



SHARE TRADING POLICY

1 Purpose

This policy is designed to govern dealings in securities (including any share qualifications) and related financial instruments by:

- (a) Directors, officers, employees of Medlab Clinical Limited (**Company**) and the Company's subsidiaries (collectively, the **Group**);
- (b) any Key Management Personnel; and
- (c) the associates (as defined in the *Corporations Act 2001* (Cth)) of those persons identified in (a) and (b) above,

(Relevant Parties).

'Key Management Personnel' are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any Director (whether executive or otherwise) of the Group.

2 Policy application

This Policy governs trading in the Company's financial products by the Relevant Parties.

3 Inside information

3.1 Definition

Inside information means information which:

- (a) is price sensitive information;
- (b) is not generally available; and
- (c) if the information were generally available, a reasonable person would expect it to have a material effect on the price or value of financial products of the Company or a Related Entity.

3.2 Examples

Inside information includes (without limitation):

- (a) the financial performance of the Group against its budget;
- (b) research trial results
- (c) a possible change in the strategic direction of the Group;
- (d) a possible acquisition or sale of any assets or company by the Group;
- (e) a possible change in the Group's capital structure;
- (f) a proposed dividend;
- (g) senior management changes; or
- (h) any possible claim against the Group or other unexpected liability.

4 Prohibitions

- (a) If a person (including a Relevant Party) possesses inside information concerning the financial products of the Company, they must not:
 - (i) trade in the financial products of the Company or enter into an agreement to do so;
 - (ii) procure another person to do anything specified in paragraph 4(a)(i); and
 - (iii) pass on that information to anyone who is likely to engage in the activities specified in paragraphs 4(a)(i) or 4(a)(ii).
- (b) These general prohibitions are overriding obligations and apply at all times, despite all other terms of this Policy.

5 Trading in Company Shares

- (a) In addition to the general prohibitions, to avoid any adverse inference being drawn of unfair dealing, a Relevant Party must not trade in the Company's shares:
 - (i) during a Proscribed Period; or
 - (ii) during the 24-hours after a Proscribed Period,
other than as provided by paragraph 6.
- (b) A 'Proscribed Period' is:
 - (i) the four-week period immediately before each December and June until the release of the financial information to the ASX.
 - (ii) any period when there exists any matter which constitutes inside information in relation to the financial products of the Company or a Related Entity (whether or not the Relevant Party has knowledge of such matter) and (in respect of the Company) the proposed trading would (if permitted) take place after the time when it has become reasonably probable that an announcement will be required in relation to that matter; or

- (iii) any period when the Board otherwise has reason to believe that the proposed trading is in breach of this Policy.

6 **Excluded trading**

A Relevant Party will not be in breach of paragraph 5(a) of this policy if the trading in question relates to:

- (a) transfers of the Company's securities already held into a superannuation fund or other saving scheme in which the Relevant Party is a beneficiary;
- (b) an investment in, or trading in units of, a fund or other scheme (other than a scheme only investing in the Company's securities) where the assets of the fund or other scheme are invested at the discretion of a third party;
- (c) where a Relevant Party is a trustee, trading in the Company's securities by that trust provided the Relevant Party is not a beneficiary of the trust and any decision to trade during a prohibited period is taken by the other trustees or by the investment managers independently of the Relevant Party;
- (d) undertakings to accept, or the acceptance of, a takeover offer;
- (e) trading under an offer or invitation made to all or most of the 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;
- (f) a disposal of Company's securities that is the result of a secured lender exercising their rights, for example, under a margin lending arrangement;
- (g) the exercise (but not the sale of Company's 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 Proscribed Period and the Company has been in an exceptionally long Proscribed Period or the Company has had a number of consecutive Proscribed Periods and the Relevant Party could not reasonably have been expected to exercise it at a time when free to do so.
- (h) trading under a non-discretionary trading plan for which prior written clearance has been provided in accordance with procedures set out in this policy and where:
 - (i) the Relevant Party did not enter into the plan or amend the plan during a Proscribed Period; and
 - (ii) the trading plan does not permit the Relevant Party to exercise any influence or discretion over how, when, or whether to trade.

