence of the accountants.

Oversight of Financial Reporting and Other Financial Disclosure

The Committee will:

10. Review with management and the independent accountants at least annually the Company's application of critical accounting policies and its consistency from period to period, and the compatibility of these accounting policies with generally accepted accounting principles, and (where appropriate) the Company's provisions for future occurrences which may have a material impact on the financial statements of the Company.

11. Consider and approve, if appropriate, significant changes to the Company's accounting principles and financial disclosure practices as suggested by management and the independent accountants. Review with management and the independent accountants, at appropriate intervals, the extent to which any changes or improvements in accounting or financial practices, as approved by the Committee, have been implemented.

12. Review and discuss with management all material off-balance sheet transactions, arrangements, obligations (including contingent obligations) and other relationships of the Company with unconsolidated entities or other persons, that may have a material current or future effect on financial condition, changes in financial condition, results of operations, liquidity, capital resources, capital reserves or significant components of revenues or expenses.

13. Oversee the adequacy of the Company's system of internal accounting controls. Obtain from the independent accountants management letters or summaries on such internal accounting controls, and review any related significant findings and recommendations of the independent accountants together with management's responses thereto.

14. Review the evaluation of internal controls prepared by management, and the independent accountant's attestation, to the extent required by applicable law.

15. Review the periodic reports of the company with management and the independent accountants prior to filing of the reports with the SEC, and recommend whether the audited financial statements are to be included in the Company's Annual Report on Form 10-K.

16. Periodically discuss with the independent accountants, without management being present, (i) the accountant's judgments about the quality, appropriateness, and acceptability of the Company's accounting principles and financial disclosure practices, as applied in its financial reporting, and (ii) the completeness and accuracy of the Company's financial statements.

17. Review and discuss with management the Company's earnings press releases (including the use of "pro forma" or "adjusted" non-GAAP information) as well as financial information and earnings guidance provided to analysts.

Other Responsibilities

The Committee will:

18. Obtain from the officers that certify the Company's financial reports an assessment of the internal controls, a report of any fraud in connection with the preparation of reports and any other reports required by applicable laws, rules or regulations.

19. Oversee the Company's compliance with its Code of Business Conduct and Ethics.

20. Oversee the Company's finance function, which may include the adoption from time to time of a policy with regard to the investment of the Company's assets.

21. Review and approve all related party transactions other than compensation transactions.

22. Review, at least annually, the Company's Whistleblower Policy which details procedures for the receipt, retention and treatment of complaints received by the company regarding accounting, internal accounting controls or auditing matters.

23. Review, at least annually, the Company's procedures for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters. If the Company fails in any material respect to take any of the remedial measures recommended by the Committee, the Committee has the authority to take all other appropriate actions, including notifying the SEC.

In addition to the above responsibilities, the Committee will undertake such other duties as the Board delegates to it or that are required by applicable laws, rules and regulations.

Reports

The Committee will, to the extent deemed appropriate, record its summaries of recommendations to the Board in written form that will be incorporated as a part of the minute of the Board. To the extent required, the Committee will also prepare and sign a Report of the Audit Committee for inclusion in the Company's proxy statement for its Annual Meeting of Stockholders.