

CARDIUM THERAPEUTICS, INC.

Corporate Disclosure and Insider Trading Policy

I. PURPOSE

Cardium Therapeutics, Inc. (the "Company") has adopted this Corporate Disclosure and Insider Trading Policy (the "Policy") to comply with federal and state securities laws governing (a) trading in Company securities while in the possession of "material nonpublic information" about the Company or any of its subsidiaries, and (b) disclosing material nonpublic information to outsiders ("tipping"). In particular, this Policy has been developed to:

- Educate all personnel of the Company and its subsidiaries about insider trading and tipping laws and Company policy on such matters;
- Set forth guidelines for courses of action;
- Preserve the confidentiality of Company information and to prohibit the improper use of such information;
- Ensure the fair treatment of the Company's stockholders and the investing public when trading in the Company's securities;
- Protect the Company and its personnel against legal liability; and
- Preserve the reputation of the Company and its personnel for integrity and ethical conduct.

II. SCOPE

A. Personnel. This Policy applies to all directors, officers and other employees of the Company and its subsidiaries (collectively, "Insiders"). In addition, family members of directors, officers or other employees, as well as consultants, contractors or other outsiders who may have access to material nonpublic information about the Company may also be considered Insiders.

B. Transactions. This Policy applies to any and all transactions in the Company's securities, including its common stock, warrants and options to purchase common stock, and any other type of securities that the Company may issue, as well as to derivative securities relating to the Company's securities, whether or not issued by the Company, such as exchange traded options. It also applies to transactions in the securities of any other company if the person has material nonpublic information about such other company that was obtained in the course of employment with the Company, such as information about a supplier, distributor or customer of the Company or a merger or similar transaction being negotiated.

C. Priority of Statutory or Regulatory Trading Restrictions. The trading prohibitions and restrictions in this Policy are superseded by any greater prohibitions or restrictions prescribed by federal or state securities laws and regulations, e.g., short-swing trading by Section 16 Reporting Persons or restrictions on the sale of securities subject to Rule 144 under the Securities Act of 1933, as amended.

III. DEFINITION OF "MATERIAL NONPUBLIC INFORMATION"

A. "Material" Information. Information about the Company or its subsidiaries is "material" if it would be expected to affect the investment or voting decisions of the reasonable shareholder or investor, or if the disclosure of the information would be expected to significantly alter the total mix of information in the marketplace about the Company. In simple terms, material information is any type of information that could reasonably be expected to affect the price of Company securities, regardless of whether the information is positive or negative. It is important to remember that materiality will be judged with the benefit of hindsight.

As a practical matter, it is sometimes difficult to determine whether inside information is material. While it is not possible to identify all information that may be deemed "material," information is likely to be "material" if it relates to:

- Financial performance, especially quarterly and year-end earnings or losses, and significant changes in financial performance or liquidity.
- Projections of future earnings or losses and strategic plans.
- Major discoveries or significant changes or developments in product candidates, products or product lines, research or technologies, including the initiation, progress or results of pre-clinical or clinical studies.
- Actual or threatened major litigation, or the resolution of such litigation, and major government investigations.
- Developments regarding the Company's or competitor's intellectual property.
- Potential mergers and acquisitions, joint ventures, or the sale of Company assets or subsidiaries.
- Major changes in accounting methods.
- New major contracts, orders, suppliers, customers, or finance sources, or the loss thereof.
- Significant changes or developments in supplies or inventory, including significant product defects, recalls or product returns.
- Significant pricing or marketing changes regarding the Company's or competitive product candidates or products.
- Government approvals or other significant regulatory action.
- Stock splits, public or private securities offerings (equity or debt), or changes in Company dividend policies or amounts.
- Significant changes in senior management.
- Significant labor disputes or negotiations.

B. "Nonpublic" Information. Material information is "nonpublic" if it has not been widely disseminated to the public through filings with the United States Securities and Exchange Commission (the "SEC"), press releases, major newswire or financial news services, or otherwise disclosed generally to the marketplace. The circulation of rumors, even if accurate, widespread and reported in the media, does not constitute public disclosure. Similarly, only

disclosing part of the information does not constitute public dissemination. So long as any material portion of the inside information has yet to be publicly disclosed, the information is deemed "nonpublic" and may not be misused. For purposes of this Policy, information will generally be considered public, i.e., no longer "nonpublic," after the close of trading on the second full trading day following the Company's widespread public release of the information. However, if the information released is complex, such as a major financing or other transaction, it may be necessary to allow additional time for the information to be absorbed by the marketplace.

