

MEDAREX, INC.
CHARTER OF THE AUDIT COMMITTEE

Adopted by the Board of Directors on October 25, 2007

PURPOSE AND POLICY

The primary purpose of the Audit Committee (the “**Committee**”) shall be to act on behalf of Board of Directors (the “**Board**”) of Medarex, Inc. (“**Medarex**”) in fulfilling the Board’s oversight responsibilities with respect to Medarex’s corporate accounting and financial reporting processes, the systems of internal control over financial reporting, and audits of financial statements, as well as the quality and integrity of Medarex’s financial statements and reports and the qualifications, independence and performance of the firm or firms of certified public accountants engaged as Medarex’s independent outside auditors for the purpose of preparing or issuing an audit report or performing audit services (the “**Auditors**”) and the performance of Medarex’s internal audit function. The operation of the Committee shall be subject to the Bylaws of Medarex as in effect from time to time and New Jersey Business Corporation Act.

The policy of the Committee, in discharging these obligations, shall be to maintain and foster an open avenue of communication among the Committee and the Auditors, Medarex’s financial management and internal auditors. The Committee may form and delegate authority to subcommittees or to individual Committee members when appropriate.

COMPOSITION

The Committee shall consist of at least three members of the Board. The members of the Committee shall satisfy the independence and financial literacy requirements of The Nasdaq Stock Market (“**Nasdaq**”) applicable to Committee members as in effect from time to time, when and as required by Nasdaq, and the rules and regulations of the Securities and Exchange Commission. At least one member shall satisfy the applicable Nasdaq financial sophistication requirements as in effect from time to time. The members of the Committee shall be appointed by and serve at the discretion of the Board, based on recommendations of the Nominating and Corporate Governance Committee, and can be replaced at any time. Vacancies occurring on the Committee shall be filled by the Board. The Chair of the Committee shall be appointed by the Board or, if it does not do so, by a vote or consent of a majority of the full Committee.

MEETINGS AND MINUTES

The Committee shall hold such regular or special meetings as its members shall deem necessary or appropriate. Minutes of each meeting of the Committee shall be prepared and distributed to each member of the Committee and the Secretary of Medarex after each meeting. Such minutes will also be made available to any member of the Board who is not a member of the Committee upon request of such member. The Chair of the Committee shall report to the Board from time to time, or whenever so requested by the Board.

AUTHORITY

The Committee shall have authority to appoint, determine compensation for, and at the expense of Medarex, retain and oversee the Auditors as set forth in Section 10A(m)(2) of the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”) and the rules thereunder and otherwise to fulfill its responsibilities under this charter. The Committee shall have authority to retain and determine compensation for, at the expense of Medarex, special legal, accounting or other advisors or consultants as it deems necessary or appropriate in the performance of its duties. The Committee shall also have authority to pay, at the expense of Medarex, ordinary administrative expenses that, as determined by the Committee, are necessary or appropriate in carrying out its duties. The Committee shall have full access to all books, records, facilities and personnel of Medarex as deemed necessary or appropriate by any member of the Committee to discharge his or her responsibilities hereunder. The Committee shall have authority to require that any of Medarex’s personnel, counsel, accountants (including the Auditors) or investment bankers, or any other consultant or advisor to Medarex attend any meeting of the Committee or meet with any member of the Committee or any of its special legal, accounting or other advisors and consultants. The approval of this charter by the Board shall be construed as a delegation of authority to the Committee with respect to the responsibilities set forth herein and shall replace any other charter governing the responsibilities of the Committee currently in force.

RESPONSIBILITIES

The Committee shall oversee Medarex’s financial reporting process on behalf of the Board, shall have direct responsibility for the appointment, compensation, retention and oversight of the work of the Auditors and any other registered public accounting firm engaged for the purpose of performing other review or attest services for Medarex. The Auditors and each such other registered public accounting firm shall report directly to, and be accountable to, the Committee. The Committee’s functions and procedures should remain flexible to address changing circumstances most effectively. To implement the Committee’s purpose and policy, the Committee shall be charged with the following functions and processes with the understanding, however, that the Committee may supplement or (except as otherwise required by applicable laws or rules) deviate from these activities as appropriate under the circumstances:

1. *Evaluation and Retention of Auditors.* To evaluate the performance of the Auditors, to assess their qualifications (including their internal quality-control procedures and any material issues raised by that firm’s most recent internal quality-control review or any investigations by regulatory authorities) and to determine whether to retain or to terminate the existing Auditors or to appoint and engage new auditors for the ensuing year, which retention shall be subject only to ratification by Medarex shareholders (if the Committee or the Board elects to submit such retention for ratification by the shareholders).

