

**OncoGenex Pharmaceuticals, Inc.**  
**(the "Corporation")**  
**COMPENSATION COMMITTEE CHARTER**  
(Approved by the Board of Directors on November 5, 2013)

**1. General**

The Board of Directors of the Corporation (the "Board") has established a Compensation Committee (the "Committee") for the purpose of approving or providing the Board with recommendations relating to compensation of executive officers (the "Executive Officers") and directors, human resources policies for Executive Officers, and administration of the Corporation's compensation and benefits plans.

**2. Members**

The Board will in each year appoint a minimum of three (3) directors as members of the Committee. All members of the Committee shall be non-management directors and shall be independent within the meaning of all applicable U.S. securities laws and the rules of the Nasdaq Capital Market and such other securities exchanges and quotation systems on which the Corporation's securities are then listed or quoted (the "listing standards"). In addition, all Committee members shall qualify as "non-employee directors" within the meaning of Rule 16b-3 as promulgated under the Securities Exchange Act of 1934, as amended, and as "outside directors" within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended, or such successor provisions. Additionally, no member shall accept, directly or indirectly, any consulting, advisory or other compensatory fee from the Corporation or any subsidiary thereof.

**3. Duties**

The Committee will have the following duties:

**A. Executive Officers**

- Review and recommend to the Board for approval, or where delegated authority by the Board, make determinations regarding, the general compensation philosophy and guidelines for all Executive Officers. Review and recommend to the Board for approval, or where delegated authority by the Board, make determinations regarding, the terms and conditions of employment of Executive Officers on their initial hire or promotion. This includes incentive plan design and other remuneration;
- Evaluate the performance against corporate goals and objectives for all Executive Officers and annually review and recommend to the Board, or where delegated authority by the Board, make determinations regarding, compensation of the Executive Officers. In determining any long-term incentive component of Executive Officer compensation, the Committee should consider factors that the Committee deems appropriate, including the Corporation's performance and relative stockholder return, the value of similar incentive awards provided to Executive Officers at comparable companies, and the awards given to the Executive Officers in past years;
- Report on executive compensation as required in public disclosure documents; and

- Notwithstanding any provisions contained herein to the contrary, the chief executive officer (the “CEO”) shall not be permitted to attend the Committee’s deliberations and voting relating to the CEO’s compensation.

## **B. Corporate Human Resources**

- Establish recruitment policies and practices for the Corporation’s Executive Officers. The Committee shall periodically review trends in management and Board compensation and the competitiveness of the Corporation’s executive and director compensation programs: (i) to ensure the attraction and retention of director and corporate officers; (ii) to ensure the motivation of the Executive Officers to achieve the Corporation’s bonus objectives; and (iii) to align the interest of the Corporation’s management with the short- and long-term interests of the Corporation and its stockholders.

## **C. Compensation Plans**

- Administration, interpretation and amendment (other than amendments which are material or which require regulatory or stockholder approval) of the Corporation’s stock option plans, stock incentive plans, and other stock-based incentive compensation plans, and the making of awards under the plans, including the establishment of the terms of such awards.
- Administration, interpretation and amendment (other than amendments which are material or which require regulatory or stockholder approval), of any other compensation and benefits plans, if and to the extent that such administration is delegated to the Committee by the Board.

## **D. Director Compensation**

- To evaluate periodically and recommend to the Board the appropriate level of compensation for Board and Committee service by non-employee members of the Board.

## **E. Miscellaneous**

- Periodically review and evaluate compliance with all employment agreements, separation and severance agreements, and other compensatory contracts, arrangement, prerequisites and payments for the Executive Officers, and whether such agreements are consistent with the Corporation’s compensation goals, and make recommendations to the Board, or where delegated authority by the Board, make determinations relating thereto.
- Periodically review the Corporation’s pension and retirement plans, including any supplemental executive retirement plans, and make recommendations to the Board, or where delegated authority by the Board, make determinations regarding the need to amend existing plans or adopt new ones for the purpose of implementing the Committee’s strategy regarding pension and retirement benefits.

