ARRAY BIOPHARMA

Inventing, Developing & Commercializing Targeted Small Molecule Drugs in Cancer & Inflammatory Disease

First Quarter F2011 Update

November 9, 2010

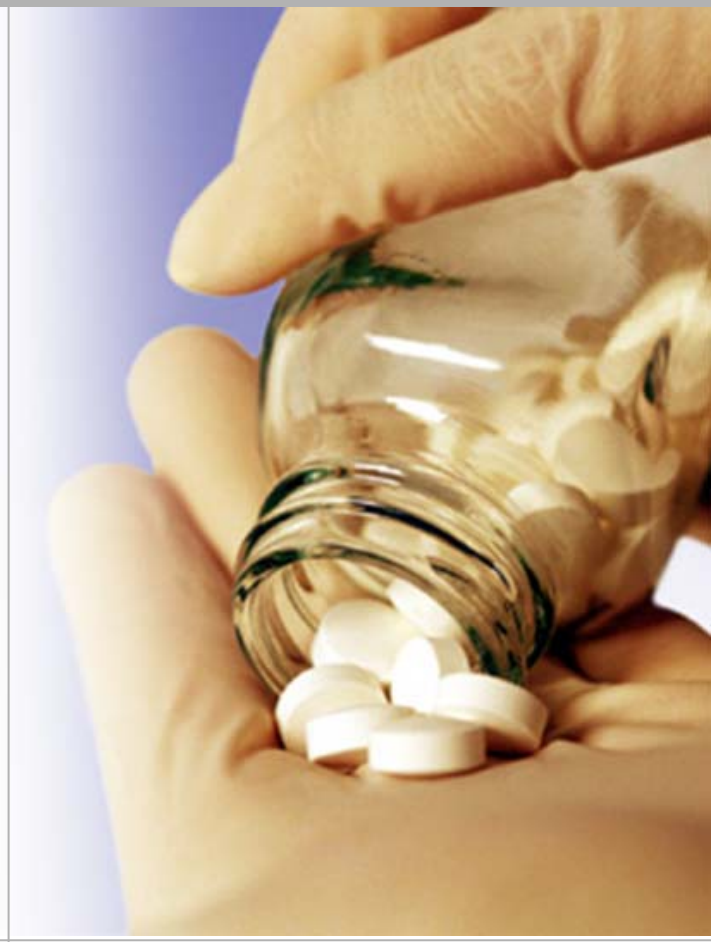
Safe Harbor Statement

Forward-looking statements made in the course of this presentation are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. The audience is cautioned that such forward looking statements involve risks and uncertainties, including those described in our annual report filed on form 10-K for the year ended June 30, 2010, and other filings of the Company with the Securities and Exchange Commission, which may cause the Company's actual results and experience to differ materially from anticipated results and expectations expressed in these forward-looking statements.

Array BioPharma Value Proposition

Biotech focused on Cancer & Inflammation

- High value Phase 2 programs
- Strong partnerships:
  - $2.7B in potential milestones
  - Double digit royalties
  - Co-detail / promote options
- Multiple partnering opportunities
- Diversified portfolio with 13 clinical products
- Well capitalized with $109M in cash (9/30/10)



Select 1Q F2011 Accomplishments

- MEK162 / MEK – Completed patient enrollment in a biliary tract cancer expansion trial & initiated *KRAS / BRAF* mutant colorectal cancer expansion trial
- Selumetinib / AZD6244 / MEK – AstraZeneca completed patient enrollment of two Phase 2 combination trials in melanoma & non small cell lung cancer
- ARRY-520 / KSP – established the maximum tolerated dose & initiated a Phase 2 single agent trial in multiple myeloma
- AMG 151 / GKA – Completed a Phase 1 multiple ascending dose trial; all future clinical activity will be done by Amgen
- ARRY-380 / HER2 – Reported positive Phase 1 data & initiated an expansion trial in patients with metastatic breast cancer
- Danoprevir / RG7227 / NS3 Protease - Roche acquired all rights to danoprevir from InterMune for $175 million. Array retains its milestone & royalty rights to danoprevir

