



Securities Trading Policy

1. Introduction

General

Restricted Persons of the Company are restricted from Trading in Securities and are subject to the Insider Trading prohibitions and this Policy.

Purpose

This Policy seeks to:

- provide a brief summary of the law on Insider Trading;
- set out the restrictions on Trading in Securities; and
- assist in maintaining market confidence in the integrity of Tradings in the Company's Securities.

This Policy applies to:

- Executive and Non-Executive Directors and associates;
- full-time, part-time and casual employees and associates; and
- contracts and external advisors,

together, the "**Restricted Persons**".

2. Definitions

Board means the Company's board.

Chairman means the Chairman of the Board.

Closed Period means any time other than an Open Period.

Company means Admedus Ltd ACN 088 221 078 and, as the context requires, its controlled entities.

Corporations Act means *Corporations Act 2001 (Cth)*.

Director means a director of the Company.

Inside Information means information that:

- is not generally available; and
- if it were generally available:
 - (a) a reasonable person would expect it would have a material effect on the price or value of the Securities in question; or
 - (b) would, or would be likely to, influence persons who commonly invest in Securities in deciding whether to acquire or dispose of the Securities in question.

Insider Trading has the meaning given to that term under Part 7.10, Division 3 of the *Corporations Act*.

Managing Director means the executive officer with sole responsibility for the strategic and operational management of the Company.

Open Period means a period of one month starting immediately after each of:

- the announcement to the ASX of the half-yearly and annual results;
- the conclusion of the Annual General Meeting; and
- any other period the Board determines.

Policy means the policy contained in this document or in any amending or replacement document.

Prohibited Period means each of the following periods:

- any Closed Period;
- in the case of Directors, the period between receipt of the Board pack and Directors' meeting; and
- any other period the Board decides Restricted Persons are to be prohibited from Trading in Securities.

Securities means all securities issued by the Company of any kind including shares, debentures, convertible notes, options, hedging mechanisms or derivative instruments.



Trade means to apply for, acquire or dispose of Securities or to enter into an agreement to apply for, acquire or dispose of Securities or to grant, accept, acquire, dispose, exercise or discharge an option or other right or obligation to acquire or dispose of Securities and Trading has a corresponding meaning.

3. Inside Information & Insider Trading

Possession of Inside Information

- Persons who wish to Trade in Company Securities must first have regard to the statutory provisions of the Corporations Act dealing with Insider Trading.
- Insider Trading is the practice of trading in a company's securities by a person with some connection to the company, with possession of information generally not available to the public which may be relevant to the value of the company's securities or may influence a person's decision to transact in the company's securities. It may also include the passing on of this information to another person.

Legally, Insider Trading is an offence which carries severe penalties, including imprisonment.

- A Restricted Person must not, whether in their own capacity or as an agent for another, Trade any Securities in the Company, or procure another person to do so:
 - (a) if that Restricted Person possesses information that a reasonable person would expect to have a material effect on the price or value of the Securities or influence a person's decision to buy or sell the Securities in the Company if the information was generally available; and
 - (b) if the Restricted Person knows or ought reasonably to know, that:
 - (i) the information is not generally

available; and

- (ii) if it were generally available, it might have a material effect on the price or value of the Securities or influence a person's decision to buy or sell the Securities in the Company.

- Further, Restricted Persons must not, either directly or indirectly, pass on this kind of information to another person if they know, or ought reasonably to know, that this other person is likely to Trade in the Securities of the Company or procure another person to do so.
- The financial impact of the information is important but strategic and other implications can be equally important in determining whether information is Inside Information.
- Examples of possible Inside Information include, but are not limited to:
 - (a) information regarding a material increase or decrease in the Company's financial performance from previous results or forecasts, such as changes to cash flows or profit results;
 - (b) a proposed material business or asset acquisition or sale, merger or takeover;
 - (c) clinical trial results confirming (or falling short of) the market's expectations;
 - (d) a capital raising (debt or equity) to raise funds;
 - (e) an adverse situation or failure which affects the business' potential; or
 - (f) passing on this type of price sensitive information to another person who then Trades in the Company's Securities.

When is information "generally available"?

Information is "generally available" if it:

- is readily observable;



- has been made known in a manner likely to bring it to the attention of persons who commonly invest in Securities of the relevant type and a reasonable period for that information to be disseminated has elapsed since it was made known; or
- consists of deductions, conclusions or inferences made or drawn from information referred to above. For example, information will be generally available if it has been released to the ASX, or published in an Annual Report or prospectus, and a reasonable period of time has elapsed after the information has been disseminated in one of these ways.

Trading in Inside Information

A Restricted Person who possesses Inside Information in relation to the Company must not:

- Trade in the Company's Securities in any way;
- procure another person to Trade in the Company's Securities in any way; or
- directly or indirectly communicate the information, or cause the information to be communicated, to another person if the person knows (or reasonably ought to know) that the other person would, or would be likely to, Trade in, or procure someone else to Trade in, the Company's Securities in any way.

Trading through Third Parties

A person does not need to be a Restricted Person to be guilty of Insider Trading in relation to Securities in the Company. The prohibition extends to Trading by anyone, including Restricted Persons' nominees, agents or other associates, such as family members, family trusts and family companies, as well as customers and suppliers.

