

**CHARTER OF THE
NOMINATING AND CORPORATE GOVERNANCE COMMITTEE
of the Board of Directors
of Peplin, Inc.**

This Nominating and Corporate Governance Committee Charter (this “Charter”) was adopted by the Board of Directors (the “Board”) of Peplin, Inc. (the “Company”) on October 23, 2007.

I. Purpose

The purpose of the Nominating and Corporate Governance Committee (the “Committee”) of the Board is to assist the Board in discharging the Board’s responsibilities regarding:

- (a) the establishment of standards for service on the Board and nominating guidelines and principles;
- (b) the identification of qualified candidates to become Board members;
- (c) the selection of, or recommendation that the Board select, nominees for election as directors at the next annual meeting of stockholders (or special meeting of stockholders at which directors are to be elected);
- (d) the selection of, or recommendation that the Board select, candidates to fill any vacancies on the Board;
- (e) the establishment of Board size and composition, committee composition and structure and procedures affecting directors;
- (f) the development and recommendation to the Board of a set of corporate governance guidelines and principles applicable to the Company (the “Corporate Governance Guidelines”); and
- (g) oversight of the evaluation of the Board and management.

In addition to the powers and responsibilities expressly delegated to the Committee in this Charter, the Committee may exercise any other powers and carry out any other responsibilities delegated to it by the Board from time to time consistent with the Company’s by-laws. The powers and responsibilities delegated by the Board to the Committee in this Charter or otherwise shall be exercised and carried out by the Committee as it deems appropriate without requirement of Board approval, and any decision made by the Committee (including any decision to exercise or refrain from exercising any of the powers delegated to the Committee hereunder) shall be at the Committee’s sole discretion. While acting within the scope of the powers and responsibilities delegated to it, the Committee shall have and may exercise all the powers and authority of the Board. To the fullest extent permitted by law, the Committee shall have the power to determine which matters are within the scope of the powers and responsibilities delegated to it.

II. Membership

The Committee shall be composed of two or more directors, as determined by the Board, each of whom (a) satisfies the independence requirements of NASDAQ Marketplace Rule 4200(a)(15) and (b) has experience, in the business judgment of the Board, that would be helpful in addressing the matters delegated to the Committee.

The members of the Committee, including the Chair of the Committee (the “Chair”), shall be appointed by the Board. Committee members may be removed from the Committee, with or without cause, by the Board. Any action duly taken by the Committee shall be valid and effective, whether or not the members of the Committee at the time of such action are later determined not to have satisfied the requirements for membership provided herein.

III. Meetings and Procedures

The Chair (or in his or her absence, a member designated by the Chair) shall preside at each meeting of the Committee and set the agendas for Committee meetings. The Committee shall have the authority to establish its own rules and procedures for notice and conduct of its meetings so long as they are not inconsistent with any provisions of the Company’s by-laws that are applicable to the Committee or the Company’s Corporate Governance Guidelines.

The Committee shall meet on a regularly scheduled basis at least two times per year and more frequently as the Committee deems necessary or desirable.

The Committee may, at its discretion, include in its meetings members of the Company’s management, non-management directors that are not members of the Committee, or any other person whose presence the Committee believes to be desirable and appropriate. Notwithstanding the foregoing, the Committee may exclude from its meetings any person it deems appropriate, including but not limited to, any non-management director who is not a member of the Committee.

The Committee may retain any independent counsel, experts or advisors that the Committee believes to be desirable and appropriate. The Committee may also use the services of the Company’s regular legal counsel or other advisors to the Company. The Company shall provide for appropriate funding, as determined by the Committee, for payment of compensation to any such persons retained by the Committee and for ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties. The Committee shall have sole authority to retain and terminate any search firm to be used to identify director candidates, including sole authority to approve such search firm’s fees and other retention terms.

The Chair shall report to the Board regarding the activities of the Committee at appropriate times and as otherwise requested by the Chairman of the Board.

IV. Duties and Responsibilities

1. (a) At an appropriate time prior to each annual meeting of stockholders at which directors are to be elected or reelected, the Committee shall recommend to the Board for

nomination by the Board such candidates as the Committee, in the exercise of its judgment, has found to be well qualified and willing and available to serve.