Key Development Programs

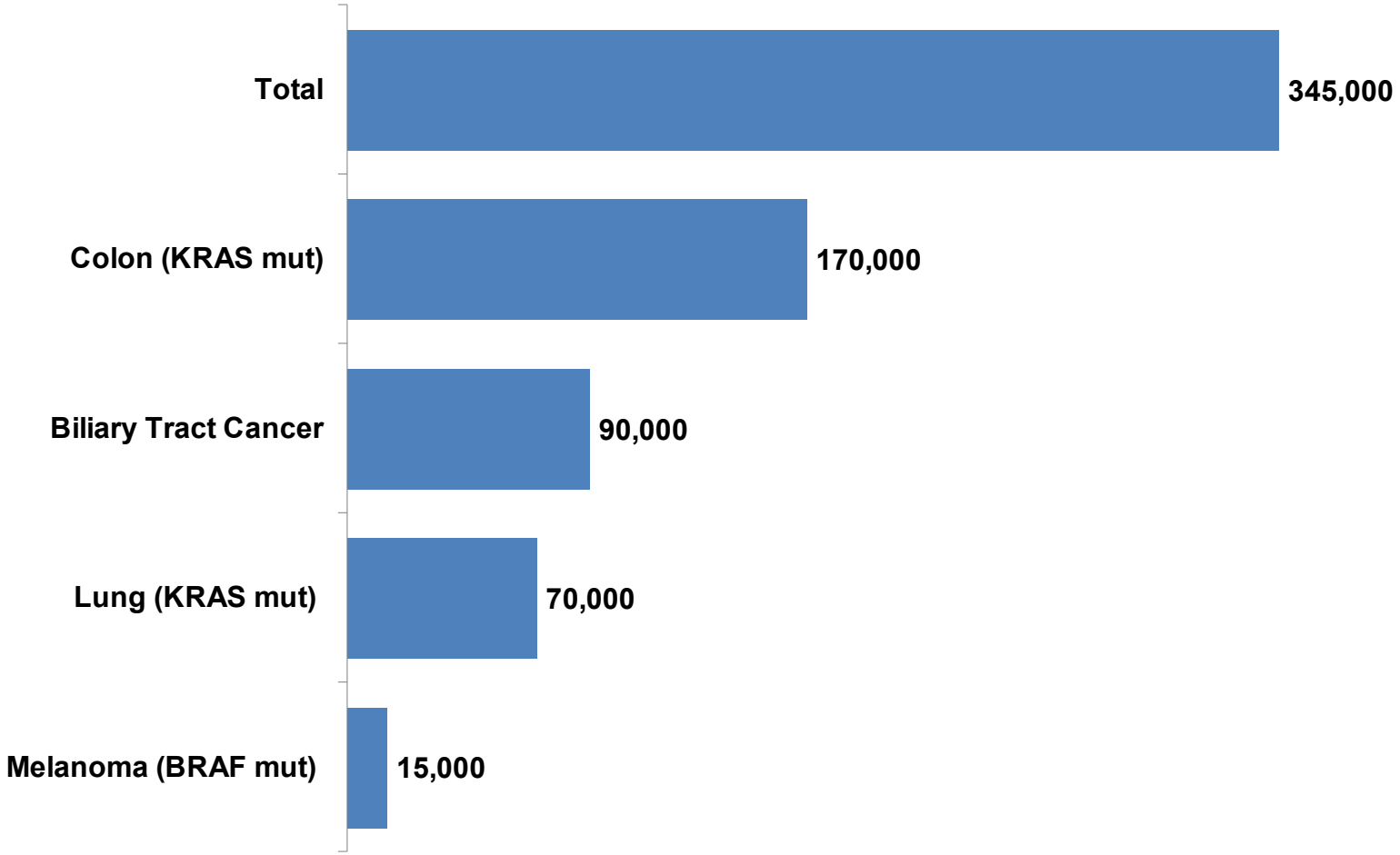
INDICATION	TARGET	Preclinical	Reg. Safety	Phase 1	Phase 2	OWNERSHIP
Cancer	MEK	MEK162 (ARRY-162)				ARRY / NVS
Cancer	MEK	Selumetinib (AZD6244)				ARRY / AZN
Cancer	KSP	ARRY-520				ARRY
Diabetes	Glucokinase	AMG 151 (ARRY-403)				ARRY / AMGN