7 **Consent to trade**

- (a) A Relevant Party must not trade in the Company's shares unless the Chairman has provided confirmation that there is no objection under this Policy to the proposed transaction. If the Relevant Party is the Chairman of the Company then the

confirmation must be sought from the Chairperson of the Company's Audit Committee.

- (b) The Relevant Party must notify the Board in writing immediately after the transaction has taken place.
- (c) If a Director trades in the Company's financial products, then the Company must advise ASX within five (5) business days, in accordance with the *Corporations Act 2001* (Cth) and the ASX Listing Rules.

8 **Prohibited trades**

Relevant Parties are prohibited from entering into any schemes or arrangements that protect the value of shares, options or performance rights allocated under the Company's incentive schemes prior to them becoming fully vested.

9 **Guidance on other Trading**

For the avoidance of doubt, the following constitute trading for the purposes of this Policy and are consequently subject to the provisions of this Policy:

- (a) trading between Relevant Parties;
- (b) off-market trading;
- (c) transfers for no consideration by a Relevant Party other than transfers where the Relevant Party retains a beneficial interest;
- (d) entering into, or terminating, assigning or novating any stock lending agreement in respect of financial products of the Company or a Related Entity;
- (e) using as security, or otherwise granting a charge, lien or other encumbrance over, financial products of the Company or a Related Entity; and
- (f) any transaction, or the exercise of any power or discretion, effecting a change in the ownership of a beneficial interest in the financial products of the Company or a Related Entity.

10 **Conflicts of interest**

All Relevant Parties who are bound by this Policy must verbally advise the Board of any personal interest which may be affected in a significant manner by a project or decision which is before the Board and in which the Relevant Party is materially involved on behalf of the Group.

11 **Breach**

- (a) Strict compliance with this Policy is mandatory for all Relevant Parties.
- (b) Contravention of the *Corporations Act 2001* (Cth) is a serious matter which may result in criminal or civil liability.
- (c) In addition, breaches of this Policy may damage the reputation of the Group and undermine confidence in the market for financial products of the Company. Accordingly, breaches will be taken very seriously by the Group and will be subject

to disciplinary action, including possible termination of a Relevant Party's employment or appointment (as the case may be).

12 Severe Financial Hardship and Exceptional Circumstances

- (a) Notwithstanding any other provision of this policy, a Relevant Person, who is not in possession of inside information in relation to the Group, may be given prior written consent by the Board to sell or otherwise dispose of their securities in the Company during a Proscribed Period where the Relevant Person is in severe financial hardship or there are other exceptional circumstances.
- (b) The person seeking the consent to trade must satisfy the Board that they are in severe financial hardship or that their circumstances are otherwise exceptional and that the proposed sale or disposal of the relevant securities is the only reasonable course of action available.
- (c) The consent given by the Board may be subject to any conditions or restrictions as the Board determines and if the Board is in any doubt in making such determinations on behalf of the Company, the Board will have consideration to the purpose of the ASX listing rules and the Board's discretion will be exercised with caution.
- (d) Subject to the principles set out below, but without fettering the Board's discretion, the Board will determine on a case by case basis whether there is severe financial hardship or other exceptional circumstances.

12.1 Severe financial hardship

- (a) A person may be in severe financial hardship if he or she has a pressing financial commitment that cannot be satisfied otherwise than by selling the relevant securities of the entity. For example (and without limitation):
 - (i) a tax liability of such a person would not normally constitute severe financial hardship unless the person has no other means of satisfying the liability; and
 - (ii) a tax liability relating to securities received under an employee incentive scheme would also not normally constitute severe financial hardship or otherwise be considered an exceptional circumstance for the purpose of obtaining the Board's written consent to sell or otherwise dispose of securities during a Proscribed Period.

12.2 Other exceptional circumstances

- (a) The Board may consider it an exceptional circumstance if for example (and without limitation) the person is required by a court order, or there are court enforceable undertakings, for example, in a bona fide family settlement, to transfer or sell the securities of the Company or there is some other overriding legal or regulatory requirement for him or her to do so.