

Exiqon A/S
(the "Company")

Complete proposals for the Annual General Meeting on 28 March 2012.

1. The Supervisory Board's report on the Company's activities in the past year

It is proposed that the Supervisory Board's report be adopted.

2. Presentation of the audited annual report for adoption

It is proposed that the audited annual report be adopted.

3. Resolution on appropriation of profit or covering of loss according to the adopted annual report

The Supervisory Board proposes that the result for the year be allocated as indicated in the annual report.

4. Proposal for determination of the remuneration of the Supervisory Board for 2012

The Supervisory Board proposes that the remuneration of the Supervisory Board for 2012 be fixed at DKK 1,350,000 (the same as in 2011).

5. Election to the Supervisory Board

The Supervisory Board proposes re-election of all current members of the Supervisory Board:

Thorleif Krarup, Erik Walldén, Michael Nobel and Per Wold-Olsen.

Thorleif Krarup, Chairman (elected to the Supervisory Board in May 2007)

(Born 1952, Danish citizen). Thorleif Krarup holds a number of directorships and is senior advisor to a number of international financial institutions. During the period 1985-2003, Thorleif Krarup served as Managing Director/Group CEO of Nykredit (1985-1992), Unibank (1992-2000) and Nordea (2000-2002).

Positions on the boards of directors or management boards of other companies:

H. Lundbeck A/S (Vice-Chairman)

ALK-Abelló A/S (Vice-Chairman)

Lundbeckfond Invest A/S (Vice-Chairman)

Falck Danmark A/S (Vice-Chairman)

Falck Holding A/S (Vice-Chairman)

Bisca A/S

Lundbeckfonden (Member of the board of directors)

Crown Prince Frederik Fund (Member of the board of directors)
Sport One Danmark A/S (Chairman)

Erik Walldén, Vice-Chairman (elected to the Supervisory Board in May 2007)

(Born 1949, Swedish citizen). Erik Walldén, Managing Director of Gyros AB, has been in the biotech industry for more than 30 years. Erik Walldén has held executive positions at Pharmacia LKB Bio-technology AB and PerSeptive Biosystems. Erik Walldén was formerly CEO of Pyrosequencing, Biacore AB, and Affibody Holding AB.

Positions on the boards of directors or management boards of other companies:

Healthinvest Partners AB (member of the Industrial Supervisory Board)
Tecan Group Ltd. (Member of the board of directors)
Sweden Bio, Business & Finance WG (Chairman)

Michael Nobel, board member (elected to the Supervisory Board in January 1996)

(Born 1956, Danish citizen). Michael Nobel was trained at and employed with A.P. Møller between 1978 and 1983 after which time he became Export Manager with E. Nobel Cigar og Tobaksfabrikker A/S and Skandinavisk Tobakskompagni A/S.

Positions on the boards of directors and management boards of other companies:

Investcom A/S (Chairman)
Ejendomsselskabet Vestenborg Allé A/S (Member of the board of directors and Managing Director)
Ejendomsselskabet Vestergade A/S (Member of the board of directors and Managing Director)

Per Wold-Olsen, board member (elected to the Supervisory Board in April 2008)

(Born 1947, Norwegian citizen). Per Wold-Olsen, MBA, was Managing Director of MSD Norway from 1976-1986 and in 1986-1990 his area of responsibility was extended to include the entire MSD Scandinavia region. In 1991, Per Wold-Olsen was appointed Senior Vice President for Worldwide Human Health Marketing at Merck & Co., Inc. in the USA and in 1994, he was appointed President for Human Health Europe Merck & Co., Inc., USA. In 1997, he also became responsible for – in addition to Human Health Europe - Eastern Europe, the Middle East and Africa as well as Worldwide Human Health Marketing. In 2005, his area of responsibility was extended to include Latin America and Canada as President for Human Health Intercontinental Region, Merck & Co., Inc. From 1994 to 2006, Per Wold-Olsen was a member of Merck's Management Committee.

