

ENDOCYTE, INC.

AUDIT COMMITTEE CHARTER

Adopted August 12, 2010 and effective as of
the closing of the Company's initial public offering

As amended on March 10, 2015 and February 23, 2017

PURPOSE

The purpose of the Audit Committee of the Board of Directors (the "*Board*") of Endocyte, Inc. (the "*Company*") shall be to:

- Provide oversight of the Company's accounting and financial reporting processes and the audit of the Company's financial statements;
- Assist the Board in oversight of (i) the integrity of the Company's financial statements, (ii) the Company's compliance with legal and regulatory requirements, (iii) the independent auditor's qualifications, independence and performance, and (iv) the Company's internal accounting and financial controls; and
- Provide to the Board such information and materials as it may deem necessary to make the Board aware of significant financial matters that require the attention of the Board.

In furtherance of these purposes, the Audit Committee will undertake those specific duties and responsibilities listed below and such other duties as the Board may from time to time prescribe.

The Audit Committee's responsibility is one of oversight. The members of the Audit Committee are not employees of the Company, and they do not perform, or represent that they perform, the functions of management or the independent auditors. The Audit Committee relies on the expertise and knowledge of management and the independent registered accounting firm in carrying out its oversight responsibilities. The management of the Company is responsible for preparing accurate and complete financial statements in accordance with generally accepted accounting principles in the United States ("*GAAP*") and for establishing and maintaining appropriate accounting principles and financial reporting policies and satisfactory internal control over financial reporting. The management of the Company is also responsible for the preparation, maintenance and updating, if necessary, of the Company's Quality Control/Quality Assurance plan, as well as the Company's compliance therewith. The independent registered accounting firm is responsible for auditing the Company's annual consolidated financial statements and the effectiveness of the Company's internal control over financial reporting and reviewing the Company's quarterly financial statements. It is not the responsibility of the Audit Committee to prepare or certify the Company's financial statements or guarantee the audits or reports of the independent auditors, nor is it the duty of the Audit Committee to certify that the independent auditor is "independent" under applicable rules. Further, it is not the responsibility of the Audit Committee to prepare, or ensure operational adherence to, the Company's Quality Control/Quality Assurance plan. These are the fundamental responsibilities of management and the independent auditors.

MEMBERSHIP

The Audit Committee members shall be appointed by, and shall serve at the discretion of, the Board. The Audit Committee shall consist of at least three members of the Board. The Board may designate one member of the

Audit Committee as its chair. The Audit Committee may form and delegate authority to subcommittees when appropriate. Members of the Audit Committee must meet the following criteria (as well as any criteria required by the Securities and Exchange Commission (the “SEC”)):

- Each member will be an independent director in accordance with (i) the audit committee requirements of the Nasdaq Stock Market, Inc. Marketplace Rules (the “*Nasdaq Rules*”), and (ii) the rules of the SEC;
- Each member will be able to read and understand fundamental financial statements, in accordance with the Audit Committee requirements of the Nasdaq Rules;
- At least one member will have past employment experience in finance or accounting, requisite professional certification in accounting, or other comparable experience or background, including a current or past position as a principal financial officer, principal executive officer or other senior officer with financial oversight responsibilities; and
- At least one member will be an “audit committee financial expert” as defined in the rules of the SEC.

Appointment to the Audit Committee shall not signify that the appointee has a higher degree of liability than other members of the Board.

RESPONSIBILITIES AND DUTIES

The responsibilities and duties of the Audit Committee shall include:

Review Procedures

- Reviewing the reports of management and the independent auditors concerning the design, implementation and maintenance of the Company’s internal controls and procedures for financial reporting, including meeting periodically with the Company’s management and the independent auditors to review their assessment of the adequacy of such controls and to review before release the disclosure regarding such system of internal controls required under SEC rules to be contained in the Company’s periodic filings and the attestations or reports by the independent auditors relating to such disclosure;
- Reviewing and providing oversight of the external audit by (i) reviewing the independent auditors’ proposed audit scope and approach; (ii) discussing with the Company’s independent auditors the financial statements and audit findings, including any significant adjustments, management judgments and accounting estimates, significant new accounting policies, disagreements with management and any other required communications described in applicable accounting standards, including the standards of the Public Company Accounting Oversight Board (the “*PCAOB*”); (iii) reviewing with the independent auditors the Company’s critical accounting policies and practices, alternative treatments of financial information within generally accepted accounting principles that have been discussed with management and the treatment recommended by the independent auditors, and other material written communications between the independent auditors and management; and (iv) reviewing reports submitted to the audit committee by the independent auditors in accordance with applicable SEC requirements;
- Reviewing and approving any annual internal audit project plan and any proposed changes and reviewing periodic reports summarizing results of any internal audit projects;