IV. STATEMENT OF COMPANY POLICY AND PROCEDURES

- No Insider may trade in Company securities while in possession of material nonpublic information about the Company or its subsidiaries.
- No Insider may trade in Company securities until such trade has been approved in advance by the Company's Chief Financial Officer. An Insider seeking such approval shall provide the Chief Financial Officer with all information about the trade that the Chief Financial Officer deems reasonably necessary in determining whether to approve the trade. The Chief Financial Officer may reject any trading request in his or her reasonable discretion. To the extent possible, Insiders should retain all records and documents that support their reasons for making each trade. A Section 16 Reporting Person (as hereinafter defined) wishing to trade in Company securities pursuant to an approved trading plan need not seek approval from the Chief Financial Officer before each such trade occurs. See "10b5-1 Trading Plans" below.
- No Insider may tip or disclose any material nonpublic information about the Company or its subsidiaries to any person (including, without limitation, family members, analysts, investors, and members of the investment community and news media), unless authorized in writing to do so in advance by the Company's Chief Executive Officer, Chief Financial Officer or the Board of Directors. In any instance in which such information is disclosed to outsiders, the Company will take such steps as it believes to be necessary to preserve the confidentiality of the information, which may include requiring the outsider to agree in writing to comply with the terms of this Policy and/or to sign a confidentiality agreement. All inquiries from outsiders regarding material nonpublic information about the Company must be referred to the Company's Chief Executive Officer, Chief Financial Officer or other designated officer. Information is often inadvertently disclosed or overheard in casual, social conversations. Care must be taken to avoid such disclosures.
- No Insider may give trading advice of any kind about the Company to anyone while in possession of material nonpublic information about the Company or its subsidiaries, except that Insiders should advise others not to trade if doing so might violate the law or this Policy. The Company strongly discourages all Insiders from giving trading advice about the Company to third parties even when not in possession of material nonpublic information about the Company.

- No Insider may trade in any interest or position relating to the future price of Company securities, such as a put, call or short sale, nor may any Insider "day trade," i.e., buy and sell Company securities on the same day.
- No Insider may trade in Company securities during any special blackout periods that the Company may designate from time to time. No Insider may disclose to any outsider that a special blackout period has been designated.
- No Insider may (a) trade in the securities of any other public company while in possession of material nonpublic information about that company, (b) tip or disclose material nonpublic information about any other public company to anyone, or (c) give trading advice of any kind to anyone about any other public company while in the possession of material nonpublic information.

V. SECTION 16 REPORTING PERSONS

Directors and certain officers of the Company are subject to the reporting provisions and trading restrictions of Section 16 of the Securities Exchange Act of 1934, as amended, (the "Exchange Act") and the underlying rules and regulations promulgated by the SEC ("Section 16 Reporting Persons"). To (i) ensure compliance with such reporting provisions and trading restrictions, (ii) prevent in advance any inadvertent violations of federal or applicable state securities laws, and (iii) avoid even the appearance of trading on inside information, the Company has adopted certain policies and procedures specifically for Section 16 Reporting Persons.

Section 16 Reporting Persons must file certain forms (Forms 3, 4 and 5) with the SEC when they engage in transactions in the Company's securities. It is Company policy that the Chief Financial Officer coordinate, prepare and file all required Forms 3, 4 and 5 on behalf of Section 16 Reporting Persons to help ensure the timeliness, accuracy and consistency of such filings. Each Section 16 Reporting Person will be required to sign a power of attorney confirming the Chief Financial Officer's, and in his absence, the Chief Executive Officer's, authority to file Forms 3, 4 and 5 on such person's behalf and which will be filed with the SEC.

