

**CHARTER OF THE
NOMINATING AND CORPORATE GOVERNANCE COMMITTEE
OF THE
BOARD OF DIRECTORS OF XG SCIENCES, INC.**

January 28, 2014

The Board of Directors (the "Board") of XG Sciences, Inc. (the "Corporation") has established a Nominating and Corporate Governance Committee ("Committee") to be comprised from time to time of certain of its directors. The Board has adopted this charter to set forth the purposes, authority, composition, procedure, and responsibilities of the Committee.

I. PURPOSES

The Committee is established for the primary purposes of (1) considering and reporting to the Board on matters relating to the identification, selection, and qualification of Board members and candidates nominated to the Board, and (2) assisting the Board with respect to corporate governance matters. In particular, the Committee will: (1) assist the Board by identifying individuals qualified to become Board members; (2) recommend to the Board the director nominees for the next annual meeting of shareholders; (3) lead the Board in an annual review of the Board's performance; (4) recommend to the Board director nominees for each committee; (5) develop, maintain, and oversee the Corporation's corporate governance guidelines; and (6) make recommendations to the Board with respect to corporate governance matters.

II. AUTHORITY AND RESOURCES

A. Authority

The Committee has the authority to conduct investigations into any matters within its scope of responsibility and to obtain advice and assistance from outside legal, accounting, and other advisers as appropriate to perform its responsibilities under this charter. The Committee may request that any officer or employee of the Corporation or the Corporation's outside counsel attend a Committee meeting or meet with any members or advisors of the Committee. The Committee may also request that the Corporation provide the Committee with the support of one or more Corporation employees to assist it in carrying out its duties. The Committee has the authority to hire and terminate independent legal, financial, and other advisors as it may deem necessary, at the Corporation's expense, without consulting with or obtaining approval from any officer of the Corporation, including without limitation any search firm to be used to identify candidates. The Committee will have the authority to retain and terminate any search firm and will have the sole authority to approve the search firm's fees and other retention terms.

B. Funding

The Corporation will provide appropriate funding, as determined by the Committee, for compensation to advisors that the Committee chooses to engage, and for payment of ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

C. Fulfillment of Roles

The Committee will fulfill its purposes primarily by carrying out the activities enumerated in Section V of this charter.

III. COMPOSITION OF THE COMMITTEE

The members of the Committee will be appointed by the Board at its annual meeting from among the Corporation's directors. The members of the Committee will serve until their successors are duly elected and qualified by the Board, or until their resignation or removal. The Board will determine the number of members on the Committee from time to time, but in any event the Committee will be composed of at least three Board members or any greater minimum number as required by applicable law, the Corporation's Bylaws, or the Corporation's contractual obligations. The Board may appoint a chairperson and secretary for the Committee. If the Board does not appoint a chairperson or a secretary, the members of the Committee may elect a chairperson or secretary, respectively, by majority vote.

Each member of the Committee must be "independent" in accordance with the Corporation's contractual obligations and any applicable Securities and Exchange Commission ("SEC") and NASDAQ rules. The Board shall determine the standards that are currently applicable to determining whether a member is "independent" and whether each member or nominee member of the Committee satisfies those standards.

IV. COMMITTEE MEETINGS

The Committee will meet at least quarterly, or more frequently as circumstances dictate. The chairperson of the Board, any member of the Committee, or the chief executive officer of the Corporation may call meetings of the Committee. The chairperson of the Committee, in consultation with the Committee members and management, will determine the frequency and length of Committee meetings and develop the Committee's agenda.

At the beginning of the year, the Committee will establish a schedule of regular meetings and agenda subjects to be discussed during the year (to the extent these can be foreseen). The Committee chairperson will prepare and circulate a proposed agenda for each of the Committee's meetings, and any member may suggest items for consideration. Briefing materials will be provided to the Committee as far in advance of meetings as practical. The Committee will make recommendations to the Board as it deems to be appropriate, and the Committee will maintain written minutes of its meetings, which will be filed with the meeting minutes of the Board.