Other Development Programs

INDICATION	TARGET	Preclinical	Reg. Safety	Phase 1	Phase 2	OWNERSHIP
Cancer	HER2 / EGFR	ARRY-543				ARRY
Cancer	HER2	ARRY-380				ARRY
Cancer	p38 / Tie2	ARRY-614				ARRY
Cancer	AKT	GDC-0068				ARRY / DNA / ROC
Cancer	Toll-like Receptor	VTX2337				ARRY / VentiRx
Allergy	Toll-like Receptor	VTX1463				ARRY / VentiRx
Hepatitis C	NS3 Protease	Danoprevir / RG7227				ARRY / ROC

Array's MEK inhibitors addressing unmet medical needs in targeted patient populations

Cancer Patient Prevalence in Major Countries



Source: Decision Resources, American Cancer Society, Wellcome Trust Sanger Institute, IARC WHO

Selumetinib (AZD6244) / MEK Inhibitor

- Most clinically advanced MEK inhibitor
- AstraZeneca responsible for development & commercialization
- Royalty – Potential double-digits
- New formulation doubles exposure at MTD
- 30+ on-going or completed Phase 1 or 2 clinical trials
- First combination therapy data at ASCO 2010

Selumetinib – 56% response rate in BRAF+ melanoma

Phase 1b - Subset of 18 pretreated melanoma patients with defined BRAF status treated with selumetinib plus chemotherapy

Response		Partial Response	Stable Disease	Progressive Disease	p
BRAF	Mutant (n=9)	5	4	0	0.009
	Wild Type (n=9)	0	5	4	

Durability		TTP (wks)		p	Median TTP (wks)	p
		> 12	≤ 12			
BRAF	Mutant (n=9)	9	0	0.009	31	0.01
	Wild Type (n=9)	3	6		8	

[9] 2010 ASCO Abstract #8501, Patel, et al.

Selumetinib On-going Randomized Phase 2 Trials

Completed Enrollment Summer 2010 - 80 Patients Per Trial

- Selumetinib + DTIC vs. DTIC
  - 1st line melanoma patients with BRAF mutation
  - Primary Endpoint: Overall survival
- Selumetinib + Taxotere vs. Taxotere
  - 2nd line NSCLC patients with KRAS mutation
  - Primary Endpoint: Progression-free survival

