



# Securities Trading Policy

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4DMedical Limited

ACN 161 684 831

3 November 2023

## 1. Introduction

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This Securities Trading Policy (**Policy**) sets out the policy of 4DMedical Limited ACN 161 684 831 (**Company**) on dealings by directors of the Company (**Directors**) and employees in:

- (a) securities of the Company (**Company Securities**); and
- (b) securities of other entities.

If you do not understand any part of this Policy, the summary of the law or how it applies to you, you should raise the matter with your manager or the Company Secretary before dealing with any securities covered by this Policy.

## 2. Rationale for the Policy

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Under Australian *Corporations Act 2001* (Cth) (the **Corporations Act**), insider trading laws operate to prohibit people in possession of non-public, price sensitive information from dealing in securities or passing on the information to other people who may deal in securities.

This Policy is intended to:

- (a) ensure that all Directors, employees and contractors of the Company and its subsidiaries (and their associates) are aware of the insider trading laws as they apply to trading in Company Securities; and
- (b) protect the reputation of the Company and its Directors and officers by seeking to avoid the possibility that misconceptions, misunderstandings or suspicions might arise as a result of trading by Directors and others who may be, or be perceived to be, in possession of Inside Information (see definition in section 4.3).

This Policy seeks to do so by imposing additional restrictions on the trading of securities by Restricted Persons (defined below).

## 3. Meaning of "Securities"

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For the purposes of this Policy, "Securities" means shares, debentures, options to subscribe for new shares and options over existing shares, warrant contracts and other derivatives relating to the shares.

## 4. Insider trading laws

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### 4.1 Prohibition

If you have any Inside Information (see definition in section 4.3) about the Company (or another relevant entity, such as a company with which the Company is considering a transaction) which is not publicly known, it is a criminal offence for you to:

- (a) trade in Company Securities (or securities of the other relevant entity);
- (b) advise or procure another person to trade in Company Securities (or securities of the other relevant entity); or
- (c) pass on Inside Information to someone else (including colleagues, family or friends) knowing (or where you should have reasonably known) that the other person will, or is likely to, use that information to trade in, or procure someone else to trade in, Company Securities (or securities of the other relevant entity).

#### **4.2 Consequences of insider trading**

This offence, called "insider trading", can subject you to:

- (a) criminal liability including large fines and/or imprisonment;
- (b) a civil penalty (fine) of up to hundreds of thousands of dollars; and
- (c) civil liability, which may include being sued for any loss suffered as a result of illegal trading.

#### **4.3 Inside Information**

"Inside information" is information that:

- (a) is not generally available; and
- (b) if it were generally available, a reasonable person would expect that it would (or would be likely to) influence investors in deciding whether to buy or sell particular securities.

The financial impact of the information is important, but strategic and other implications can be equally important in determining whether information is Inside Information. The definition of information is broad enough to include rumours, matters of supposition, intentions of a person (including the Company) and information which is insufficiently definite to warrant disclosure to the public.

Importantly, you need not be an "insider" to come across Inside Information. That is, it does not matter how you come to know the Inside Information (for example, you could learn it in the course of carrying out your responsibilities or in passing in the corridor or in a lift or at a dinner party).

#### **4.4 Examples of insider trading**

The following list is illustrative only. Inside Information could include:

- (a) the financial performance of the Company against budget;
- (b) a possible acquisition or sale of any assets by the Company;
- (c) a possible change in the Company's capital structure;
- (d) a proposed dividend;
- (e) senior management changes;
- (f) development of a new business line or product offering; or
- (g) any possible claim against the Company or other unexpected liability.

#### **4.5 Insider trading is prohibited at all times**

If you possess Inside Information, you must not buy or sell Company Securities, advise or get others to do so or pass on the Inside Information to others. This prohibition applies regardless of how you learn the information.

The prohibition on insider trading applies not only to information concerning Company Securities. If a person has Inside Information in relation to securities of another company, that person must not deal in those securities.

### **5. Confidential information**

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Related to the above, Directors, employees and contractors also have a duty of confidentiality to the Company. You must not reveal any confidential information concerning the Company, use that information in any way which may injure or cause loss to the Company, or use that confidential information to gain an advantage for yourself.

### **6. Trading restrictions imposed by this Policy**

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#### **6.1 Additional restrictions**

Additional restrictions (described below) on trading in Company Securities apply to Restricted Persons (defined below).

#### **6.2 Restricted Persons**

For the purposes of this Policy, "Restricted Persons" are:

- (a) all Directors including the CEO;
- (b) all other key management personnel of the Company; and
- (c) employees who have been notified that they are Restricted Persons for the purposes of this Policy.

#### **6.3 Close family members and entities closely connected with Restricted Persons**

For this Policy:

- (a) a "close family member" of a Restricted Person means a spouse or de facto, any minor children or children living with the Restricted Person (including children of the Restricted Person's spouse or de facto); and
- (b) a "closely connected entity" of a Restricted Person means any family company or family trust that the Restricted Person or their "close family members" may control or have an interest in

(collectively, **Closely Connected Persons**).

Each Restricted Person must:

- (a) ensure that any trading by their Closely Connected Persons are undertaken in

accordance with this Policy; and

- (b) ensure that his or her Closely Connected Persons are aware of this Policy and the restrictions it contains.

#### **6.4 Reasons for additional restrictions**

Restricted Persons are in positions where it may be assumed that they may come into possession of Inside Information and, as a result, any trading by Restricted Persons (or their Closely Connected Persons) may embarrass or reflect badly on them or on the Company (even if a Restricted Person has no actual Inside Information at the time).