- Review and approve the “compensation discussion and analysis” and any related “compensation committee report” for inclusion in the Corporation’s annual proxy statement and Form 10-K, in accordance with the rules of the Securities and Exchange Commission (the “SEC”).
- Review this Charter annually and recommend to the Board any changes it considers to be appropriate. The Committee shall conduct an annual evaluation of the Committee’s performance and shall present its finding and conclusions to the Board.
- Periodically evaluate whether the Corporation’s compensation policies and practices for its employees are reasonably likely to have a material adverse effect on the Corporation.
- Perform any other functions required by applicable law, rules or regulations, including the rules of the SEC and the rules of any exchange or market on which the Corporation’s securities are traded. The Committee also shall perform such other functions as are delegated to it by the Board from time to time.

#### **4. Chair**

The Board will in each year appoint the Chair of the Committee. In the Chair’s absence, or if the position is vacant, the Committee may select another member as Chair by a majority vote of the authorized number of the Committee members.

#### **5. Meetings**

The Committee will meet at the request of its Chair or a majority of the Committee members, but in any event it will meet regularly to consider matters referred to it by the Board. In no event will the Committee meet less than once a year. Notices calling meetings will be sent to all Committee members, to the CEO of the Corporation, to the Chair of the Board and to all other directors. The Committee may meet in person or by telephone. The Committee also may hold special meetings or act by unanimous consent in writing or by electronic transmission. The Committee may meet in separate executive sessions with other directors, the CEO and other Corporation employees, agents or representatives invited by the Committee. The CEO of the Corporation and, to the extent the Chair of the Board is not otherwise a member of the Committee, the Chair, and all other directors who are not members of the Committee may attend all meetings of the Committee in an ex-officio capacity and will not vote. The CEO shall not attend in-camera sessions and is not permitted to be present during any Committee or Board meetings during the deliberations or voting on CEO compensation. However, the CEO may be present at any meeting of the Committee at which the Committee deliberates or votes on executive compensation other than CEO compensation.

#### **6. Quorum; Action**

A majority of members of the Committee, present in person, by teleconferencing, or by videoconferencing, will constitute a quorum for the transaction of Committee business, and the vote of a majority of the Committee members present at the meeting at which a quorum is present shall be the act of the Committee, unless in either case a greater number is required by this Charter, the Corporation’s bylaws, applicable laws or regulations, or the listing standards.

## **7. Removal and Vacancy**

A member may resign from the Committee, and may also be removed and replaced at any time, with or without cause, by the approval of a majority of the independent directors then serving on the full Board, and will automatically cease to be a member as soon as the member ceases to be a director. The Board will fill vacancies in the Committee by appointment from among the directors of the Board in accordance with Section 2 of this Charter. Subject to quorum requirements, if a vacancy exists on the Committee, the remaining members will exercise all its powers.

## **8. Experts and Advisors**

The Committee may, in its sole discretion, retain or obtain the advice of a compensation consultant, legal counsel or other advisor (collectively, a "Compensation Advisor"). The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any Compensation Advisor retained by the Committee.

The Committee may only select a Compensation Advisor after taking into consideration the independence of such Compensation Advisor, which includes consideration of the following factors: (i) the provision of other services to the Corporation by the person that employs the Compensation Advisor; (ii) the amount of fees received from the Corporation by the person that employs the Compensation Advisor, as a percentage of the total revenue of the person that employs the Compensation Advisor; (iii) the policies and procedures of the person that employs the Compensation Advisor that are designed to prevent conflicts of interest; (iv) any business or personal relationship of the Compensation Advisor with a member of the Committee; (v) any stock of the Corporation owned by the Compensation Advisor; and (vi) any business or personal relationship of the Compensation Advisor or the person employing the Compensation Advisor with an Executive Officer of the Corporation.

The Corporation must provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to a Compensation Advisor retained by the Committee.

## **9. Secretary and Minutes; Reports**

The Chair of the Committee will appoint a member of the Committee or other person to act as Secretary of the Committee for the purposes of a meeting of the Committee. The minutes of the Committee will be in writing and duly entered into the books of the Corporation, and will be circulated to all members of the Board. The Committee shall provide to the Board at an appropriate time prior to preparation of the Corporation's proxy statement for its annual meeting, a report of the Committee, which report shall be included in such proxy statement. The report shall include a discussion of the Committee's compensation policies applicable to the Corporation's Executive Officers and such other information as may be required under the SEC's rules and regulations and the listing standards. The Committee shall also report to the Board on the major items covered by the Committee as it may determine to be appropriate.

## **10. Committee Access and Resources**

The Committee is at all times authorized to have direct, independent and confidential access to the Corporation's other directors, management and personnel to carry out the Committee's purposes.