Currently Enrolling ~159 patients

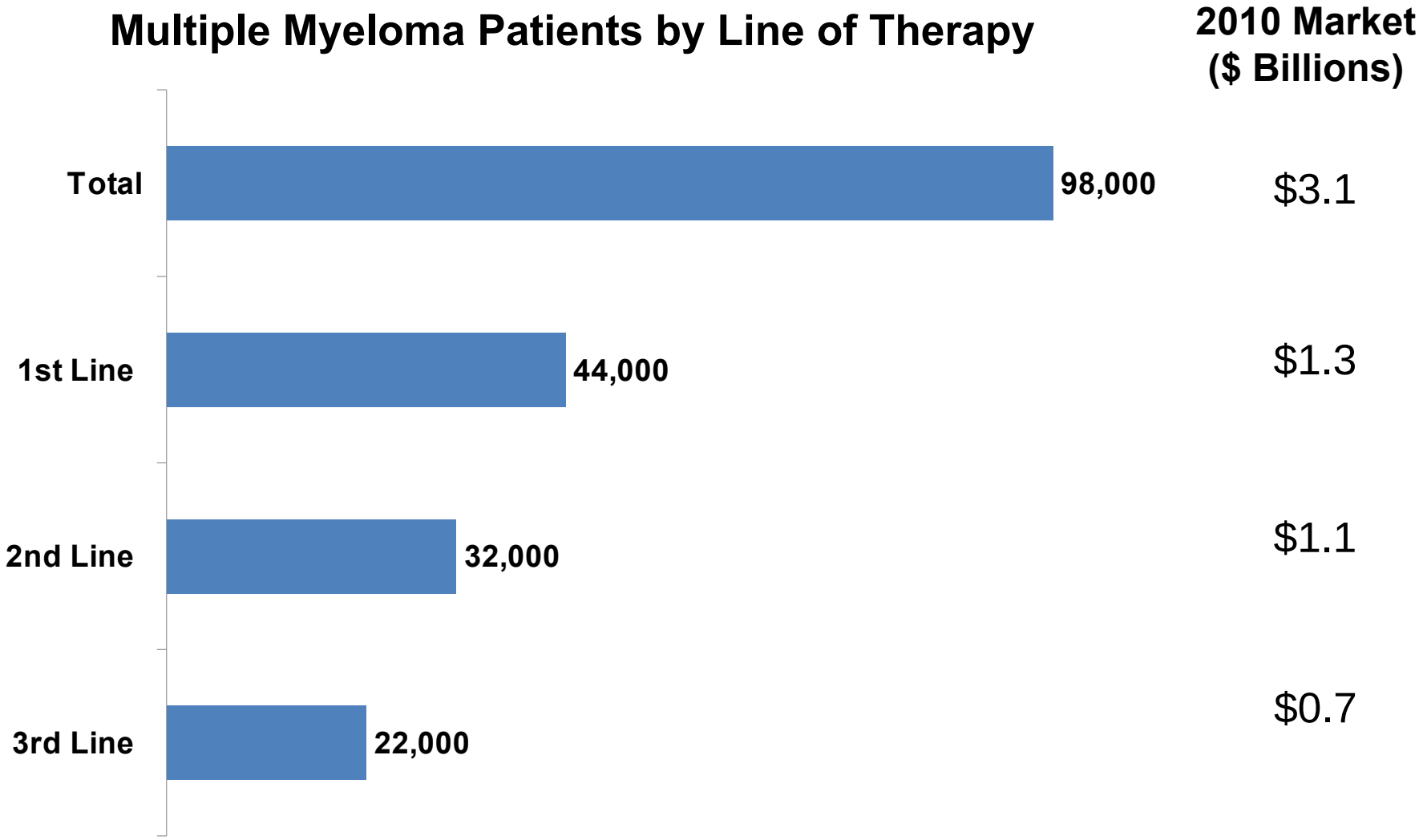
- Selumetinib vs. temozolomide
  - Metastatic melanoma of the eye patients (GNAQ mutation)

MEK162 / MEK Inhibitor

NOVARTIS

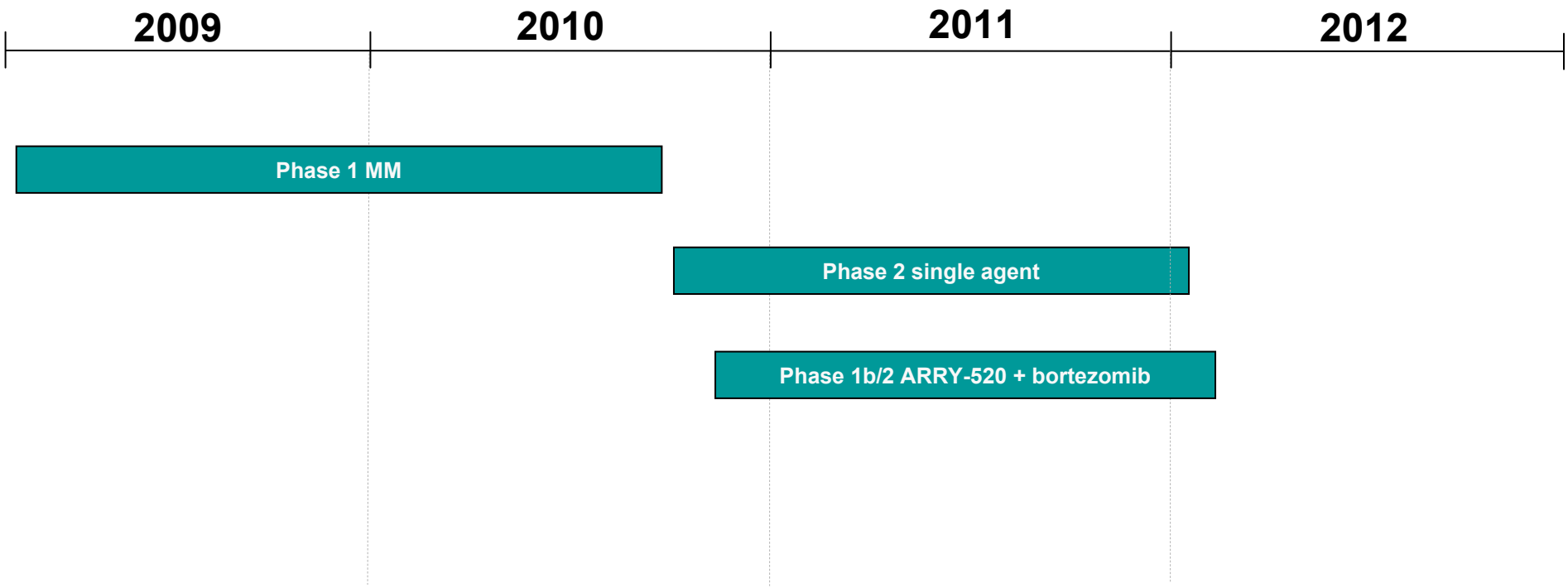
- Partnered in 2010; Initiating Phase 2
- Initial Payment: $45M
- Potential Milestones: $422M
- Royalty
  - Double digits outside U.S.
  - Significantly higher in U.S.
- Co-detail Rights in U.S.
- Co-development

