

ANTISENSE THERAPEUTICS LIMITED

RISK MANAGEMENT POLICY

All companies, in the course of conducting their operations, are exposed to certain levels of risk, however, there needs to be a process for the identification and management of these risks.

Oversight and Assessment of the Risk Management System

The Board is responsible for overseeing the establishment and implementation of the risk management system, and is to review and assess the effectiveness of the company's implementation of that system on a regular basis, and not less frequently than once a year.

Identification and Management of Risk

The Board and senior management will continue to identify the general areas of risk and their impact on the activities of the company, including:

- efficacy, safety and regulatory risk of clinical and pre-clinical pharmaceutical developments;
- economic outlook and share market activity;
- changing government policy (Australian and overseas);
- competitors' products/research and development programs;
- market demand and market prices for therapeutics/diagnostics;
- legal proceedings commenced against the Company;
- environmental regulations;
- ethical issues relating to pharmaceutical research and development;
- actively managing partnership and contractor relationships;
- other government regulations including those specifically relating to the biotechnology and health industries;
- occupational health and safety and equal opportunity law.

Management will continue to perform a regular review of the following:

- the major risks that occur within the business;
- the degree of risk involved;
- the current approach to managing the risk; and
- if appropriate, determine:
 - any inadequacies of the current approach; and
 - possible new approaches that more efficiently and effectively address the risk; and

Management will perform this review not less frequently than once a year.