The Chief Financial Officer will prepare and file a Form 3, 4 or 5, as applicable, upon approval of a trade in accordance with the above described pre-clearance procedures. In the event of an action by the Board of Directors relating to transactions in Company securities affecting Section 16 Reporting Persons (such as the granting of options), the Board of Directors will implement and follow a procedure to notify the Chief Financial Officer on a timely basis so that a Form 3, 4 or 5 may be prepared and filed. The Chief Financial Officer will also be responsible for monitoring shares purchased by Section 16 Reporting Persons at the close of each offering period under the Company's employee stock purchase plan, if any, to ensure the acquisition of such shares is reported on a Form 3, 4 or 5 on a timely basis.

Although the Chief Financial Officer will coordinate, prepare and file the Forms 3, 4 or 5 on behalf of Section 16 Reporting Persons, and take the steps described above, such forms are ultimately the responsibility of the Section 16 Reporting Person. Each Section 16 Reporting Person shall be responsible for ensuring that the Chief Financial Officer has timely notice of and

all necessary information about a trade in Company securities and that any information provided to the Chief Financial Officer is accurate.

VI. EMPLOYEE BENEFIT PLANS

A. Employee Stock Purchase Plans. The trading prohibitions and restrictions set forth in this Policy do not apply to periodic contributions by the Company or employees to any employee benefit plans the Company may now or in the future offer (e.g., pension or 401K plans) and that are used to buy Company securities pursuant to the employee's advance instructions. However, no officers or employees may alter their instructions regarding the purchase or sale of Company securities in such plans while in the possession of material nonpublic information.

B. Stock Option Plans. The trading prohibitions and restrictions of this Policy apply to all sales of securities acquired through the exercise of stock options granted by the Company, but not to the acquisition of securities through such exercises.

VII. 10b5-1 TRADING PLANS

Notwithstanding the restrictions on insider trading within this Policy, Rule 10b5-1 under the Exchange Act and Company policy permit Insiders to trade in Company securities regardless of their awareness of inside information if the transaction is made pursuant to a pre-arranged trading plan that was entered into when the Insider was not in possession of material nonpublic information. Company policy requires trading plans to be written and to either (i) specify the amount, pricing and timing of transactions in advance, (ii) establish a formula for determining such items, or (iii) delegate discretion on such matters to an independent third party. An Insider who wishes to enter into a trading plan must submit the trading plan to the Company's Chief Financial Officer for approval before the adoption or amendment of the trading plan. Trading plans may not be adopted when the Insider is in possession of material nonpublic information about the Company. An Insider may amend or replace his or her trading plan only during periods when trading is permitted in accordance with this Policy.

Section 16 Reporting Persons who wish to sell Company securities to liquidate their profits are strongly encouraged to sell their securities pursuant to a predetermined written plan adopted before each fiscal or calendar year, which is approved by the Company, specifies the dates and amounts of securities to be sold, and cannot be modified during the year.

VIII. CONSEQUENCES OF A VIOLATION OF THIS POLICY

A. Civil and Criminal Penalties. The consequences of illegal insider trading can be severe. For persons who trade on material nonpublic information, or who tip or disclose such information to others, the penalties may include:

- A civil penalty of up to three times the profit gained or loss avoided;
- A criminal fine (no matter how small the profit) of up to \$1 million; and
- A jail term of up to ten years.

The Company and/or the supervisors of the person violating insider trading or tipping rules may be liable if they fail to take appropriate steps to prevent such activity. Penalties may include:

- A civil penalty of the greater of \$1 million or three times the profit gained or loss avoided as a result of the violation; and
- A criminal penalty of up to \$2.5 million.

B. Company Discipline. Violation of this Policy or any federal or state insider trading or tipping laws by any director, officer or other employee, or their immediate family members, may subject such a director to dismissal proceedings and such an officer or employee to disciplinary action by the Company, including immediate termination for cause and/or forfeiture of any vested or unvested stock options, bonuses, awards and similar compensation.

C. Reporting Violations. Any Insider who violates this Policy or any federal or state insider trading or tipping laws, or knows of any such violation by any other Insiders, must report the violation immediately to the Company's Chief Executive Officer, Chief Financial Officer or other designated officer. Upon learning of such violation, such officer, in consultation with the Board of Directors and the Company's legal counsel, will determine whether the Company should release any material nonpublic information, or whether the Company should report the violation to the SEC or other appropriate governmental authority.