ARRY-520 – Targeting multi-billion dollar opportunity



Source: Decision Resources 2010, 7 major markets: US, Japan, UK, Germany, France, Italy, Spain

ARRY-520 Development Plans in Multiple Myeloma



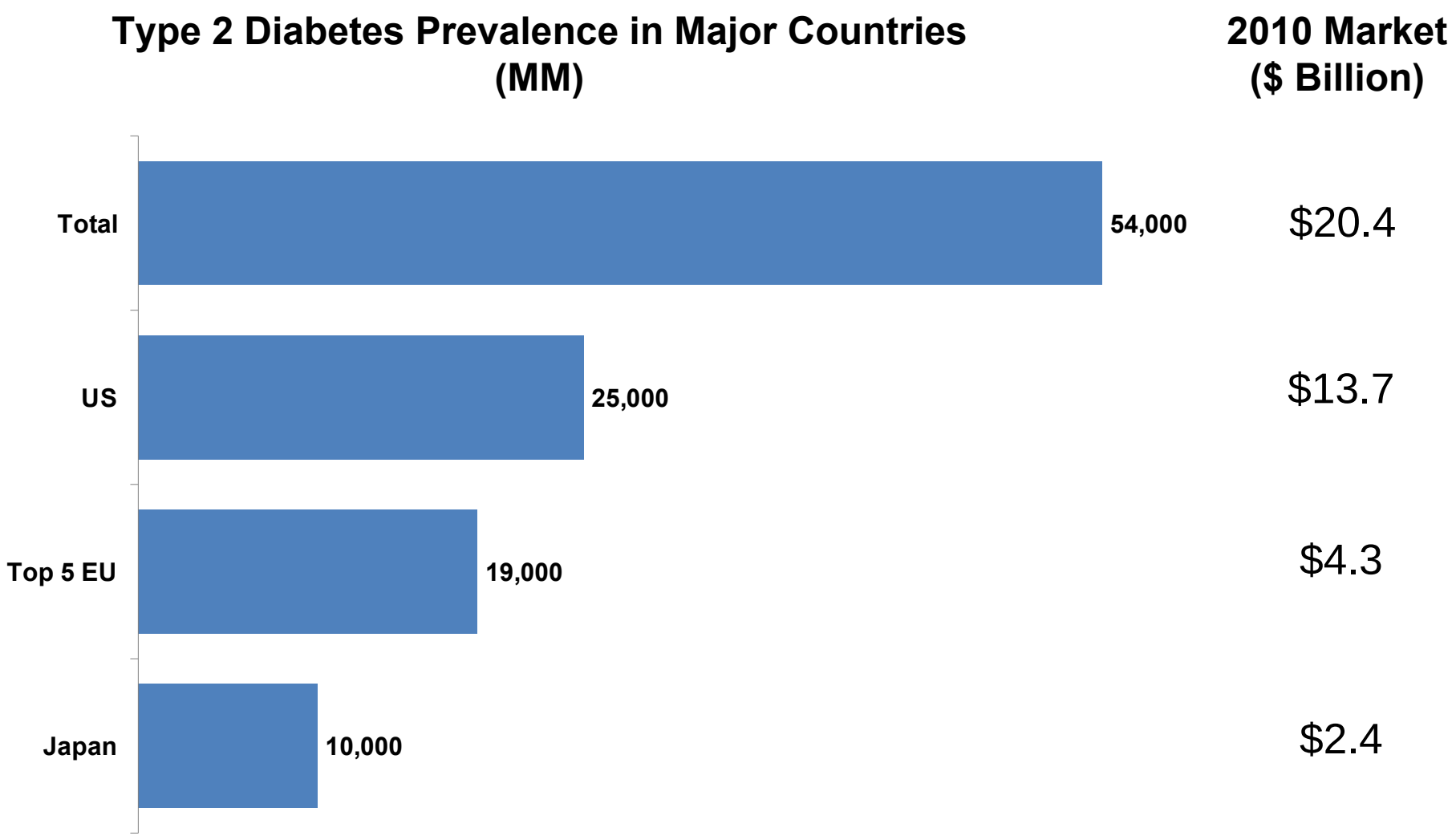
AMG 151 / Glucokinase Activator for Type 2 Diabetes

