

ARRAY BIOPHARMA INC.
AUDIT COMMITTEE CHARTER

November 2009

PURPOSE

The primary responsibility of the Audit Committee (the "Committee") is to assist the Board of Directors (the "Board") in overseeing (i) management's conduct of the Company's financial reporting process, (ii) the Company's internal control over financial reporting, (iii) the annual independent audit of the Company's financial statements by the Company's independent auditors and (iv) the Company's legal compliance and ethics programs. The Committee has sole responsibility for the retention, compensation and oversight of the independent auditors. The independent auditors report directly to the Committee.

In discharging its oversight role, the Committee is empowered to investigate any matters brought to its attention. In such investigations, the Committee shall have full access to all books, records, facilities and personnel of the Company and the power to retain outside counsel, auditors or other experts. The Committee shall receive the funding reasonably necessary to retain the independent auditors to perform its audit and to retain any other experts required by the Committee to carry out its responsibilities.

MEMBERSHIP

The Committee shall be comprised of not less than three members of the Board, each of whom shall be independent in accordance with the rules of The NASDAQ Stock Market and applicable law. Accordingly, no member shall have a relationship to the Company that would interfere with the exercise of his or her independence from management and the Company. Each member shall be able to read and understand financial statements, and at least one member of the Committee shall be a financial expert, as determined by the Board of Directors in accordance with the rules of The NASDAQ Stock Market, the rules and regulations of the SEC and any other applicable law. If a vacancy arises on the Committee or if a Committee member ceases to satisfy the applicable independence requirements, Committee membership may temporarily consist of less than three members, or of less than three independent members, pursuant to and during the applicable cure periods permitted by The NASDAQ Stock Market.

The members shall be appointed by the Board of Directors upon the recommendation of the Corporate Governance Committee. The Board shall annually appoint a Chairman of the Committee.

MEETINGS; ATTENDANCE

The Committee shall meet at least quarterly. In addition, the Committee shall meet at least once annually with the independent auditors, and with the chief financial officer (and other management as appropriate), in separate sessions to discuss any matters that the Committee or these other individuals believe should be discussed privately and to resolve any disputes that may arise between management and the independent auditors. The Committee shall also meet at least quarterly with management to discuss the Company's system of internal control over financial reporting and management's evaluation of the effectiveness of these controls.

A majority of Committee members shall constitute a quorum, but members of the Committee should endeavor to be present, in person or by telephone, at all meetings. The Chairperson may request that members of management and representatives of the independent auditors be present at Committee meetings.

MINUTES OF MEETINGS

Minutes of each meeting shall be prepared and provided to Committee members and made available to Company Directors who are not members of the Committee. Any action required or permitted to be taken at a meeting of the members of the Committee may be taken without a meeting if a consent in writing, setting forth the action, is signed by all of the members of the Committee. Such consent shall have the same force and effect as a unanimous vote. The Committee will file all written consents with the minutes of the proceedings of the Committee.

DETAILED RESPONSIBILITIES

The Committee's job is one of oversight. While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate and are in accordance with generally accepted accounting principles. This is the responsibility of management and the independent auditors.

The following is a list of the regular functions of the Committee. These functions are set forth as a guide, with the understanding that the Committee may diverge from this guide as appropriate.

Independent Auditors

1. The Committee shall have the sole authority to appoint the independent auditors to be retained by the Company and approve the compensation of the independent auditors. The Committee shall evaluate the performance of, and have the sole authority to discharge or replace, the independent auditors (subject, if deemed appropriate, to shareholder ratification).
2. The Committee shall approve in advance the provision by the independent auditors of all services whether or not related to the audit. The Committee may delegate its

authority to one or more of its members to pre-approve non-audit services performed by the independent auditor pursuant to pre-approval policies and procedures that comply with applicable rules of the SEC, provided that the Committee is informed of the approval of each non-audit service provided by the independent auditor at the next Committee meeting following each such approval. The Company shall provide for appropriate funding, as determined by the Committee, for payment of compensation to the independent auditors retained by the Company for the purpose of rendering or issuing an audit report.

