

**CHARTER OF THE AUDIT COMMITTEE
OF THE
BOARD OF DIRECTORS
OF
INHIBITEX, INC.**

Section 1. Mission Statement and Principal Functions.

(a) The Audit Committee of the Board of Directors of Inhibitex, Inc. (the “Corporation”) is appointed by the Board of Directors to assist the Board of Directors in fulfilling its oversight responsibilities. The Audit Committee’s primary duties and responsibilities are to:

(1) Oversee the integrity of the Corporation’s accounting and financial reporting processes and the audits of the financial statements reported to the public.

(2) Oversee the Corporation’s systems of internal controls and compliance with applicable laws and regulations.

(3) Appoint, and monitor the independence, qualifications and performance of, the Corporation’s independent auditors and provide an avenue of communication between the independent auditors, management and the Board of Directors.

(b) The Audit Committee has the authority to conduct or authorize investigations into any matter within the scope of its responsibilities and it shall have direct access to the independent auditors as well as anyone in the Corporation. The Audit Committee, in its sole discretion, has the ability to retain, at the Corporation’s expense, special legal, accounting, or other consultants or advisors it deems necessary in the performance of its duties or to assist in the conduct of any investigation.

Section 2. Membership and Operation.

(a) Appointment. Audit Committee members shall be appointed by the Board of Directors on the recommendation of the Nominating and Corporate Governance Committee. The chairperson of the Audit Committee shall be designated by a vote of the Board or, if the Board so chooses, the members of the Audit Committee may select a chairperson by majority vote.

(b) Term. Each of the directors serving on the Audit Committee shall serve until his or her successor has been duly elected and qualified or his or her death, resignation or removal, if earlier.

(c) Qualifications.

(1) The Audit Committee shall be comprised of three or more directors

(2) The members of the Audit Committee shall meet the requirements of the Securities and Exchange Commission (the “SEC”), the Nasdaq Stock Market, Inc. (“Nasdaq”) and the Sarbanes-Oxley Act of 2002 (the “Sarbanes-Oxley Act”). All members of the Audit Committee shall, at the time of their appointment, have a basic understanding of finance and accounting and be able to read and understand fundamental financial statements, and at least one member of the Audit Committee shall have accounting or related financial management expertise and be considered a “financial expert” within the meaning of the Sarbanes-Oxley Act and related regulations promulgated by the SEC and Nasdaq. Members of the Audit Committee are encouraged, at the expense of the Corporation, to enhance their familiarity with finance and accounting by participating in continuing educational programs.

(d) Operations.

(1) The Audit Committee will have regular meetings four times per year (which should coincide with, and precede, the Corporation’s public announcement of its quarterly and annual results) or more frequently as circumstances dictate. The Audit Committee Chair shall prepare and/or approve an agenda in advance of each meeting. If the Audit Committee Chair is not present for a meeting, the members of the Audit Committee may designate a Chair for the meeting by majority vote of the Audit Committee membership. The Audit Committee may meet privately, or with management and with the independent auditors separately as is reasonably necessary, to discuss any matters within the purview of the Audit Committee.

(2) The Audit Committee shall maintain minutes of meetings and report Audit Committee actions to the Board of Directors on a regular basis including any recommendations the Audit Committee deems appropriate.

Section 3. Audit Committee Responsibilities and Duties.

(a) With Regard to Financial Reporting.

(1) Review the Corporation’s annual audited financial statements and related footnotes including disclosures made in Management’s Discussion and Analysis, and report to the Board as to whether it recommends that the audited financial statements should be included in the Corporation’s Form 10-K. The review should include separate discussions with management and with the independent auditors of significant issues and disagreements (if any) regarding accounting principles, practices and judgments, any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information, and the effect of using different accounting principles, practices and judgments. Also, the related earnings press release should be reviewed and discussed with management prior to dissemination.

(2) Review and discuss with management and with the independent auditors the Corporation’s quarterly financial statements and related press releases including disclosures made in Management’s Discussion and Analysis, prior to filing or dissemination.

(3) Periodically review and discuss with management the significant accounting principles, policies, and practices followed by the Corporation in accounting for and reporting its financial results in accordance with generally accepted accounting principles, including management's critical accounting estimates and off-balance sheet transactions if any. Obtain and consider the independent auditors' judgments about the quality and appropriateness of the Corporation's accounting principles as applied in its financial reporting. Also periodically review with management its policies regarding earnings releases and earnings guidance as provided to the public.

(4) Discuss with the independent auditors certain matters required to be communicated to audit committees in accordance with the American Institute of Certified Public Accountants: Statement of Auditing Standards No. 61, including such matters as (i) the consistency of application of the Corporation's accounting policies; (ii) the completeness of information contained in the financial statements and related disclosures; (iii) the selection of new or changes to the Corporation's accounting policies; (iv) estimates, judgments and uncertainties; (v) unusual transactions and (vi) accounting policies relating to significant financial statement items, including the timing of transactions and the period in which they are recorded.