AMGEN

- Partnered 2010; completed Phase 1
- Upfront: $60M
- Potential milestones: $666M
- Royalty: double digit
- Co-detail option in U.S.
- Amgen responsible for development & commercialization

Glucokinase: key regulator of insulin production & glucose metabolism

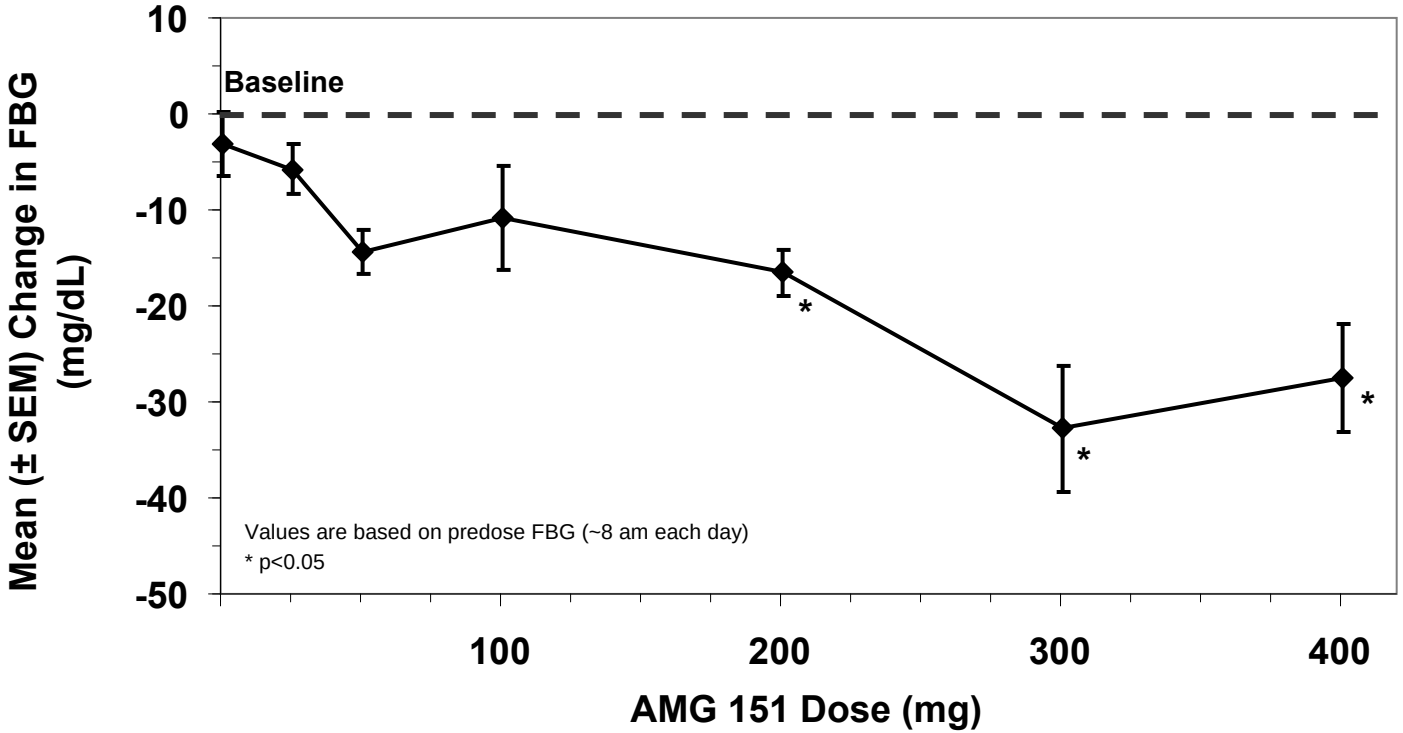
Array's Glucokinase Activator–
Targeting multi-billion dollar opportunity