3. The Committee shall review the scope of the audit and plan for the annual audit prior to its implementation.
4. The Committee shall review the appointment and replacement of the lead independent audit partner to ensure rotation in accordance with applicable law.
5. The Committee shall request from the independent auditors, a written statement describing all relationships between the independent auditors and the Company, as required by Independence Standards Board Standard Number 1. The Committee shall discuss with the independent auditors any such disclosed relationships and their impact on the independent auditors' independence, and recommend any necessary actions to the Board to confirm the independent auditors' independence.

Annual Financial Reports

1. The Committee shall review the annual audited financial statements with management and the independent auditors, including (i) major issues regarding accounting and auditing principles and practices, (ii) the Company's disclosures under "Management's Discussion and Analysis of Results of Operations and Financial Condition" contained in the Company's annual report on Form 10-K, (iii) the effectiveness of the Company's internal control over financial reporting and disclosure controls and procedures relating to financial matters, (iv) any material correcting adjustments that have been identified by the independent auditors, (v) any material off-balance sheet transactions, arrangements, obligations and other relationships of the Company with unconsolidated entities and (vi) other matters related to the conduct of the audit which are to be communicated to the Committee under Statement on Auditing Standards No. 61, Communications with Audit Committees, as amended by Statement on Auditing Standards No. 90.
2. The Committee recommend to the Board the inclusion of the Company's audited financial statements in the Company's annual report on Form 10-K and shall prepare the "Report of the Audit Committee" to be included in the Company's proxy statement, as required by the rules of the Securities and Exchange Commission.
3. The Committee shall discuss with management and the independent auditors: (i) the annual internal control report of management required to be filed in the Company's Annual Report on Form 10-K, and (ii) the attestation of the independent auditors regarding the Company's internal control over financial reporting given in connection

with such annual internal control report. The Committee shall present to the Board of Directors any significant findings and recommendations to modify such internal control over financial reporting.

4. The Committee shall request and review reports of the independent auditors on the Company's critical accounting policies and practices, including alternative treatments available under generally accepted accounting principles which the independent auditors have discussed with management, the ramifications of such alternative treatments and the treatment recommended by the independent auditors.
5. The Committee shall request and review reports of the independent auditors on all material written communications between the independent auditors and management.

Quarterly Financial Reports

The Committee shall review with management and the independent auditors the Company's quarterly financial statements and the Company's disclosures under "Management's Discussion and Analysis of Results of Operations and Financial Condition" contained in the Company's quarterly report on Form 10-Q and any matters required to be discussed with the Committee by Statement on Auditing Standards No. 71, Interim Financial Information.

Other Responsibilities

1. The Committee shall review and discuss with management and the independent auditors the financial information contained in the Company's press releases and the Company's financial guidance prior to public release.
2. At least once each fiscal quarter, the Committee shall discuss with management and the independent auditors: (i) all significant deficiencies and material weaknesses in the design or operation of the Company's internal control over financial reporting and disclosure controls and procedures which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; (ii) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting, (iii) the resolution of any identified weaknesses or deficiencies, and (iv) the assessments of the Company's internal control over financial reporting and disclosure controls and procedures, and any significant changes in the internal control over financial reporting or disclosure controls and procedures, required to be disclosed in the Company's filings with the SEC or other publicly available documents.
3. The Committee shall adopt procedures for the receipt, retention and treatment of complaints received by the Company, and for the confidential, anonymous submission of concerns to the Committee by the Company's employees, relating to accounting, internal accounting controls or auditing matters.

4. The Committee shall review and approve any related-party transactions involving the Company to the extent required by The NASDAQ Stock Market.
5. The Committee shall discuss with management the Company's significant financial risk exposures and the adequacy of the Company's risk assessment and risk management policies.
6. The Committee shall evaluate the performance of the Company's financial management team and make recommendations to management or the Board as appropriate.
7. As appropriate, the Committee shall discuss with management and shall evaluate the Company's tax planning efforts, taxing authority developments, pending audits and the Company's tax reserves.
8. The Committee shall review the adequacy of this Charter on an annual basis and shall periodically perform a self-assessment on its performance.

In addition, the Committee shall perform such other functions as necessary and appropriate under law, the rules of The NASDAQ Stock Market, the Company's certificate of incorporation or bylaws and the resolutions and other directives of the Board of Directors.

It is acknowledged that all of the above listed tasks may not be relevant to all of the matters that the Committee may consider and act upon from time to time, and the members of the Committee in their judgment may determine the relevance thereof and the attention such items shall receive in any particular context.

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