(5) Annually review the independent auditors' audit plan, discussing the scope, staffing, locations, reliance upon management and general audit approach.

(b) With Regard to Internal Controls and Compliance.

(1) Periodically review and discuss with management the effectiveness and adequacy of the Corporation's system of internal controls. This would include discussing at least annually with management and the independent auditors the Corporation's key financial, business, developmental and other operational risks, and the steps management has taken to monitor and control such risks (including management's risk assessment and risk management policies). Also review written reports and significant findings regarding internal controls prepared by the independent auditors, and if appropriate, discuss the information contained in the reports with the independent auditors. Review management's responses, if any, to such reports and findings, including the status of previous recommendations.

(2) In consultation with management and the independent auditors, review the integrity of the Corporation's financial reporting processes and adequacy of disclosure controls. Also, review and discuss with management and the independent auditors (i) the annual report of management that is included in the Corporation's Form 10-K affirming management's responsibility for establishing and maintaining internal control over financial reporting and assessing the effectiveness of the internal control over financial reporting and (ii) the independent auditors' report on, and attestation of, management's annual report, provided that the filing thereof is required by applicable law.

(3) Establish and maintain appropriate procedures for (i) the receipt, retention and treatment of complaints received by the Corporation and the Audit Committee regarding accounting, internal accounting controls or auditing matters and (ii) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or

auditing matters. A memo setting forth such procedures shall be distributed to all employees of the Corporation on an annual basis, and more frequently if circumstances require.

(4) Periodically review and oversee the administration of the Corporation's Code of Ethics, as provided therein, including review of reports from the officer of the Corporation charged with administration of the Code of Ethics and the monitoring of activity raising questions thereunder.

(5) On a quarterly basis, review with the Corporation's counsel, any legal matters that could have a significant impact on the Corporation's financial statements, the Corporation's compliance with applicable laws and regulations, and inquiries received from regulators or governmental agencies.

(6) Review and approve (i) transactions involving potential conflicts of interest with corporate officers and directors, whenever possible in advance of the creation of such transaction or conflict and (ii) all other related party transactions.

(c) With Regard to the Independent Auditors.

(1) The Audit Committee has sole authority and responsibility to select and hire, oversee, evaluate, determine the compensation of and, where appropriate, replace the independent auditors. The Audit Committee shall annually review the performance of the independent auditors, the experience and qualifications of the senior members of the independent auditor team and the quality control procedures of the independent auditors.

(2) On an annual basis, receive from the independent auditors a formal written statement delineating all relationships between the independent auditors and the Corporation and representing to the Corporation the independent auditors' independence consistent with applicable standards, including Public Company Accounting Oversight Board Rule 3520 (and any successor or related rules). The Audit Committee should discuss with the independent auditors the disclosed relationships or services that may impact the objectivity and independence of the auditors, and take, or recommend that the Board of Directors take, appropriate action to ensure the independence of the auditors.

(3) Approve in advance the provision of any permissible non-audit services by the independent auditors and the related fees of the independent auditors therefor. Consider whether the provision of these other services is compatible with maintaining the auditors' independence. As permitted by law, this duty may be delegated by the Audit Committee to one or more designated members of the Audit Committee with any such preapproval reported to the Audit Committee at its next regularly scheduled meeting. Review disclosure of information regarding the approval of independent auditors' non-audit services as required by the Securities and Exchange Commission in periodic reports to investors.

(4) Review and approve the hiring as an employee of the Corporation an employee of the independent auditor who was engaged on the Corporation's account, subject to the provisions of the Sarbanes-Oxley Act and the rules and regulations of the SEC promulgated pursuant thereto. Discuss with independent auditors any recommendations they may have regarding this action.

(d) With Regard to Other Audit Committee Responsibilities.

- (1) Periodically review financial and accounting personnel succession planning within the Corporation.
- (2) Perform any other activities consistent with this Charter, the Corporation's By-laws and governing law, as the Audit Committee or the Board of Directors deems necessary or appropriate.
- (3) Review and reassess the adequacy of this Charter on an annual basis, or more frequently if circumstances require. Submit this Charter to the Board of Directors for approval and have this Charter periodically published in a proxy or information statement in accordance with Securities and Exchange Commission regulations.
- (4) Annually prepare an Audit Committee report to shareholders as required by the Securities and Exchange Commission. The report should be included in the Corporation's annual proxy statement.
- (5) Annually perform a self-assessment of the Audit Committee's performance.

Adopted: 4/30/04

Last Updated: 6/23/10