Source: Decision Resources, 2010

AMG 151 Phase 1 in Type 2 Diabetic Patients

Fasting Blood Glucose / Single Dose at 24 Hour Time Point



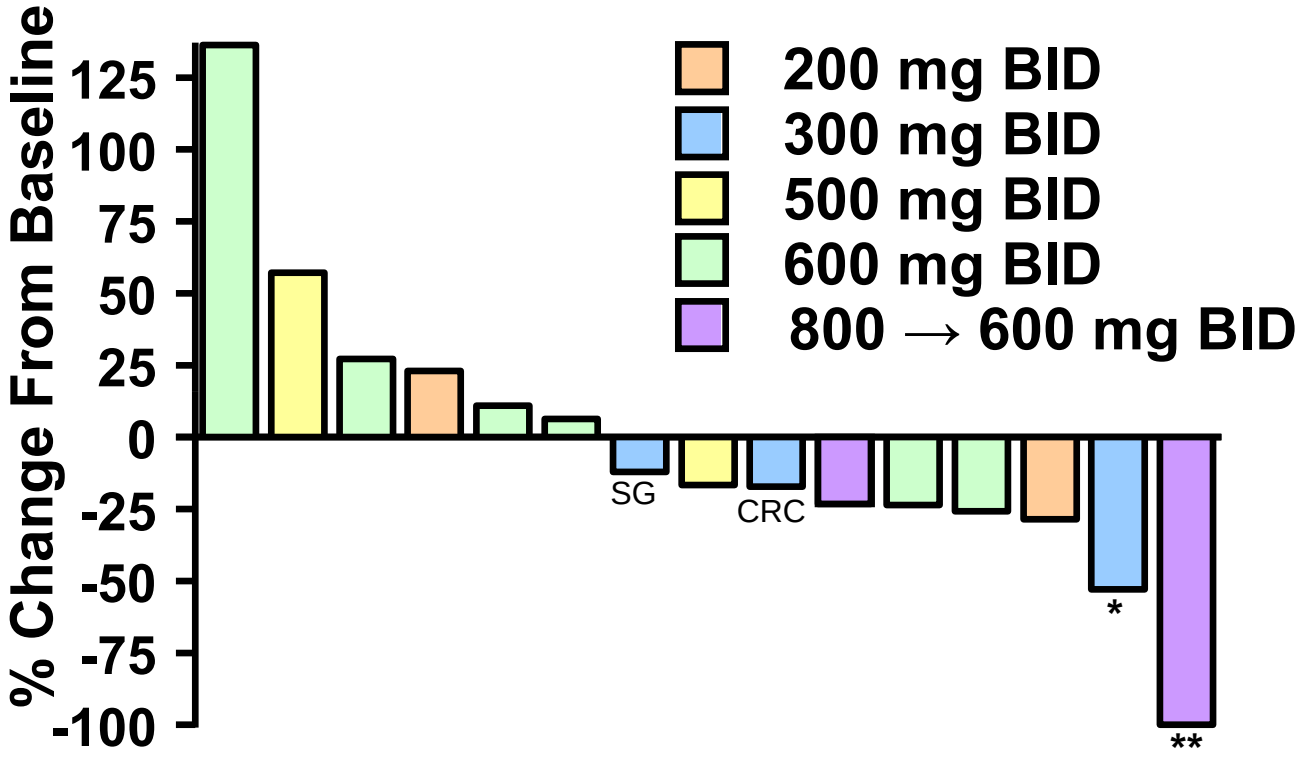
ARRY-380 / HER2 Inhibitor –
Positive Phase 1 Interim Results