This Policy is designed to avoid the possibility that misconceptions, misunderstandings or suspicions might arise and also to protect the reputation of the Company and Restricted Persons.

#### **6.5 Restrictions on dealing**

Restricted Persons must not deal in Company Securities:

- (a) without prior approval (refer section 6.7);
- (b) during any of the following blackout periods:
  - (i) the period each year from the close of trading at the end of the full financial year until 10.00am on the next trading date following the announcement to ASX of the preliminary final report or full year results;
  - (ii) the period each year from the close of trading at the end of the financial half year until 10.00am on the next trading day following the announcement of half-yearly results; and
  - (iii) any other period that the Company specifies from time to time.

#### **6.6 No speculative short-term trading**

Restricted Persons should not trade in Company Securities on a short-term basis or for speculative trading gain.

The Company considers "short-term" to be a period of 6 months or less.

#### **6.7 Prior clearance for dealing**

Restricted Persons are only permitted to deal in Company Securities if they have given notice and obtained approval as set out below (and on the basis that the rule contained in section 4.1 does not apply).

Restricted Persons must notify the Company in advance of any proposed dealing in Company Securities. The notification must be made to the person set out in section 7 and confirm that they do not hold any Inside Information.

Upon:

- (a) provision of notification; and
- (b) confirmation by the Company Secretary that there is no objection to the person trading,

the Restricted Person may undertake the proposed dealing. The confirmation may specify a period of time within which the trading is to occur.

## **6.8 Exceptions for certain trading**

As an exception to the restrictions in the rule set out in section 6.5(b), Restricted Persons are permitted to trade Company Securities in the following circumstances:

- (a) transfer of Company Securities to a Closely Connected Person or a Restricted Persons' superannuation fund, in respect of which prior clearance has been obtained as set out in section 6.7;
- (b) a disposal of Company Securities arising from the acceptance of a takeover offer, scheme of arrangement or equal access buy-back;
- (c) a disposal of rights acquired under a pro rata issue;
- (d) an acquisition of Company Securities under a security purchase plan or dividend purchase plan where the Restricted Person did not commence or amend their participation in the plan during a blackout period;
- (e) an acquisition of Company Securities under an employee incentive scheme (however, the additional restrictions in this policy apply to any subsequent trade of any Company Securities issued to (or for the benefit of) a Restricted Person under an employee incentive scheme);
- (f) where a Restricted Person has been granted approval to enter into margin lending or other secured financing arrangement (refer section 6.11), an involuntary disposal of securities that result from the margin lender or financier exercising its rights under the arrangement.

Restricted Persons are reminded that they must still comply with the insider trading laws even where they would otherwise be permitted by this section 6.8 to trade in Company Securities.

## **6.9 Exceptional circumstances**

If a Restricted Person needs to deal in Company Securities due to exceptional circumstances but such dealing would breach this Policy, the Restricted Person must apply to the person specified in section 7 for a waiver from compliance with the provisions in sections 6.5(b) or 6.6.

Exceptional circumstances include severe financial hardship, compulsion by a court order or any other circumstances that are deemed exceptional by the person described in section 6.11.

The Restricted Person seeking a waiver under this section must apply in writing to the person specified in section 7, setting out the circumstances of the proposed dealing (including an explanation as to the severe financial hardship or circumstances that are otherwise exceptional) and the reason the waiver is requested. A waiver will only be granted if the Restricted Person's application is accompanied by sufficient evidence (in the opinion of the person specified in section 7) that the dealing of the relevant securities is the most reasonable course of action available in the circumstances and confirmation that the person does not possess inside information.

A decision to grant a waiver must be given or refused by the person specified in section 7, without giving reasons. Once given, a waiver can also be withdrawn if new circumstances come to light.

If a waiver is granted, the Restricted Person will be notified in writing (which may include notification via email) and in each circumstance the duration of the waiver to deal in securities will be 5 business days.

If a waiver is not granted, the Restricted Person must keep that confidential.

Unless otherwise specified in the notice, any dealing permitted under this section must comply with the other sections of this Policy (to the extent practicable).

#### **6.10 Requirements after trading**

Once a Restricted Person has completed a trade in Company Securities, the Company Secretary must be:

- (a) advised that the trade has been completed; and
- (b) in the case of Directors, provided with sufficient information to enable the Company to comply with the requirements to notify a change of interests to ASX.

#### **6.11 Short-selling, hedging and margin lending transactions**

A Restricted Person must not engage in short-selling in respect of the Company's Securities.

A Restricted Person must not engage in transactions designed to hedge their exposure to Company Securities.

A Restricted Person must not enter into margin lending or other secured financing arrangements in respect of Company Securities, unless the prior approval of the Chair (or his or her delegate) has been obtained.

## **7. Consents and notifications**

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Where this Policy requires a notification to occur, or consent, or waiver to be obtained (unless the context requires otherwise) the table below sets out whom each Restricted Person must notify or seek approval from.

<b>Restricted Person</b>	<b>Person to notify and obtain consent</b>
Chair of the Board	The Board
Other Restricted Persons	Chair of the Board (or his or her delegate)  (The Restricted Person may notify the Company Secretary or Chief Financial Officer and request that they, on behalf of the Restricted Person, notify and request consent from the Chair of the Board).

## **8. Breaches of this Policy**

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Strict compliance with this Policy is a condition of employment. Breaches of this Policy will be subject to disciplinary action, which may include termination of employment.

## **9. Further information**

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Employees should contact the Company Secretary if they are unsure about whether it is acceptable to deal or communicate with others in relation to the Company's Securities or other securities or if they have any other queries about this Policy.