

Repros Therapeutics Inc.

POLICY ON TRADING IN COMPANY SECURITIES

Background

Certain transactions in the Company's securities by employees or directors are prohibited or restricted by the federal securities laws. Employees and directors of the Company may be charged with a criminal violation of these laws if they trade in securities of the Company while in possession of material nonpublic information concerning the Company. Possession may be inferred from an individual's having access to such information. It is the government's burden to prove the elements of an insider trading violation, including the essential fact that the individual possessed the information. The government can meet its burden, however, through circumstantial evidence when the defendant denies that he or she possessed the information.

It is also illegal under federal securities laws to disclose (or "tip") material nonpublic information to a person outside the Company who subsequently uses that information to his or her profit. Comments made to relatives, friends or business associates regarding material nonpublic information may result in personal liability for illegal tipping of insider information.

The consequences of violating federal insider trading laws can be severe. The Insider Trading Sanctions Act permits a civil penalty of \$1 million or up to three times the profit gained or loss avoided, whichever is greater, in actions brought by the Securities and Exchange Commission against anyone who purchases or sells securities while in possession of material nonpublic information in violation of federal securities laws. In addition, the Company may be fined up to \$2.5 million as a result of a violation by one of its employees or directors. Violators may also be subject to criminal prosecution, carrying a penalty of up to ten years in jail.

General Policy

No employee or director of the Company may trade in the Company's securities when in possession of material nonpublic information concerning the Company (see definition below). Furthermore, no such person may disclose such information to persons outside the Company or to persons within the Company who do not have a need to know such information in order to perform the duties associated with their employment. When in doubt, the information involved should be presumed to be material and not to have been disclosed to the public. Any questions in this regard should be referred to the Company's Chief Executive Officer or Chief Financial Officer.

It should be noted that this policy is in addition to obligations imposed under Section 16 of the Securities Exchange Act of 1934 relating to short-swing trading (purchases and sales within six months) and reporting of security sales and purchases. Accordingly compliance with this policy does not alter the obligations of insiders to report sales and purchases of Company securities and to refrain from short-swing trading.

Definition of Material Nonpublic Information

In general, information is “material” if its disclosure to the public would affect an investor’s decision to purchase or sell the Company’s securities. Information would be considered material if there is a substantial likelihood that its disclosure would be viewed by a reasonable investor as having significantly altered the “total mix” of information available and if, together with all other available information about the Company, it would be likely to cause a revaluation of the securities by reasonable investors. Therefore, any information that, upon disclosure, would be likely to result in a substantial change in the price of the Company’s stock, is deemed material nonpublic information. Depending on the particular circumstances, information concerning the following events may be considered “material”:

- (a) Scientific developments
- (b) Results of clinical testing of products under development
- (c) Developments with respect to patent position
- (d) Entering into an agreement
- (e) Significant changes in management
- (f) Major litigation, actual or threatened
- (g) Quarterly financial results
- (h) Financial forecasts and earnings estimates
- (i) Proposed issuance of new securities
- (j) Intent to declare a stock split or stock dividend
- (k) Purchase or sale of substantial assets
- (l) Mergers or acquisitions involving the Company

Trading Following Company Disclosure of Material Information

A director, officer or employee prohibited from trading in securities of the Company due to the possession of material nonpublic information becomes free to trade on the third trading day following the public disclosure of such information by the Company (assuming such person is not in possession of other material nonpublic information). Information is considered publicly disclosed when it is disseminated in a manner which makes it available to investors generally.

Exception for Exercise of Stock Options

The exercise of stock options under the Company’s stock option plan is not subject to this policy. The sale of stock received in any such exercise is, however, subject to this policy.

Prohibited Transactions

All directors, officers and employees of the Company are prohibited from entering into speculative transactions involving the Company’s stock, including the following:

- Purchases of stock on margin (except for “Cashless exercises” of employee stock options where the stock acquired upon exercise of the option is promptly sold to pay the option exercise price).
- Short sales

- Buying or selling puts or calls
- Buying or selling options

Transactions by Family Members

The restrictions imposed upon employees of the Company also apply to immediate family and other members of an employee's household. Each employee is responsible for ensuring policy compliance by members of his or her family and household.

Trading by Officers or Directors

Certain transactions in the Company's securities by directors, officers and key employees may be subject to Section 16 of the Securities Exchange Act of 1934 and Rule 144 under the Securities Act of 1933. The requirements of these statutes and regulations are complex. All directors, officers and department directors must consult with the Company's Chief Executive Officer or Chief Financial Officer prior to engaging in transactions to purchase or sell securities of the Company.

Violation of the Policy

Directors, officers and employees who violate this policy may be subject to criminal and civil penalties and other potential liabilities under federal and/or state securities laws as described in the introduction. In addition, such directors, officers and employees will be subject to immediate discipline by the Company, including possible termination of employment. All directors, officers and employees are responsible for complying with and making sure their immediate family complies with this policy and applicable securities laws.

Mandatory Pre-clearance

All directors and officers and all employees owning in excess of 5% of the outstanding shares of any class of stock of the Company ("Large Shareholder Employees") must always obtain written clearance from the Chief Executive Officer or Chief Financial Officer of the Company before effecting any transaction in the Company's securities. Such clearance must also be obtained for transactions by family members of such directors, officers and Large Shareholder Employees and for all transactions in which the director, officer or Large Shareholder Employee may have an indirect interest or the ability to direct the transaction (such as, for example, as trustee of a trust). Any such clearance granted will generally be effective for the time period requested, after which time new clearance must be obtained.

This pre-clearance requirement is separate and apart from any applicable requirement (1) to file notification of a change in beneficial ownership under Section 16(a) of the Securities Exchange Act of 1934, (2) to observe the six-month waiting period under Section 16(b) of such Act, or (3) to comply with Rule 144 under the Securities Act of 1933.

Employee Acknowledgment and Acceptance

All employees are required to sign the enclosed acknowledgment form indicating that they have received and read a copy of this policy and agree to abide by it.

Repros Therapeutics Inc.
Annual Statement on Trading Practices

I have read the Repros Therapeutics Inc. Policy on Trading in Company Securities (the "Policy"). I understand that any violation of the Policy, including the failure to report accurately on this statement, would be a serious breach of the Policy and could subject me to appropriate sanctions such as dismissal, a civil lawsuit and, in appropriate circumstances, possible criminal prosecution.

I hereby confirm that, except as provided below, I am in full compliance with this Policy (check one box below).

- I am in full compliance with the Policy, without exception.
- The exceptions to my compliance are as follows: _____

By: _____
(signature)

Name: _____
Title: _____

Date: _____