Potent, oral, selective HER2 inhibition without inhibiting EGFR

- ASCO Breast, October 1-3, 2010, Washington, DC
- "A Phase 1 Study to Assess the Safety, Tolerability & Pharmacokinetics of ARRY-380 - an oral inhibitor of HER2"
- Heavily pre-treated cancer patients

ARRY-380 – Anti-tumor Activity

ARRY-380 shrinks tumors in most HER2+ patients



All tumor types are MBC unless noted. salivary gland (SG); colorectal (CRC)

* Unconfirmed PR: Patient had 53% regression at the end of Cycle 2, PD at Cycle 3

** Confirmed PR: Complete regression of all target lesions, reduced CEA from 71.7 to 3.5

ARRY-380 Treatment Related Adverse Events

Table 2. Treatment-related Adverse Events for Doses ≥ 200 mg BID*

Dose (mg BID)	200		300		500		600/650		800		
# Patients	3		3		4		10		4		
CTCAE Grade	1	2	1	2	1	2	1	2	1	2	3
Nausea	**2**	-	**2**	-	-	**1**	**1**	-	**1**	-	-
Rash	**1**	-	**2**	-	-	-	-	-	**1**	-	-
Fatigue	-	**2**	-	-	**1**	-	-	-	**1**	-	-
Diarrhea	**2**	-	**2**	-	-	-	**1**	-	**1**	-	-
Vomiting	**1**	-	**1**	-	-	-	**1**	-	-	-	-
Elevated AST/ALT	-	-	-	-	**1**	-	-	**1**	-	**1**	**2****

* Occurring in ≥ 10% patients overall

**DLT, reversible in all patients after discontinuing study drug

Financial Summary

	Quarter Ended		
	Sept 30, 2010	**June 30, 2010**	**Sept 30, 2009**
	(current)	*(last sequential)*	*(last year)*
Revenue	18,513	17,970	7,890
Operating expenses			
Cost of revenue	7,281	9,218	5,923
R&D for proprietary programs	13,855	16,491	19,201
General and administrative	4,268	4,183	4,213
Total operating expenses	25,404	29,892	29,337
Loss from operations	(6,891)	(11,922)	(21,447)
Other income (expense) - mostly interest	(3,739)	(3,924)	(3,355)
Net loss	$ (10,630)	$ (15,846)	$ (24,802)
Net loss per share	$ (0.20)	$ (0.30)	$ (0.52)
Period end Cash & Marketable Securities	$ 108,661	$ 128,869	$ 77,273

Estimated cash burn for the current fiscal year ending June 30, 2011: $50-60M

2010 Milestones

Corporate Goals	
Partner a proprietary program	✓
File INDs for 2 new drugs	
MEK162 / MEK for Cancer (partnered with Novartis April 2010)	
Complete Phase 1 escalating dose trial	✓
Complete enrollment of expansion trial in biliary tract cancer patients	✓
ARRY-520 / KSP for Cancer	
Complete & report Phase 1 expansion in solid tumors, AML & MDS patients	✓
Complete & report Phase 1b trial in MM patients	✓
Initiate Phase 2 trial in MM patients	✓
ARRY-543 / HER2/EGFR for solid tumors	
Complete three Phase 1b combination trials	✓
ARRY-380 / HER2 for Breast Cancer	
Complete Phase 1 escalating dose trial & bioequivalence trial	✓
Initiate expansion trial in metastatic breast cancer patients	✓
ARRY-614 / p38/Tie-2 for MDS	
Complete & report Phase 1 trial	

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www.arraybiopharma.com