2. *Approval of Audit Engagements.* To determine and approve engagements of the Auditors, prior to commencement of such engagements, to perform all proposed audit, review and attest services, including the scope of and plans for the audit, the adequacy of staffing, the compensation to be paid, at Medarex’s expense, to the Auditors and the negotiation and execution, on behalf of Medarex, of the Auditors’ engagement letters, which approval may be

pursuant to preapproval policies and procedures established by the Committee consistent with applicable laws and rules, including the delegation of preapproval authority to one or more Committee members so long as any such preapproval decisions are presented to the full Committee at the next scheduled meeting.

3. *Approval of Non-Audit Services.* To determine and approve engagements of the Auditors, prior to commencement of such engagements (unless in compliance with exceptions available under applicable laws and rules related to immaterial aggregate amounts of services), to perform any proposed permissible non-audit services, including the scope of the service and the compensation to be paid therefor, which approval may be pursuant to preapproval policies and procedures established by the Committee consistent with applicable laws and rules, including the delegation of preapproval authority to one or more Committee members so long as any such preapproval decisions are presented to the full Committee at the next scheduled meeting.

4. *Audit Partner Rotation.* To monitor the rotation of the partners of the Auditors on Medarex's audit engagement team as required by applicable laws and rules and to consider periodically and, if deemed appropriate, adopt a policy regarding rotation of auditing firms.

5. *Auditor Conflicts.* At least annually, to receive and review written statements from the Auditors delineating all relationships between the Auditors and Medarex, consistent with Independence Standards Board Standard No. 1, to consider and discuss with the Auditors any disclosed relationships and any compensation or services that could affect the Auditors' objectivity and independence, and to assess and otherwise take appropriate action to oversee the independence of the Auditors.

6. *Former Employees of Auditor.* To consider and, if deemed appropriate, adopt a policy regarding Committee preapproval of employment by Medarex of individuals employed or formerly employed by Medarex's Auditors and engaged on Medarex's account.

7. *Audited Financial Statement Review.* To review, upon completion of the audit, the financial statements proposed to be included in Medarex's Annual Report on Form 10-K to be filed with the Securities and Exchange Commission and to recommend whether or not such financial statements should be so included.

8. *Disclosure Committee.* To review and approve the charter and any amendments thereto for the disclosure committee (the "**Disclosure Committee**"), if established by the chief executive officer and chief financial officer.

9. *Annual Audit Results.* To review with management (and the Disclosure Committee) and the Auditors the results of the annual audit, including the Auditors' assessment of the quality, not just acceptability, of accounting principles, the reasonableness of significant judgments and estimates (including material changes in estimates), any material audit adjustments proposed by the Auditors and any adjustments proposed but not recorded, the adequacy of the disclosures in the financial statements and any other matters required to be communicated to the Committee by the Auditors under the standards of the Public Company Accounting Oversight Board (United States), as appropriate.

10. *Quarterly Results.* To review with management (and the Disclosure Committee) and the Auditors, as appropriate, the results of the Auditors' review of Medarex's quarterly financial statements, prior to public disclosure of quarterly financial information, if practicable, or filing with the Securities and Exchange Commission of Medarex's Quarterly Report on Form 10-Q, and any other matters required to be communicated to the Committee by the Auditors under standards of the Public Company Accounting Oversight Board (United States).

11. *Management's Discussion and Analysis.* To review with management (and the Disclosure Committee) and the Auditors, as appropriate, Medarex's disclosures contained under the caption "Management's Discussion and Analysis of Financial Condition and Results of Operations" in its periodic reports to be filed with the Securities and Exchange Commission.

12. *Press Releases.* To review with management (and the Disclosure Committee) and the Auditors, as appropriate, Medarex's earnings releases. The Chair of the Committee may represent the entire Committee for purposes of this review.

