

**GTx, INC.**  
**CHARTER OF THE COMPENSATION COMMITTEE**  
**OF THE BOARD OF DIRECTORS**

**PURPOSE**

The purpose of the Compensation Committee of the Board of Directors (the “Committee”) of GTx, Inc., a Delaware corporation (the “Company”) is to carry out the overall responsibility of the Board of Directors (the “Board”) relating to the compensation of the Company’s directors, executive officers and compensation policies, plans and programs. As used herein, the term “compensation” shall include any salary, long-term incentives, bonuses, perquisites, equity incentives, severance arrangements, retirement benefits and other related benefits and benefit plans. The Committee shall also review and discuss with management the Company’s disclosures contained under the caption “Compensation Discussion and Analysis” for use in any of the Company’s annual reports on Form 10-K, registration statements, proxy statements or information statements, and shall also produce an annual report (the “Compensation Committee Report”) on executive compensation for inclusion in the Company’s annual reports on Form 10-K, registration statements, proxy statements or information statements, in each case to the extent required under the rules and regulations of the United States Securities and Exchange Commission (the “SEC”) as in effect from time to time.

**MEMBERSHIP**

The Committee shall be comprised of not less than three Board members, including a Committee Chairman, appointed by the Board upon the recommendation of the Nominating and Corporate Governance Committee of the Board. Each member of the Committee shall be (i) independent within the meaning of the listing standards set forth by The Nasdaq Stock Market, Inc., (ii) a “non-employee director” for purposes of Section 16 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and the rules promulgated thereunder, and (iii) an “outside director” for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder. Members of the Committee may be removed at any time by the Board.

**MEETINGS AND PROCEDURES**

The Committee shall meet at least annually and more frequently as necessary or appropriate, including teleconferences when appropriate. Special meetings of the Committee may be called by any member of the Committee upon notice to all members as provided in the Bylaws of the Company; provided, however, that such notice may be waived as provided in the Bylaws of the Company. A majority of the Committee shall constitute a quorum, and the Committee shall act only on the affirmative vote of a majority of the members present at a meeting at which a quorum is present. Attendance by members of management will be at the invitation of the Committee Chairman. The Committee shall maintain minutes of all meetings documenting its

activities and recommendations to the Board. The Committee shall report its actions and any recommendations to the Board after each Committee meeting.

## **DUTIES AND RESPONSIBILITIES**

The function, powers, duties and responsibilities of the Committee as are follows:

1. The Committee shall review from time to time and approve the Company's compensation policies to ensure that management is rewarded appropriately for its contributions to Company growth and profitability and that the executive compensation strategy supports organization objectives and stockholder interests.
2. At least annually, the Committee shall establish, and subsequently review and determine performance against, the corporate goals and objectives relevant to all of the executive officers of the Company (which includes all officers within the meaning Section 16 of the Exchange Act and Rule 16a-1 thereunder).
3. The Committee shall review and approve the compensation, including any salary, bonus, incentive and equity compensation, as well as any severance pay and benefits, for all of the executive officers of the Company.
4. The Committee shall provide oversight of management's decisions concerning the performance and compensation of key employees of the Company who are not executive officers.
5. The Committee shall approve and shall recommend for approval by the Board (unless such Board approval is inconsistent with applicable law or regulation) and, if necessary, by the stockholders, the adoption and/or material amendment of each incentive compensation and equity-based plans for executive officers. The Committee shall have and shall exercise all the authority of the Board with respect to the administration of such incentive compensation and equity-based plans.
6. The Committee shall review and approve all awards made to executive officers under the Company's incentive compensation and equity-based plans, and shall review and approve all awards made to all other employees and consultants under the Company's equity-based plans.
7. The Committee shall review from time to time the compensation paid to members of the Board by the Company and make recommendations as it determines are appropriate and advisable to the Board for its approval for any modifications to Board compensation.
8. The Committee shall, not less frequently than annually, evaluate the performance of the Committee, including a review of the Committee's compliance with this Charter, and review and reassess this Charter and submit any recommended changes to the Board for its consideration.

9. The Committee shall perform such other duties and responsibilities as may be assigned to the Committee, from time to time, by the Board, or as designated in particular plan documents.
10. The Committee shall have the authority to consult with Company counsel. The Committee also shall have the authority to engage any outside advisor of its selection, at the Company's expense, should the Committee deem it necessary or appropriate to do so. The Committee shall have the sole authority to retain and terminate any compensation consultant to assist in the evaluation of director, chief executive officer or other executive officer compensation, including the sole authority to approve the compensation consultant's fees and other retention terms.
11. The Committee shall review and discuss with management the information contained in the Compensation Discussion & Analysis required by Item 402(b) of Regulation S-K promulgated under the Securities Act of 1933, as amended, contained in the Company's proxy statements, annual reports on Form 10-K, registration statements or information statements, and determine whether to recommend to the Board of Directors that the Compensation Discussion & Analysis be included in such proxy statements, annual reports on Form 10-K, registration statements or information statements, as applicable.