

**Amended and Restated Charter for the Audit
Committee of the Board of Directors
of CTI BioPharma Corp.**

PURPOSE

The purpose of the Audit Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of CTI BioPharma Corp. (the “**Corporation**”) shall be to:

- Oversee the accounting and financial reporting processes of the Corporation and audits of the financial statements of the Corporation;
- Assist the Board in oversight and monitoring of (i) the integrity of the Corporation’s financial statements, (ii) the Corporation’s compliance with legal and regulatory requirements, (iii) the independent auditors’ qualifications, independence and performance, and (iv) the Corporation’s internal controls over financial reporting and systems of disclosure controls and procedures;
- Prepare any report that the rules of the Securities and Exchange Commission (the “**SEC**”) require be included in the Corporation’s annual proxy statement;
- Provide the Board with the results of its oversight and monitoring and recommendations derived therefrom; and
- Provide the Board with such additional information and materials as it may deem necessary to make the Board aware of significant financial matters that require their attention.

In addition, the Committee will undertake those specific duties and responsibilities listed below and such other duties as the Board may from time to time prescribe, pursuant to and in accordance with all applicable provisions of the Sarbanes-Oxley Act of 2002 (the “**Sarbanes-Oxley Act**”) and the rules and regulations of the SEC and The NASDAQ Stock Market LLC (“**NASDAQ**”).

COMMITTEE MEMBERSHIP AND ORGANIZATION

The Committee members will be appointed by, and will serve at the discretion of, the Board, on the recommendation of the Nominating and Governance Committee. The Committee will consist of at least three members of the Board. Members of the Committee must meet the following criteria, which shall be affirmed annually or whenever a change in status by a Committee member occurs:

- Each member of the Committee shall, as determined in the business judgment of the Board, qualify as an “independent director,” as such term is defined under applicable listing standards of NASDAQ and meet the additional independence requirements of the SEC, as they may be in effect from time to time.
- Each member of the Committee shall, as determined in the business judgment of the Board, be able to read and understand fundamental financial statements, including the Company’s balance sheet, income statement and cash flow statement.
- At least one member of the Committee shall qualify as an “audit committee financial expert,” as such term is defined by the rules and regulations of the SEC, as such qualifications are interpreted by the Board in its business judgment.

- No member of the Audit Committee shall have participated in the preparation of the financial statements of the Corporation or any current subsidiary of the Corporation at any time during the past three years.

COMMITTEE RESPONSIBILITIES AND AUTHORITY

The Committee shall have the authority and responsibility to:

- Review on a continual basis the integrity, adequacy and effectiveness of the Corporation's system of internal controls over financial reporting, including meeting periodically with the Corporation's management and the independent auditors to review and discuss the integrity, adequacy and effectiveness of such controls, whether prior recommendations concerning internal controls made by the independent auditors have been implemented by management and review before release the disclosure regarding such system of internal controls required under SEC rules to be contained in the Corporation's periodic filings and the attestations or reports by the independent auditors relating to such disclosure.
- Appoint, compensate, retain and oversee the work of the independent auditors (including resolving disagreements between management and the independent auditors regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Corporation. Such independent auditors shall report directly to and be ultimately accountable to the Committee.
- Review and pre-approve audit and permissible non-audit services provided to the Corporation by the independent auditors (or subsequently approving non-audit services in those circumstances where a subsequent approval is necessary and permissible); in this regard, the Committee shall have the authority to approve the hiring and firing of the independent auditors, all audit engagement fees and terms and all non-audit engagements, as may be permissible, with the independent auditors.
- Review and provide guidance to the Board with respect to the external audit and the Corporation's relationship with its independent auditors by (i) reviewing the independent auditors' qualifications, independence, proposed audit scope and approach; (ii) reviewing the independent auditors' compliance with the audit partner rotation rules under the SEC; (iii) obtaining at least annually a formal written statement from the independent auditors delineating all relationships and services with the Corporation, actively engaging in a dialogue with the independent auditors with respect to any disclosed relationships or services that may impact the objectivity and independence of the independent auditors, presenting this statement to the Board and taking, or recommending that the Board take, appropriate action to oversee the independence of the independent auditors; (iv) reviewing the independent auditors' peer review conducted every three years; (v) ensuring open and honest communications with the Corporation's independent auditors regarding any audit findings and issues pursuant to applicable auditing standards adopted by the PCAOB; (vi) obtaining and reviewing an annual report of the independent auditors regarding its internal quality-control procedures, any material issues raised by the most recent internal quality-control review, or peer review, of the independent auditors, or by any inquiry or investigation by any governmental or professional authorities within the preceding five years, respecting one or more independent audits carried out by the independent auditors, and any steps taken to deal with any such issues; and (vii) reviewing the reports the

independent auditors submit to the Committee in accordance with the applicable SEC requirements.