13. *Accounting Principles and Policies.* To review with management (and the Disclosure Committee) and the Auditors significant issues that arise regarding accounting principles and financial statement presentation, including critical accounting policies and practices, alternative accounting policies available under generally accepted accounting principles ("GAAP") related to material items discussed with management (and the Disclosure Committee) and any other significant reporting issues and judgments.

14. *Risk Assessment.* To review with management (and the Disclosure Committee) and the Auditors, as appropriate, Medarex's major financial risk exposures, if any, and the steps taken by management to monitor and control these exposures.

15. *Management Cooperation with Audit.* To evaluate the cooperation received by the Auditors during their audit examination, including any significant difficulties with the audit or any restrictions on the scope of their activities or access to required records, data and information, significant disagreements with management and management's response, if any.

16. *Management Letters.* To review with the Auditors and, if appropriate, management, any management letter or letter relating to internal control over financial reporting issued or, to the extent practicable, proposed to be issued, by the Auditors and management's response, if any, to such letter, as well as any additional material written communications between the Auditors and management.

17. *Disagreements Between Auditors and Management.* To review with management and the Auditors or any other registered public accounting firm engaged to perform review or attest services any material conflicts or disagreements between management and the Auditors or such other accounting firm regarding financial reporting, accounting practices or policies and to resolve any conflicts or disagreements regarding financial reporting.

18. *Internal Control Over Financial Reporting.* To confer with management and the Auditors, as appropriate, regarding the scope, adequacy and effectiveness of internal control over financial reporting, including any special audit steps taken in the event of material control deficiencies.

19. *Separate Sessions.* Periodically, to meet in separate sessions with the Auditors, the internal auditors or other personnel responsible for the internal audit function, as appropriate, and management (and the Disclosure Committee) to discuss any matters that the Committee, the Auditors, the internal auditors or management (and the Disclosure Committee) believe should be discussed privately with the Committee.

20. *Correspondence with Regulators.* To consider and review with management (and the Disclosure Committee), the Auditors, outside counsel, as appropriate, and, in the judgment of the Committee, such special counsel, separate accounting firm and other consultants and advisors as the Committee deems appropriate, any correspondence with regulators or governmental agencies and any published reports that raise material issues regarding Medarex's financial statements or accounting policies.

21. *Complaint Procedures.* To establish procedures, when and as required by applicable laws and rules, for the receipt, retention and treatment of complaints received by the Medarex regarding accounting, internal accounting controls or auditing matters and the confidential and anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

22. *Regulatory and Accounting Initiatives.* To review with counsel, the Auditors and management (and the Disclosure Committee), as appropriate, any significant regulatory or other legal or accounting initiatives or matters that may have a material impact on Medarex's financial statements, any compliance programs and policies if, in the judgment of the Committee, such review is necessary or appropriate.

23. *Engagement of Registered Public Accounting Firms.* To determine and approve engagements of any registered public accounting firm (in addition to the Auditors) to perform any other review or attest service, including the compensation to be paid to such firm and the negotiation and execution, on behalf of Medarex, of such firm's engagement letter, which approval may be pursuant to preapproval policies and procedures, including the delegation of preapproval authority to one or more Committee members, so long as any such preapproval decisions are presented to the full Committee at the next scheduled meeting.

24. *Investigations.* To investigate any matter brought to the attention of the Committee within the scope of its duties if, in the judgment of the Committee, such investigation is necessary or appropriate.

25. *Proxy Report.* To prepare the report required by the rules of the Securities and Exchange Commission to be included in Medarex's annual proxy statement.

26. *Annual Charter Review.* To review and assess the adequacy of this charter annually and recommend any proposed changes to the Nominating and Corporate Governance Committee for consideration.

27. *Report to Board.* To report to the Board with respect to material issues that arise regarding the quality or integrity of Medarex's financial statements, the performance or independence of Medarex's Auditors, the performance of Medarex's internal audit function or

such other matters as the Committee deems appropriate from time to time or whenever it shall be called upon to do so.

28. General. To perform such other functions and to have such powers as may be necessary or appropriate in the efficient and lawful discharge of the foregoing. It shall be the responsibility of management to prepare Medarex's financial statements and periodic reports and the responsibility of the Auditors to audit those financial statements. These functions shall not be the responsibility of the Committee, nor shall it be the Committee's responsibility to ensure that the financial statements or periodic reports are complete and accurate, conform to GAAP or otherwise comply with applicable laws.

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