

**Spherix Incorporated
Nominating Committee Charter**

1. Purpose

The primary function of the Nominating Committee (the "Committee") is to assist the Board of Directors in identifying qualified individuals to serve as Board members and to recommend committee assignments and responsibilities.

2. Composition

Beginning May 18, 2004, the Committee will consist solely of independent Board of Director Members (a minimum of 3) who satisfy the independence requirements of NASDAQ and are qualified to discharge the Committee's responsibilities, as determined by the Board. Members of the Committee will be appointed (and may be removed) by the Board, and will serve at the pleasure of the Board. The Committee will recommend to the Board and the Board will designate the Chair of the Committee.

3. Meetings

The Committee will meet as often as it determines is appropriate to carry out its responsibilities. The Chair of the Committee, in consultation with the other Committee members, will determine the frequency and length of the meetings and will set the agenda consistent with this Charter.

4. Duties and Responsibilities

The Committee will:

- (a) Periodically review the size of the Board and make recommendations to the Board concerning any increase or decrease in the size thereof.
- (b) On an annual basis, recommend to the Board nominees for election to the Board at the upcoming annual meeting of shareholders.
- (c) Recommend to the Board candidates with the highest degree of personal and professional integrity. These candidates will have demonstrated exceptional ability and judgment, and will be chosen with the primary goal of ensuring that the entire Board collectively serves the interests of the shareholders. Due consideration will be given to assessing the qualifications of potential nominees and any potential conflicts with the Corporation's interests. The Committee will also assess the contributions of the Corporation's incumbent directors in connection with their potential for re-nomination. In identifying and recommending director nominees, the Committee members may take into account such factors as they determine appropriate, including recommendations made by any shareholders or other individuals or entities.

APPROVED BY THE BOARD OF DIRECTORS ON FEBRUARY 17, 2004

- (d) As the need arises, recommend to the Board nominees to fill any vacancies which occur on the Board.
- (e) Periodically review and recommend to the Board the compensation structure for non-management members of the Board.
- (f) Make recommendations to the Board regarding orientation for new directors, as well as continuing education for all directors.
- (g) Advise the Board on the appropriate structure and operations of all committees of the Board, including committee member qualifications. The Committee may review and recommend to the Board committee assignments, including additional committee members to fill vacancies as needed.
- (h) Obtain advice and assistance from such internal or external advisors as it deems appropriate in connection with the discharge of its duties, and will have the authority to retain any search firm to be used to identify director candidates on behalf of the Corporation. The Committee will have sole authority to determine and approve related fees and retention terms for any such advisors, who will be compensated by the Corporation.
- (i) To the extent not otherwise inconsistent with its obligations and responsibilities, the Committee may form subcommittees and delegate authority hereunder as it deems appropriate.
- (j) Report to the Board as it deems appropriate, and as the Board may request.
- (k) Perform such other activities consistent with this charter, the Corporation's By-Laws, governing law, the rules and regulations of NASDAQ and such other requirements applicable to the Corporation as the Committee or the Board deem necessary or appropriate.

5. Committee Charter

The Committee will periodically review this Charter and will recommend any changes to the Board as the Committee deems appropriate, including to satisfy any applicable requirements of NASDAQ and any other legal or regulatory requirements. A copy of this Charter will be made available on the Corporation's website at www.spherix.com.