- Review and discuss with management and the independent auditors the effect of any regulatory or accounting developments, including any relevant industry and environmental trends or changes, and report the results of such review and discussion to the Board.
- Review and discuss with management and the independent auditors the annual audited financial statements and quarterly unaudited financial statements, including the Corporation's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations," and report the results of such review and discussion to the Board prior to filing the Corporation's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q with the SEC.
- Direct the Corporation's independent auditors to review before filing with the SEC the Corporation's interim financial statements included in Quarterly Reports on Form 10-Q and annual audited financial statements included in Annual Reports on Form 10-K, using professional standards and procedures for conducting such reviews.
- Review and discuss the following with management and the Corporation's independent auditors: (i) all critical accounting policies and practices; (ii) major issues concerning accounting principles and the presentation of the financial statements; (iii) all other material written communications between the independent auditors and management; and (iv) any other matters required to be communicated by the independent auditors to the Committee under applicable standards.
- Prior to completion of the annual audit, review and discuss with the independent auditors any significant changes in the audit plan and difficulties or significant disagreements with management encountered during the audit, including any restrictions on the scope of activities or access to requested information and any accounting adjustments that were proposed by the independent auditors but passed on by management (as immaterial or otherwise). Conduct a post-audit review of the financial statements and audit findings, including any significant suggestions for improvements provided to management by the independent auditors, and report the results of such review to the Board.
- Review before release the quarterly earnings release, including the unaudited quarterly operating results, and report the results of such review to the Board.
- Review and approve the report that the SEC requires be included in the Corporation's annual proxy statement.
- Oversee compliance with the requirements of the SEC to disclose certain information related to the Committee and its responsibilities, including the members of the Committee, member qualifications and activities and services provided by the independent auditors.
- Review, in conjunction with counsel, any legal matters that could have a significant impact on the Corporation's financial statements, and report the results of such review to the Board.
- Provide oversight and review at least annually the Corporation's risk assessment and management policies, including with respect to its investment policies and the risk of fraud, and recommend any changes to the Board.

- Oversee and review the Corporation’s policies regarding information technology and management information systems, and recommend any changes to the Board.
- If necessary, institute special investigations with full access to all books, records, facilities and personnel of the Corporation, and, when appropriate, report the result of such investigations to the Board.
- Review and approve in advance any proposed material related-party transactions required to be disclosed under applicable rules of the SEC or the Financial Accounting Standards Board (other than compensation matters with related persons, which shall be reviewed and approved by the Compensation Committee), and report the results of such review to the Board.
- Establish and oversee procedures for receiving, retaining and treating of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters, including procedures for the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters, and, when appropriate, report such complaints and any action taken in respect thereof to the Board.
- Annually review its charter and recommend any proposed changes to the Board for approval.
- Annually review its own structure, processes, membership requirements and overall performance.
- Perform any other activities which the Committee or the Board determine to be necessary or appropriate and consistent with this charter and the governing laws and principles of the Corporation.

In performing its responsibilities, the Committee shall have the authority to obtain advice and assistance from outside legal, accounting and other advisors. The Corporation shall provide for appropriate funding as determined by the Committee for payment of compensation (i) to the independent auditors employed by the Corporation for the purpose of rendering or issuing an audit report or performing other audit, review or attest services for the Corporation, (ii) to any advisors employed by the Committee pursuant to the authority described above and (iii) for ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

MEETINGS

The Committee will meet at least four times each year. The Committee may establish its own schedule, which it will provide to the Board in advance.

The Committee will meet separately with management and the independent auditors in separate executive sessions. The Committee may request any officer or employee of the Corporation or the Corporation’s outside counsel or independent auditors to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

MINUTES

The Committee (or a delegate assigned by the Committee) will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board.

REPORTS

The Committee will periodically report its examinations, findings and actions to the Board.

COMPENSATION

Members of the Committee shall receive such fees, if any, for their service as Committee members as may be determined by the Board or any committee thereof granted the authority to determine compensation of the members of the Committee. Such fees may include retainers or per meeting fees. Fees may be paid in such form of consideration as is determined by the Board upon recommendation of the Compensation Committee.

Members of the Committee may not receive any compensation from the Corporation except the fees that they receive for service as a member of the Board or any committee thereof.

DELEGATION OF AUTHORITY

The Committee may delegate to one or more designated members of the Committee the authority to pre-approve audit and permissible non-audit services, provided such pre-approval decision is presented to the full Committee at its scheduled meetings.

Approved on December 2, 2014