(b) At an appropriate time after a vacancy arises on the Board or a director advises the Board of his or her intention to resign, the Committee shall recommend to the Board for appointment by the Board to fill such vacancy, such prospective member of the Board as the Committee, in the exercise of its judgment, has found to be well qualified and willing and available to serve.

(c) For purposes of (a) and (b) above, the Committee shall consider the following criteria, among others the Committee shall deem appropriate, in recommending candidates for election to the Board:

- (i) personal and professional integrity, ethics and values;
- (ii) experience in corporate management, such as serving as an officer or former officer of a publicly held company;
- (iii) experience in the Company's industry and with relevant social policy concerns;
- (iv) experience as a board member of another publicly held company;
- (v) diversity of expertise and experience in substantive matters pertaining to the Company's business relative to other board members; and
- (vi) practical and mature business judgment.

2. The Committee shall identify Board members qualified to fill vacancies on any committee of the Board (other than the Committee) and to recommend that the Board appoint the identified member or members to the respective committee. In nominating a candidate for committee membership, the Committee shall take into consideration the requirements of law or any exchange or market on which the Company's securities are trading, the factors set forth in the charter of the committee, as well as any other factors it deems appropriate, including without limitation the consistency of the candidate's experience with the goals of the committee, the interplay of the candidate's experience with the experience of other committee members and input from the Company's management.

3. The Committee shall, at least annually, review the performance of each current director and shall consider the results of such evaluation when determining whether or not to recommend the nomination of such director for an additional term.

4. The Committee shall develop and recommend to the Board standards, consistent with the requirements of law or of any exchange or market on which the Company's securities are traded, to be applied in making determinations as to the absence of relationships between the Company or its subsidiaries and a director which, in the opinion of the Board, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director.

5. In appropriate circumstances, the Committee, in its discretion, shall consider and may recommend the termination of individual directors (in accordance with the applicable provisions of the Company's certificate of incorporation, by-laws and Corporate Governance Guidelines), for cause or other appropriate reasons.
6. The Committee shall develop and recommend to the Board for its approval an annual self-evaluation process of the Board and its committees. The Committee shall oversee the annual self-evaluations in accordance with the Corporate Governance Guidelines.
7. The Committee shall develop and recommend to the Board a policy regarding the consideration of director candidates recommended by the Company's security holders and procedures for submission by security holders of director nominee recommendations.
8. The Committee shall recommend to the Board the size of the Board and Board committees.
9. The Committee shall review the outside activities of corporate officers.
10. The Committee shall review periodically with the Chairman of the Board, the succession plans relation to positions held by elected corporate officers, and make recommendations to the Board with respect to the selection of individuals to occupy those positions.
11. The Committee may make recommendations to the Board regarding governance matters, including, but not limited to, the Company's certificate of incorporation or by-laws, this Charter and the charters of the Company's other committees.
12. The Committee shall establish, for recommendation to the Board, and review on a periodic basis, a process for security holders to send communications to the Board.
13. The Committee shall establish, for recommendation to the Board, and review on a periodic basis, a policy concerning Board member attendance at annual meetings of stockholders.
14. The Committee shall review periodically the Corporate Governance Guidelines and submit any recommended changes to the Board.
15. The Committee shall evaluate its own performance on an annual basis, including its compliance with this Charter, and provide the Board with any recommendations for changes in procedures or policies governing the Committee. The Committee shall conduct such evaluation and review in such manner as it deems appropriate.
16. The Committee may investigate any matter brought to its attention.
17. The Committee shall periodically report to the Board on its findings and actions.
18. The Committee shall review and reassess this Charter at least annually and submit any recommended changes to the Board for its consideration.

19. In addition to the foregoing, the Committee shall perform such other functions and have such powers as may be necessary or appropriate to the efficient discharge of the foregoing.

V. Delegation of Duties

In fulfilling its responsibilities, the Committee shall be entitled to delegate any or all of its responsibilities to a subcommittee of the Committee, to the extent consistent with the Company's certificate of incorporation, by-laws, Corporate Governance Guidelines and applicable law and rules of markets in which the Company's securities then trade.

VI. Amendment

This Charter may be amended only with the approval of a majority of the Board.