

GTX, INC.

AUDIT COMMITTEE CHARTER

October 31, 2007

The Board of Directors (the “Board”) of GTX, Inc. a Delaware corporation (the “Company”), established an Audit Committee of the Board (the “Committee”) on November 25, 2003. The existing Charter of the Committee is amended and restated as set forth herein as of the effective date set forth above.

I. PURPOSE

The purpose of the Committee is to discharge the Board’s responsibilities related to the oversight of:

- The engagement and performance of the independent auditors;
- The quality and integrity of the Company’s financial statements;
- The performance of the Company’s internal audit function;
- The Company’s system of internal controls; and
- Compliance with legal and regulatory requirements.

II. MEMBERSHIP

The Committee will consist of a minimum of three members of the Board all of whom shall be “independent” under the standards set forth in the Securities Exchange Act of 1934 as well as the NASDAQ Stock Market Inc. All such members will be financially literate, with at least one member possessing accounting or financial management expertise and other qualifications necessary to satisfy the requirements of an “audit committee financial expert” as set forth in applicable laws, rules or regulations. The members of the Committee are recommended by the Nominating and Corporate Governance Committee of the Board and are appointed by and serve at the discretion of the Board of Directors.

III. MEETINGS AND REPORTS

The Committee will meet as often as its members deem necessary to perform the Committee’s responsibilities, but no less than four times each year, either telephonically or in person. From time to time, the Committee will meet separately and privately with the independent auditors, the internal auditor and with management. A majority of the members of the Committee will constitute a quorum, and the Committee will act only on the affirmative vote of a majority of the members present at a meeting at which a quorum is present. The Committee will maintain written minutes of its meetings, which will be filed with the minutes of the Board. The Committee will make regular reports to the Board and will propose any necessary action.

IV. AUTHORITY AND RESOURCES

The Committee will have the resources and authority to discharge its responsibilities, including the authority, to the extent it deems necessary or appropriate, to retain independent legal, accounting or other advisors. The Company shall provide funding, as determined by the Committee, for payment of compensation to the independent auditors, as well as for any independent advisors or administrative support employed by the Committee.

V. **RESPONSIBILITIES**

The primary responsibility of the Committee is to oversee the Company's financial reporting process and report the results of its activities to the Board. Management is responsible for the preparation, presentation and integrity of the Company's financial statements. Management is also responsible for maintaining appropriate accounting and financial reporting principles and policies and internal controls and procedures to provide for compliance with accounting standards and applicable laws and regulations, and the internal auditor is responsible for testing such internal controls and procedures. The independent auditor is responsible for planning and carrying out a proper audit of the Company's annual financial statements, reviews of the Company's quarterly financial statements prior to the filing of each quarterly report on Form 10-Q, and other procedures. While the Committee has the specific responsibilities set forth in this Charter, the Committee does not regularly conduct audits or investigations to determine that the Company's financial statements are complete and accurate and in compliance with generally accepted accounting practices.

The following represents the primary recurring duties and responsibilities of the Committee in carrying out its oversight responsibilities:

A. **Independent Auditor**

1. Appointing, retaining, replacing, compensating and overseeing the work of the independent audit firm, which shall report to, and be directly accountable to, the Committee.
2. Reviewing annually with the independent auditors and management of the Company the scope and general extent of the proposed audit.
3. Reviewing and assuring the independence of the independent auditors. This review shall cover and include services, fees, quality control procedures and a formal written statement from the independent auditors regarding the relationships between the independent auditors and the Company.
4. Pre-approving all audit and permitted non-audit services to be performed by the independent auditors. The Committee may delegate pre-approval authority to a member of the Committee subject to any decisions taken being presented to the full Committee at its next scheduled meeting.
5. Discussing with the independent auditors the matters required to be discussed by Statement on Accounting Standards No. 61 relating to the conduct of the audit.
6. Reviewing any problems or difficulties encountered by the independent auditors during the course of their audit.
7. Reviewing the use of independent public accountants other than the appointed independent auditors.
8. Establishing policies for the hiring of employees and former employees of the independent auditor.

B. **Financial Statement and Reporting**

1. Reviewing and discussing with management and the independent auditors the Company's accounting and financial reporting policies and practices, including any significant changes. This shall include consideration of alternative accounting treatments, significant estimates and judgments, as well as a review of the quality and acceptability of such accounting and reporting policies and practices.
2. Reviewing with management and the independent auditors the effect of new or proposed auditing, accounting and reporting standards and management's plan to implement required changes.
3. Reviewing with the independent auditors and management the results of the independent auditor's review of the quarterly financial statements, including management's discussion and analysis and any significant accounting or disclosure issues, prior to filing Quarterly Reports on Form 10-Q with the Securities and Exchange Commission ("SEC").

4. Reviewing the annual audited financial statements, including management's discussion and analysis, and the results of the audit for each fiscal year of the Company with the independent auditors and appropriate management representatives, and recommending to the Board inclusion of the financial statements in the Company's Annual Report on Form 10-K to be filed with the SEC.
5. Reviewing the disclosures made by the Chief Executive Officer and the Chief Financial Officer in connection with their required certifications accompanying the Company's periodic reports to be filed with the SEC, including, as appropriate, disclosures to the Committee of (a) significant deficiencies in the design or operation of internal controls, (b) significant changes in internal controls and (c) any fraud involving management or other employees who have a significant role in the Company's internal controls.
6. Reviewing and discussing the Company's quarterly financial results and related press release with management and the independent auditors prior to the release of such information to the public.
7. Reviewing and discussing with management its response to the SEC on any comment letters received pertaining to quarterly or annual reports filed with the SEC and inform the Board when appropriate.

C. Internal Auditor

1. Discussing with the internal auditor, at least annually, the scope, and timing of the internal audit plan and changes to the plan as needed.
2. Discussing with the independent auditors and management, at least annually, the responsibilities and staffing of the internal audit function.
3. Ensuring the internal audit function has sufficient authority, support and access to Company personnel, facilities and records to carry out its work without restrictions or limitations.
4. Reviewing and discussing with the internal auditor, at least annually, anti-fraud programs and controls.

D. Internal Controls

1. Reviewing with management, independent auditors, and the internal auditor the adequacy of the Company's internal controls.
2. Reviewing with management, when applicable, the scope and results of management's evaluation of disclosure controls and assessment of internal controls over financial reporting, including the related certifications to be included in the Company's periodic reports filed with the SEC; obtaining reports of significant findings and recommendations, together with management's corrective action plans.
3. Reviewing with the independent auditors and the internal auditor, the scope and results of their review of management's assessment of internal controls over financial reporting.

E. Compliance

1. Discussing with the Company's General Counsel any legal or regulatory matters that may have a material impact on the Company's financial statements.
2. Ensuring the adequacy of procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting control or auditing matters, including the confidential submission of complaints by employees through the Company's "Whistleblower Hotline".
3. Periodically reviewing the accounting and auditing related portions of the Company's Code of Business Conduct and Ethics and recommending any proposed changes to the Nominating & Governance Committee of the Board of Directors.

F. Other Responsibilities

1. Approving all related party transactions, as defined by applicable law, rules or regulations in accordance with the Company's policy.
2. Preparing the Committee report required by the rules of the SEC to be included in the Company's annual proxy statement.
3. Conducting an annual self-assessment with the goal of continuing improvement.

4. Reviewing and assessing the adequacy of this Charter, which shall be included in the Company's annual proxy statement at least once every three years.
5. Performing such other functions as the Board may assign to the Committee from time to time.