IX. DISTRIBUTION OF THIS POLICY

This Policy will be delivered to all directors, officers and other employees of the Company and its subsidiaries and others designated as temporary Insiders by the Company, and to all new directors, officers, employees and designated Insiders at the start of their employment or relationship with the Company. Upon first receiving a copy of this Policy or any revised version, and periodically upon request from an officer of the Company or its subsidiaries, each Insider must sign an acknowledgement that he or she has received a copy of this Policy and agrees to comply with its terms. This Policy may be redistributed from time to time.

X. QUESTIONS ABOUT THIS POLICY STATEMENT

Insiders at all times should avoid even the appearance of impropriety with respect to trading in the Company's securities or the securities of any other company. If you have any questions about your obligations under this Policy or are uncertain as to whether information you possess is material nonpublic information, please consult with the Company's Chief Financial Officer or other designated officer of the Company.

XI. INDIVIDUAL RESPONSIBILITY

Every person subject to this Policy has the individual responsibility to comply with this Policy, and appropriate judgment should be exercised in connection with any trade in the Company's securities. An Insider may, from time to time, have to forego a proposed transaction even if he or she planned to make the transaction before learning of material nonpublic information and even though the Insider believes he or she may suffer an economic loss or forego anticipated profit by waiting. The existence of a personal financial emergency does not

excuse compliance with this Policy. While the Company's Chief Financial Officer or other designated officer is available to provide general guidance with respect to this Policy, the ultimate responsibility for adhering to this Policy and avoiding improper transactions rests with you.

RECEIPT AND ACKNOWLEDGEMENT

I, the undersigned, hereby acknowledge that I have received and read a copy of the Corporate Disclosure and Insider Trading Policy (the "Policy") of Cardium Therapeutics, Inc. (the "Company"), and I understand and agree to comply with its terms. I understand that violation of insider trading or disclosure laws or regulations may subject me and the Company to severe civil and/or criminal penalties, and that violation of the terms of the Policy may subject me to discipline by the Company, including termination for cause. I agree to use my diligent good faith best efforts to insure any entity I control and the members of my immediate family understand and abide by the Policy on the same basis, and as if their securities trading activity were my own.

Signature

Date

Printed Name

Title or Relationship to Company

POWER OF ATTORNEY

I, the undersigned, hereby appoint Christopher Reinhard, the Chief Executive Officer and President of Cardium Therapeutics, Inc. (the "Company"), Tyler Dylan, the Chief Business Officer and General Counsel of the Company, and Dennis Mulroy, the Chief Financial Officer of the Company, my true and lawful attorney(s)-in-fact. Each agent may act separately to:

(1) execute for and on my behalf, in my capacity as an officer and/or director of the Company, Forms 3, 4 and 5 in accordance with Section 16(a) of the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (the "Exchange Act");

(2) do and perform any and all acts for and on my behalf that may be necessary or desirable to complete and execute any such Form 3, 4 or 5 and timely file such form with the United States Securities and Exchange Commission and any stock exchange or similar authority; and

(3) take any other action of any type whatsoever in connection with the foregoing which, in the opinion of such attorney(s)-in-fact, may be of benefit to, and in the best interest of, or legally required by, me.

I hereby grant to such attorney(s)-in-fact full power and authority to do and perform any and every act and thing whatsoever requisite, necessary, or proper to be done in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as I might or could do if personally present, with full power of substitution or revocation, hereby ratifying and confirming all that such attorney(s)-in-fact, or such attorney(s)-in-fact's substitute or substitutes, shall lawfully do or cause to be done by virtue of this power of attorney and the rights and powers herein granted. I acknowledge that the foregoing attorney(s)-in-fact, in serving in such capacity at my request, is not assuming, nor is the Company assuming, any of my responsibilities to comply with Section 16 of the Exchange Act.

This Power of Attorney shall remain in full force and effect until I am no longer required to file Forms 3, 4 or 5 with respect to my holdings of and transactions in securities issued by the Company, unless earlier revoked by me in a signed writing delivered to the foregoing attorney(s)-in-fact.

IN WITNESS WHEREOF, I have caused this Power of Attorney to be executed as of _____, 20__.

Signature

Printed Name