A majority of the members of the Committee constitutes a quorum for the transaction of business. The vote of the majority of members present at a meeting at which a quorum is present constitutes the action of the Committee. Action may be taken by the Committee without a meeting if, before or after the action, all members of the Committee consent thereto in writing. The written consent shall be filed with the minutes of the proceedings of the Committee. The members of the Committee may participate in a meeting by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can communicate with each other, and such participation in a meeting shall constitute presence in person at the meeting.

V. RESPONSIBILITIES

In carrying out the purposes stated above, the Committee will have the following responsibilities.

1. The Committee will make recommendations to the Board concerning the size, structure, and composition of the Board and its committees, taking into consideration any contractual obligations regarding such matters to which the Corporation is subject and requirements of applicable law, including without limitation independence requirements.

2. The Committee will oversee the management of risks associated with director independence and board composition and organization.

3. The Committee will actively seek individuals who are qualified to become directors for nomination to the Board.

4. The Committee will establish criteria and procedures for identifying candidates for nomination to the Board, taking into consideration any contractual obligations regarding such matters to which the Corporation is subject and applicable or desirable independence and other requirements of the rules of NASDAQ and the SEC.

5. The Committee will periodically review potential candidates for nomination, including those submitted in accordance with the Bylaws, proxy materials, and contractual obligations of the Corporation. The Committee will recommend nominees for election as directors of the Corporation and for service on Board committees, including by providing recommendations regarding the acceptability of directors nominated pursuant to the Corporation's contractual obligations.

6. The Committee will consider the performance of incumbent members of the Board in determining whether to recommend that they be nominated for reelection, taking into consideration the Corporation's contractual obligations.

7. The Committee will evaluate and recommend termination of membership of individual directors in accordance with the Corporation's Bylaws and contractual obligations, for cause, or for other appropriate reasons.

8. The Committee will oversee the annual Board performance evaluation process, including conducting surveys of director observations, suggestions, and preferences. The Committee will report annually to the Board with an assessment of the Board's performance based on the results of that process.

9. In conjunction with the appropriate other committees, the Committee will review the stockholdings of non-employee directors and executive officers, taking into account any stock ownership guidelines of the Corporation and applicable law.

10. The Committee will annually review and make recommendations to the Board regarding the compensation and benefits of directors, including any incentive compensation plans and equity-based compensation plans. The Committee will consult with the Compensation Committee with respect to the Committee's review and recommendations.

11. The Committee will annually review the succession planning recommendations for the Corporation's executive officers, including the chief executive officer. The Committee will perform this function in concert with the Compensation Committee and the Chairman of the Board.

12. The Committee will create and recommend for adoption by the Board corporate governance guidelines for the Corporation. On an annual basis, the Committee will review and reassess the adequacy of these guidelines and recommend any proposed changes to the Board.

13. The Committee will review from time to time, and periodically update, as appropriate, the procedures and requirements for communications between directors and shareholders.

14. The Committee will review any proposals submitted by shareholders for action at the annual meeting of shareholders, make recommendations to the Board regarding action to be taken in response to each proposal, and consider the voting results of any such proposals.

15. The Committee will report to the Board at least annually and more frequently as the Committee or the Board deems to be appropriate.

16. The Committee will review and reassess the adequacy of this charter at least annually, recommend to the Board appropriate changes to the charter, and assure that the charter is either (i) posted on the Corporation's website or (ii) included as an appendix to the annual stockholders' meeting proxy statement at least once every three (3) years, or promptly after any significant amendment to the charter, each only to the extent required by SEC or NASDAQ rules or as otherwise directed by the Board.

17. In addition to the activities that are described in this section, the Committee may perform such other functions as are consistent with its purpose and shall perform such other functions as are required under applicable law, the Corporation's Articles of Incorporation or Bylaws, or the resolutions or other directives of the Board.

VI. DELEGATION OF AUTHORITY

The Committee may delegate any of its responsibilities, along with the authority to take action in relation to such responsibilities, to one or more subcommittees as the Committee may determine to be appropriate.

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