

Dated August 2015

Share Trading Policy

CELLMID LIMITED
ABN 69 111 304 119

CELLMID LIMITED

ABN 69 111 304 119

(Company)

Share Trading Policy

1. Introduction

The Company recognises that public confidence in Company Securities can be eroded if there is insufficient understanding about the Company's policies governing trading by people within the Company who are likely to possess inside information.

2. Objective

The purpose of this Policy is to regulate trading in Company Securities by Key Management Personnel and Staff and ensure that persons within the Company who possess inside information or may be thought to have inside information do not abuse, or place themselves under suspicion of abusing, inside information.

3. Definitions

3.1 The following definitions apply in this Policy:

- (a) **Chairman, Chief Executive Officer, Chief Financial Officer, Company Secretary and Director** mean the individuals appointed to those positions in the Company;
- (b) **Close Associate** means:
 - (1) a spouse or de facto spouse;
 - (2) any dependent under 18 years of age;
 - (3) any private trust of which you are a beneficiary; and
 - (4) any superannuation fund of which you are a member where you can influence investment decisions.
- (c) **Company Securities** means shares in the issued capital of the Company, derivatives over shares in the Company and any other financial products issued by the Company and quoted on the ASX;
- (d) **deal or dealing** includes:

- (1) applying for, acquiring or disposing of or entering into an agreement to acquire or dispose of securities;
 - (2) entering into an agreement the purpose of which is to secure a profit or avoid a loss by reference to fluctuations in the price of securities; and
 - (3) any transaction or the exercise of any power or discretion effecting a change of ownership of a beneficial interest in securities;
- (e) **Key Management Personnel** means the Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary and any other member of Staff having authority and responsibility for planning, directing and controlling, directly or indirectly the activities of the Company; and
- (f) **Staff** means all employees (whether full-time, part-time or casual) and employed or engaged by the Company.

4. Scope

- 4.1 This Policy applies to all Key Management Personnel and Staff.
- 4.2 It is the duty of Key Management Personnel and Staff to ensure that if at any time they are prohibited from dealing in Company Securities, their Close Associates do not deal in Company Securities at that time.

5. Insider Trading

- 5.1 If you possess inside information and know, or ought reasonably to know, that the information is not generally available but that if it were generally available, a reasonable person would expect it to have a material effect on either the price or value of particular securities, then you must not:
- (1) deal in those securities;
 - (2) procure another person to deal in those securities; or
 - (3) communicate or cause the information to be communicated to another person who you know, or ought reasonably to know, would be likely to deal in the securities or procure someone else to deal in the securities.
- 5.2 Information is generally available if it has been disclosed to the ASX or has otherwise been made available to the general public and a reasonable time has elapsed since it was disclosed for it to be brought to the attention of investors.

- 5.3 Insider trading is a criminal offence. It is punishable by substantial fines or imprisonment or both. The Company may also be liable if an employee or director engages in insider trading.
- 5.4 All Key Management Personnel and Staff must familiarise themselves with insider trading laws. If you need further information on insider trading laws, please contact the Company Secretary.

6. Policy on dealing

6.1 General Rule

6.1.1 Key Management Personnel and Staff must not deal in Company Securities:

- (a) when in possession of price sensitive information relating to the Company which is not generally available; or
- (b) during Blackout Periods.

6.2 Blackout Periods

6.2.1 The Company has determined that there are certain times during the year (called **Blackout Periods**) when Key Management Personnel and Staff are likely to possess price sensitive information and therefore, must not trade in Company Securities.

6.2.2 The following periods are designated Blackout Periods:

- (a) during the 14 days prior to the release of the Company's quarterly activities report, half yearly and full year financial results or annual report and one day after the release of those results or reports to the ASX; and
- (b) when the Board and / or management reserve the right to impose restrictions on trading in the Company's shares in regards to deliberations on ad hoc materially sensitive information in the lead up to the execution of market sensitive agreements which require ASX Notifications under ASX Listing Rule 3.1.

6.3 Further Restrictions on trading by Key Management Personnel

6.3.1 The Company has determined that Key Management Personnel are more likely to be in possession of price sensitive information regarding the Company. As a result further restrictions on dealing in Company Securities apply to Key Management Personnel.

6.3.2 Prior to dealing in Company Securities, Key Management Personnel must first notify the Chairman of the Board of Directors

of the proposed type of dealing and the number of Securities to be traded and seek the Chairman's written consent to dealing in Company Securities.