Contractors and External Advisors

- Contractors employed by the Company shall be informed of this Policy when they are appointed and are required to adhere to the Policy so long as

they are contracted by the Company. Breach of the Policy may lead to termination of contract arrangements.

- Restricted Persons dealing with external advisers needs to ensure that the advisers are aware of the Insider Trading prohibitions and where these dealings cover material matters, that the issue of Insider Trading is covered in confidentiality documents.

Related Companies

Buying or selling securities of other companies with which the Company may be dealing or has a joint venture relationship is also prohibited where an individual possesses Inside Information which relates to that company.

4. Guidelines for Trading in the Company's Securities

Written Clearance Procedure

- Restricted Persons must not Trade in any of the Company's Securities without first obtaining written clearance before commencing the transaction from:
 - (a) in the case of an employee or Affected Party, the Managing Director or Chairman;
 - (b) in the case of a senior manager, or their associates, the Managing Director or Chairman;
 - (c) in the case of a Director, or their associates, the Chairman or Managing Director;
 - (d) in the case of the Managing Director, the Chairman or, in his/her absence, the remainder of the Board by circular resolution; or
 - (e) in the case of the Chairman, the Managing Director or in his/her absence, the remainder of the Board by circular resolution.
- In order to obtain the relevant clearance referred to above, a person must set out in writing to the



Company the following information:

- (a) the name of the person wishing to Trade;
 - (b) the number of shares that the person wishes to Trade;
 - (c) whether the Company is in a Closed or Prohibited Period;
 - (d) whether the person is in possession of unpublished price sensitive information;
 - (e) if the person is wishing to Trade during a Closed or Prohibited Period, the exceptional circumstances that may exist which the Chairman may take into account when permitting a Trade; and
 - (f) the preferred Trading period.
- Following a request from a person, the Company Secretary will present the request to the relevant Board member, or the entire Board as appropriate with a written response to be given within 3 working days. Where the proposed Trade is in a Prohibited Period, the response will state the length of the Trading window that has been granted.
 - The Company will keep a record of any request from a person and of any clearance given. Written confirmation from the Company that such request and clearance (if any) have been recorded must be given to the person concerned.
 - In addition, following the approval, Restricted Persons must confirm to the Chairman and Company Secretary when they have bought or sold the Company's Securities.

Securities Trading Prohibited Periods

- Restricted Persons must not Trade in the Company's Securities during a Prohibited Period.
- Restricted Persons should wait at least 2 business days after a relevant ASX announcement before Trading in the Company's Securities.

Short Term Trading

Restricted Persons must not at any time engage in short term or speculative Trading in Securities of the Company. In general, the purchase of Securities with a view to resale within a 12 month period and the sale of Securities with a view to repurchase within a 12 month period would be considered to be transactions of a "short term" nature. However, the sale of shares immediately after they have been acquired through the conversion of a security (e.g. exercise of an option) will not be regarded as short term Trading.

Hedging unvested entitlements

- Entitlements under the Company's equity based incentive plans (if any) are subject to the satisfaction of various time and/or performance hurdles to ensure alignment of employee rewards with the Company's objectives and performance. Transactions which "hedge" the value of entitlements could distort the proper functioning of these hurdles and reduce the intended alignment with shareholder interests.
- Restricted Persons participating in an equity-based executive incentive plan, are prohibited from entering into any transaction which would have the effect of hedging or otherwise transferring to any other person the risk of any fluctuation in the value of any unvested entitlement in the Company's Securities.
- Notwithstanding the restriction imposed by paragraph above, Directors may enter into hedging transactions in respect of the Company Securities held by them outside any equity based performance plan or once the Securities have been vested. However, Directors should ensure that entry into any hedging transaction occurs outside Prohibited Periods, and otherwise complies with this Policy.

Consequences of Breach of the Insider Trading prohibitions and this Policy



- A breach of the Insider Trading prohibitions and this Policy by a Restricted Person or their family member would expose that individual to criminal and civil liability.
- The Company will regard breach of Insider Trading laws or this Policy as serious misconduct, which may result in dismissal from the Company.

5. Excluded Trading

Examples of Trading excluded from this Policy include where the Trading:

- results in no change in beneficial interest in the Securities;
- occurs via investments in a scheme or other arrangement where the investment decisions are exercised by a third party;
- occurs when the Restricted Person has no control or influence with respect to Trading decisions; or
- occurs under an offer to all or most of the Security holders of the Company.

6. Notification to ASX of Directors' Interests

- The Company is required, under the ASX Listing Rules, to disclose to the ASX details of Directors' interests in Securities of the Company and in contracts relevant to Securities of the Company, changes in these interests, and whether the change occurred in a Prohibited Period, within 5 business days after any change.
- Within 2 business days, a Director must notify the Company Secretary in writing of the requisite information for the Company Secretary to make the necessary notifications to ASIC and ASX as required by the *Corporations Act* and the ASX Listing Rules.
- It is the individual responsibility of Directors to ensure they comply with this requirement.

7. Further Information

You should read this Policy carefully and familiarise yourself with the Policy and procedures detailed.

8. Review

- The Company will review this Policy periodically to ensure it continues to comply with applicable laws and regulations and remains relevant and effective.
- The Board may change this Policy by resolution.
- This Policy was last reviewed by the Board on 19 August 2014.