- Reviewing and discussing with management and the independent auditors the annual audited financial statements and quarterly unaudited financial statements, including the Company’s disclosures under “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” prior to filing the Company’s Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q, respectively, with the SEC;
- Recommending to the Board, if deemed appropriate, that the audited financial statements be included in the Company’s Annual Report on Form 10-K, in accordance with the rules and regulations of the SEC;
- Directing the Company’s independent auditors to review before filing with the SEC the Company’s interim financial statements included in Quarterly Reports on Form 10-Q, using professional standards and procedures for conducting such reviews;
- Conducting a post-audit review of the financial statements and audit findings, including any suggestions for improvements provided to management by the independent auditors, and management’s response to such suggestions;
- Reviewing, prior to announcement, Company press releases and other disclosures containing financial information for the purpose of ensuring that such press releases and other disclosures properly disclose financial information presented in accordance with GAAP and, to the extent non-GAAP information is included, provide disclosures required by SEC rules, including how such non-GAAP information differs from the comparable GAAP information and ensure that disclosure of such non-GAAP information is not given undue prominence and that such non-GAAP information does not provide a misleading presentation of the Company’s results of operations or financial condition;
- Providing oversight and review periodically of the Company’s risk management policies, including its investment policies;
- Conducting periodic review of the Company’s Quality Control/Quality Assurance plan, including discussion of the current state of quality systems, the results of testing or audits performed, and any action plans, and communicating any areas of concern related to such items to the Board.
- Reviewing and approving in advance any proposed related party transactions, as follows: the Audit Committee shall review and approve any proposed related party transactions in compliance with the Company’s policies and the Nasdaq Rules including those proposed transactions involving an executive officer, director or 5% or greater stockholder of the Company, or any of their respective immediate family members or affiliates, for which the amount exceeds \$50,000. If a majority of the members of the Audit Committee have a conflict of interest with respect to a proposed transaction, other independent directors of the Board may approve the transaction. In approving or rejecting the transaction, the Audit Committee shall, among other things, consider relevant facts including whether the transaction is on terms no less favorable than terms generally available to an unaffiliated third party under the same or similar circumstances and the extent of the related party’s interest in the transaction;
- Reviewing, in conjunction with counsel, any legal matters that could have a significant impact on the Company’s financial statements;
- Reviewing its own charter and processes on an annual basis;

Independent Auditors

- Having sole authority over, and being directly responsible for, appointing, compensating, retaining and overseeing the work of any independent registered public accounting firm engaged (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;
- Reviewing the independence of the outside auditors, including (i) obtaining on a periodic basis a written statement from the independent auditors regarding relationships and services with the Company that may impact independence, as defined by applicable standards and SEC requirements, and discussing with the independent auditors their independence, (ii) presenting this statement to the Board, and (iii) to the extent there are relationships, monitoring and investigating them;
- Receive and review annually a report by the independent auditor describing the firm's internal quality-control procedures, any material issues raised by the most recent internal quality-control review, peer review, or PCAOB review or inspection, of the independent auditing firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues; and any other required reports from the independent registered public accounting firm;
- Pre-approving audit and permissible non-audit services provided to the Company by the independent auditors, except where pre-approval is not required because such non-audit services are de minimis under the rules of the SEC, in which case subsequent approval may be obtained. The Audit Committee may delegate to one or more designated members of the Audit Committee the authority to pre-approve audit and permissible non-audit services, provided such pre-approval decision is presented to the full Audit Committee at its scheduled meetings;

Regulatory Compliance and Other Matters

- Overseeing compliance with the requirements of the SEC for disclosure of auditor's services and audit committee members, member qualifications and activities;
- Reviewing management's monitoring of compliance with the Foreign Corrupt Practices Act;
- Providing a report for inclusion in the Company's proxy statement in accordance with the rules and regulations of the SEC; and
- Establishing procedures for receiving, retaining and treating complaints received by the Company regarding accounting, internal accounting controls or auditing matters and procedures for the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

MEETINGS

The Audit Committee shall meet at least once each fiscal quarter. The Audit Committee may meet either in person or telephonically, and at such times and places as the Audit Committee determines. The Audit Committee may establish its own meeting schedule, which it shall provide to the Board. The Audit Committee may invite to its meetings other Board members, Company management and such other persons as the Audit Committee deems appropriate in order to carry out its responsibilities.

A majority of the members of the Audit Committee shall represent a quorum, and, if a quorum is present, any action approved by at least a majority of the members present shall represent the valid action of the Audit Committee. Any actions taken by the Audit Committee during any period in which one or more members fail for any reason to meet the membership requirements set forth above shall be nonetheless duly authorized actions of the Audit Committee for all corporate purposes.

The Audit Committee shall meet separately with the Chief Executive Officer and separately with the Chief Financial Officer of the Company at such times as it deems appropriate to review the financial affairs of the Company. The Audit Committee will meet separately with the independent auditors of the Company at such times as it deems appropriate, but not less than quarterly.

MINUTES

The Audit Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board.

REPORTS

The Audit Committee shall make regular reports to the full Board on the actions and recommendations of the Audit Committee.

COMPENSATION AND ADVISORS

Members of the Audit Committee shall receive such fees, if any, for their service as Audit Committee members as may be determined by the Board in its sole discretion.

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

The independent auditors shall report directly to the Audit Committee. In addition, the Audit Committee may retain, as appropriate and at the Company's expense, outside legal, accounting or other advisors to advise or assist the Audit Committee in the performance of any of the responsibilities and duties set forth above. The Company shall provide for appropriate funding, as determined by the Audit Committee, for payment of compensation to any registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review and attest services, and to any advisors employed by the Audit Committee.