Positions on the boards of directors and management boards of other companies:

GN Store Nord A/S (Chairman)
GN Resound A/S (Chairman)
GN Netcom A/S (Chairman)
Novo A/S (Member of the board of directors)
Gilead Sciences, Inc. (Member of the board of directors)
Medicines for Malaria Venture (Member of the board of directors)

6. Appointment of auditor

The Supervisory Board proposes appointment of Deloitte Statsautoriseret Revisionspartnerselskab as the Company auditor.

7. Proposals by the Supervisory Board

a. Adoption of remuneration policy and revised guidelines for incentive payment

The Supervisory Board has prepared a remuneration policy and revised the Company's guidelines for incentive pay to the Company's Supervisory Board and Executive Board. The guidelines for incentive pay have been revised with a view to setting up a new warrant programme. The remuneration policy is enclosed as **Appendix 1** and the revised guidelines are enclosed as **Appendix 2**.

The guidelines for incentive pay include the following main changes:

- The Supervisory Board is not covered by the incentive pay scheme.
- Elaboration of the purpose of and the general principles of incentive pay.
- Clarification of the guidelines for cash bonus.
- Warrants may be granted conferring on the holder the right to subscribe for shares corresponding to 8% of the Company's share capital outstanding at any time compared to 12% previously. The grant is administered to the effect that the former limit of 12% will be respected as long as warrants granted under the previous programme are outstanding.
- Introduction of a ceiling on the value of warrants granted so that the value of the new warrants, as computed at the date of grant, that may be earned in one single financial year may not exceed 100% of the executive officer's annual fixed remuneration in the financial year of the grant. The Supervisory Board may derogate therefrom in specific cases
- 1/3 of the warrants granted will vest (mature) for exercise each year over a period of three years compared to the previous monthly vesting of 1/36 over a three-year period to the effect that the period from grant and until the first possible exercise is one year compared to the previous one month.
- The Supervisory Board is entitled to decide on cash settlement in cases where the vesting and exercise date are accelerated in connection with a change of control, sale of material assets or delisting of the Company.
- The exercise price is based on the market price at the date of grant plus 2.5% p.a. compared to the previous 5% p.a.

The Supervisory Board proposes that the General Meeting approves the remuneration policy and the revised guidelines. If the proposal is approved, article 3f of the Articles of Association will be amended to read as follows:

"At the Annual General Meeting on 28 March 2012, the General Meeting has approved the overall guidelines for the Company's incentive pay to the Supervisory Board and Executive Board according to Section 139 of the Danish Companies Act. The guidelines are published on the Company's website (www.exiqon.com)."

If the proposal is not approved, the proposals under items 7c and 7d of the agenda will lapse.

- b. Proposal to authorise the Supervisory Board to increase the Company's share capital

The Supervisory Board proposes that the existing authorisation provided by article 3b of the Articles of Association to increase the Company's share capital, which has been partially exercised, be replaced by the following provisions to be included in the Articles of Association as the new article 3b:

"Article 3b1

"In the period until 28 March 2017, the Supervisory Board is authorised, in one or more stages, to increase the Company's share capital by up to a nominal amount of DKK 3,506,902 shares of a nominal value of DKK 1 each. The capital increase may be effected through cash payment, by contribution of assets other than cash (non-cash contribution) or conversion of debt or through a combination thereof. Capital increases must be effected at market price and without pre-emption rights for the Company's shareholders.

Article 3b2

"In the period until 28 March 2017, the Supervisory Board is authorised, in one or more stages, to increase the Company's share capital by up to a nominal amount of DKK 3,506,902 shares of a nominal value of DKK 1 each. The capital increase may be effected through cash payment, by contribution of assets other than cash (non-cash contribution) or conversion of debt or through a combination thereof. Capital increases may be effected at a price below market price and must be with pre-emption rights for the Company's shareholders.

