

## COMMUNICATION POLICY

The purpose of this policy is to describe the processes Progen Pharmaceuticals Limited (Progen) has in place to promote communication with its investors, analysts, media or other third parties and to ensure Progen complies with continuous disclosure obligations imposed by law and to meet best practice guidelines.

All directors, employees, consultants and other advisors to Progen are to comply with the following policies.

### 1. Information to be disclosed

Listing Rule 3.1 states that once Progen becomes aware of any information concerning it that a reasonable person would expect to have a material affect on the price or value of the Company's securities it must immediately disclose that information to the ASX. As Progen is dual listed on the NASDAQ we have similar continuous disclosure obligations under the US SEC regulations. This price sensitive information must be disclosed first to the ASX and NASDAQ prior to the disclosure to analysts, the media or others outside the Company. Following confirmation of receipt of lodgement, with the ASX and NASDAQ the information disclosed will be posted on Progen's website.

Information which may be considered material will include but is not limited to the following:

- Financial performance, including any significant changes in expectations;
- Changes in the Board of Directors;
- The formal results of completed clinical trials;
- Events regarding Progen shares;
- Significant results of laboratory or third party test work on Progen compounds;
- Entry into, termination of, or significant changes in major contracts;
- Industry issues that may have a material impact on Progen;
- An actual or intended merger, acquisition/divestment, joint venture or change in assets so long as it is not confidential and significantly inconclusive in nature;
- The granting, loss or challenge to a patent so long as it is not confidential or significantly inconclusive in nature;
- Decisions by regulatory bodies which will have a material effect on the business; and
- A material claim against Progen or other unexpected liability so long as it is not confidential and significantly inconclusive in nature.

### 2. Approval Process for Company Announcements

- All company announcements with the exception of administrative releases such as disclosure of directors' interests, substantial holder notices and similar releases are to be approved by the Chief Executive Officer, the Company Secretary and a Board appointed Non-Executive Director with the Directors advised prior to the release.
- ASX releases in relation to half yearly and full year results require Audit Committee and Board approval prior to release.

### 3. Communications Officer

The Company Secretary is responsible for coordinating the disclosure of information to the ASX, NASDAQ, shareholders, employees, analysts, brokers, the media and the public.

It is important to guard against unintended disclosure of material information to selected market participants. The Company Secretary is to review other market communications such as analysts' briefings, press releases, corporate publications or material to be posted to the website to ensure the communications do not cause any unintended breaches.

Records of all disclosures made to the ASX and NASDAQ are retained to facilitate discussions with investors/analysts about information that is in the public domain.

#### **4. Authorised Company Spokespersons**

To minimise inconsistent communications and reduce the risk of inadvertent material disclosures, the directors and staff authorised to speak on behalf of Progen is restricted to the Chief Executive Officer, Chairman, Company Secretary/Chief Financial Officer, the Investor Relations Manager and under particular circumstances of technical clarification, the Chief Scientific Officer, the VP of Clinical and Medical Affairs and the VP of Research and Development.

No other employees or associated party (such as consultants, advisers, lawyers, auditors and investment bankers) should comment publicly on material matters to Progen. Associated parties will be required to sign confidentiality agreements if they are receiving confidential information to prevent nonauthorised disclosure of confidential information.

#### **5. Disseminating Announcements**

The Company Secretary is responsible for all communications with the ASX and SEC/NASDAQ.

Our practice is to disclose price sensitive information electronically for the ASX and SEC/NASDAQ release to the market. On confirmation of release we then issue the same information to employees, the media, large shareholders, market analysts and brokers by broadcast emails. We also post the information to the investor section of our internet site on the same day.

In addition authorised spokespersons, who are aware they can clarify information the Company has released publicly through the ASX and SEC/NASDAQ and that they must avoid commenting on other price sensitive matters, may communicate information to the market by:

- Media interviews;
- Briefing analysts;
- Conducting meetings with analysts and institutional fund managers;
- Participating in industry forums; and
- Including the material in other Company literature.

#### **6. Analysts, investor presentations/briefings**

These meetings and discussions are considered only as opportunities to provide background to previously disclosed information as well as to articulate Progen's long term strategy, history and objectives and industry trends and issues.

The Authorised Company Spokespersons must avoid commenting on other price sensitive matters outside of those that have previously been released to the public domain.

Progen will not provide material "off the record" as this is contrary to its commitment to all shareholders and in contravention of the ASX Listing Rules.

## **7. Compliance**

All senior managers are to be informed of Progen's ASX continuous disclosure obligations. It is the responsibility of management to bring to the attention of the Managing Director, Chairman or Company Secretary/Chief Financial Officer any items that may require disclosure under the ASX continuous disclosure guidelines.

## **8. Handling Rumours, Leaks and Market Speculation**

Market rumours and speculation, which may contain factual errors, could impact on Progen's share price and result in the ASX or SEC formally requesting disclosure by Progen.

The decision to comment will be made on a case by case basis and in most circumstances the comment will be of a general nature. Progen will issue a statement where it considers that it has an obligation to do so or if it is required to respond to a formal request from the ASX or SEC for information.

In the event that a Progen director, employee, or associated party (such as consultants, advisers, lawyers, auditors and investment bankers) inadvertently discloses material information, Progen will immediately disclose that information to the ASX and post it to the Progen website.

## **9. Trading Halts**

Progen may request a trading halt from the ASX and/or NASDAQ in order to prevent trading in Progen's shares by an uninformed market. It is recognized that trading halts should only be used in exceptional circumstances and the decision to request a trading halt will be made after consultation between the Managing Director, Chairman, Company Secretary/Chief Financial Officer and available Directors.

**END**