6.3.3 Key Management personnel and their closely related parties are prohibited from hedging their exposure to incentive remuneration.

6.3.4 If the Chairman is the party proposing to engage in dealing in Company Securities then he or she must give notice of the relevant circumstances via the Company Secretary and seek the consent of the Chairman of the Board's Audit Committee.

7. Excluded Trading

7.1 The following dealings in Company Securities are excluded from the operation of this Share Trading Policy:

- (a) transfers of Company Securities already held into a superannuation fund or other saving scheme in which you are a beneficiary;
- (b) dealing where the beneficial interest in the relevant Company Securities does not change;
- (c) an investment in, or trading in units of, a fund or other scheme (other than a scheme only investing in the securities of the Company) where the assets of the fund or other scheme are invested at the discretion of a third party;
- (d) where you are a trustee, trading in Company Securities by that trust provided you are not a beneficiary of the trust and any decision to trade during a blackout period is taken by the other trustees or by the investment managers independently of you;
- (e) undertakings to accept, or the acceptance of, a takeover offer;
- (f) trading under an offer or invitation made to all or most of the Company's security holders, such as, a rights issue, a security purchase plan, a dividend or distribution reinvestment plan and an equal access buy-back, where the plan that determines the timing and structure of the offer has been approved by the Board. This includes decisions relating to whether or not to take up the entitlements and the sale of entitlements required to provide for the take up of the balance of entitlements under a renounceable pro rata issue; and
- (g) the exercise (but not the sale of securities following exercise) of an option or a right under an employee incentive scheme, or the conversion of a convertible security, where the final date for the exercise of the option or right, or the conversion of the security, falls during a blackout period and the Company has been in an

exceptionally long prohibited period or the Company has had a number of consecutive blackout periods and you could not reasonably have been expected to exercise it at a time when free to do so.

8. Securities in other companies

Through your work, you may become aware of price sensitive information relating to the Company's customers, suppliers, contractors, joint venture partners or other business partners. Key Management Personnel and Staff must not deal in securities of other companies if they are in possession of inside information relating to that company.

9. Notification of dealings in Company Securities

- 9.1 The Company and a Director each have a legal obligation to notify the ASX of any change in the Director's relevant interests in Company Securities. The Company's ASX notification must be made no more than 5 business days after a change occurs and once made will satisfy the Director's personal obligation to notify the ASX of the change.
- 9.2 A Director has a 'relevant interest' in Company Securities if:
- (a) the Director is the holder of the Company Securities; or
 - (b) the Director has the power to exercise or control the exercise of a right to vote attached to the Company Securities; or
 - (c) the Director has the power to dispose of or control the exercise of the power to dispose of the Company Securities; or
 - (d) the Company Securities are held by a body corporate in which the Director's voting power is above 20%; or
 - (e) the Company Securities are held by a body corporate and the Director has the capacity to determine the outcome of decisions about that body corporate's financial and operating policies.
- 9.3 The power or control referred to in clause 9.2 includes power or control that is formal or informal, direct or indirect and that is or can be exercised as a result of a trust, agreement or practice.

- 9.4 To ensure that the Company is able to comply with its obligations regarding notification to the ASX of changes in Directors' relevant interests, each Director must notify the Company Secretary of any change to the Director's relevant interests in Company Securities within two (2) business days.

10. Exceptional circumstances

In exceptional circumstances, the Chairman of the Board may give written clearance for a Director or a member of Staff to sell (but not buy) Company Securities where the Director or member of Staff would otherwise not be able to do so under this Policy. Exceptional circumstances may include, for example, a pressing financial commitment that cannot otherwise be satisfied or a court order requiring the transfer or sale of securities. Any application to the Chairman for clearance under this clause 10 must be made in writing.

11. Speculative dealing

Key Management Personnel and Staff must not deal in Company Securities for the purpose of making a short term gain being a gain made over less than a 12 month period.

12. Timing

When consent or clearance to deal in Company Securities is given under this Policy, the person given consent or clearance must deal as soon as possible and in any event within five business days of consent or clearance being given.

13. Breach of policy

A breach of this Policy by Key Management Personnel or member of Staff is serious and may lead to disciplinary action, including termination in serious cases. It may also be a breach of the law.

14. Assistance and additional information

Staff who are unsure about the information they have in their possession, and whether they can use that information for dealing in Securities, should discuss their concerns with the Company Secretary.

15. Review of this Policy

This Policy will be reviewed annually by the Board of Directors of the Company and revised as required.