Article 3b3

The total increase of the Company's share capital according to the authorisations of articles 3b1 and § 3b2 must not exceed a nominal value of DKK 3,506,902. Shares issued as a result of exercise of the authorisations are subject to the terms and conditions set out in article 3d. Article 3e also applies."

As a result thereof, article 3b1 of the Articles of Association will be deleted.

The proposal for a new authorisation is made with a view to increase the authorisation of the Supervisory Board to an amount corresponding to 10% of the Company's issued nominal share capital at the date of the notice convening the

General Meeting. The division of the authorisation into two alternative provisions is a result of the changed practice of the Danish Business Authority in connection with drafting authorisations to the board of directors in cases where it is desired to have the possibility to increase the Company's share capital either with or without pre-emption rights for the Company's shareholders.

- c. Proposal on authorisation to issue warrants and increase the Company's share capital

Due to the Supervisory Board's wish to set up a new warrant programme, the Supervisory Board proposes that the Supervisory Board be granted authority to issue warrants and effect the related capital increases by means of the following authorisation to be included in the Articles of Association as the new article 3h:

"In the period until 28 March 2017, the Supervisory Board is authorised, in one or more stages, to issue warrants in accordance with Section 169 of the Companies Act to members of the Company's Executive Board as well as key employees in the Company or its subsidiaries with a right to subscribe for shares up to a nominal amount of DKK 3,241,228 shares of a nominal value of DKK 1 each without pre-emption rights for the Company's shareholders. The total number of warrants outstanding issued according to this provision may not amount to more than 8% of the Company's issued nominal share capital from time to time. The Supervisory Board lays down the terms applicable to the issue and allocation of warrants.

It is proposed that at the same time the Supervisory Board be authorised in the period until 28 March 2017, in one or more stages, to increase the Company's share capital by up to a nominal amount of DKK 3,241,228 shares of a nominal value of DKK 1 each without pre-emption rights for the Company's shareholders. The Supervisory Board will lay down the terms applicable to the capital increases. Shares issued as a result of exercise of the authorisation are subject to the terms and conditions set out in article 3d. Article 3e also applies."

The proposed maximum amount for the authorisation corresponds to 8% of the Company's nominal share capital on a fully diluted basis on the date of the notice convening the General Meeting.

If the proposal is not approved, the proposals under item 7d of the agenda will lapse.

- d. Amendment of existing authorisation to issue warrants and increase the Company's share capital

Due to the proposal under item 7c of the agenda, the Supervisory Board proposes that the unexercised part of the existing authorisation provided by article 3g of the Articles of Association to issue warrants and effect the related capital increases cannot be exercised by the Supervisory Board.

It is proposed that the following provision be included as the new article 3g2 in the Articles of Association:

"At the annual general meeting on 28 March 2012, the general meeting has resolved that the authorisation of article 3g cannot be exercised with respect to the unexercised part of the authorisation."

e. Other amendments to the Articles of Association

It is proposed that articles 3c2-3c5 and 3c11 as well as Appendices 3-6 be cancelled for the purpose of a general update of the provisions regarding warrants in the Articles of Association.

f. Delegation of authority to the Chairman of the meeting

The Supervisory Board proposes that the Chairman of the meeting be authorised to make any such amendments and additions to the resolutions adopted at the General Meeting and the notification to the Danish Business Authority as may be required by the Danish Business Authority in connection with the registration of the adopted amendments.

The proposals made under items 2-6, items 7a and 7f of the agenda are adopted by simple majority of votes, see article 8 of the Articles of Association and section 105 of the Companies Act.

Adoption of the proposals made in items 7b-7e of the agenda is subject to at least two-thirds (2/3) of the votes cast as well as of the share capital represented at the general meeting in favour of the proposal, see article 8 of the Articles of Association and section 106(1) of the Companies Act.

Vedbæk, March 2012
Supervisory Board of Exiqon A/S