



## Share Trading Policy

### 1. Introduction

CathRx's ordinary shares are quoted on Australian Stock Exchange (**ASX**). Trading of CathRx's securities is governed by, amongst other things, the Corporations Act 2001 (**Corporations Act**) and the ASX Listing Rules. The provisions regulating the trading of securities provide that people in possession of "inside information" must not use the information to trade in the relevant securities or to directly or indirectly communicate that information to others.

It is in the best interests of CathRx, its directors and employees to ensure that at all times its directors and employees exercise due care in the timing of any trading in CathRx's securities and to ensure that at all times they comply with the law. This policy aims to provide protection and guidance to directors and employees so that they may avoid exposure to insider trading.

### 2. What is "Insider Trading" and "Inside Information"

2.1 The Corporations Act contains three distinct, but related, offences of insider trading. The offences prevent a person in possession of "inside information" from the following actions:

- (a) trading in the relevant securities;
- (b) procuring another person to trade in the relevant securities; or
- (c) directly or indirectly communicating the inside information to another person who is likely to trade in the securities or procure someone else to trade.

2.2 "Inside information" is regarded as being information:

- (a) that a person possesses which is not generally available and which the persons knows or reasonably ought to know is not generally available; and
- (b) if generally available, a reasonable person would expect that the information might have the material affect on the price or value of the securities.

2.3 Inside information could relate to actions of CathRx or external influences.

- (a) Internal matters include:
  - (1) proposed mergers, acquisitions, sales or reconstructions;
  - (2) significant disputes or litigation;
  - (3) liquidity and cash flow information;
  - (4) potential changes in the asset values or valuations;

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- (5) profit and yield forecast;
  - (6) proposed transactions involving CathRx's securities (eg buybacks and capital raisings);
  - (7) recruitment or resignation of key personnel;
  - (8) the development of new devices;
  - (9) anticipated or actual results from preclinical or clinical trials;
  - (10) registration of CathRx's catheters by a government agency enabling sale of catheters to commence; and
  - (11) significant agreements with other companies including the execution of any distribution agreements.
- (b) External matters include:
- (1) proposed substantial acquisitions or disposals of the CathRx's securities; and
  - (2) changes to the competitive environment in which CathRx operates and takeovers.
  - (3) interest in CathRx by potential acquirers

## 3. Penalties

Criminal penalties for breaches of breach of the prohibitions are severe and include substantial fines or imprisonment for up to five years. Civil liability also attaches to breaches of the relevant provisions.

## 4. Designated Persons

This policy applies to all directors and employees and, as applicable:

- 4.1 their spouse;
- 4.2 their children less than 18 years old;
- 4.3 any nominee (including an investment manager managing funds on their behalf);
- 4.4 any trust of which they, any member of their family, or any family controlled company, are the trustee or beneficiary;
- 4.5 any person in partnership with them; and
- 4.6 any company which they or their family control.

For the purpose of this policy, a person referred to in clause 4.1 is a **Designated Person**.

## 5. General Policy

- 5.1 CathRx and its directors and employees must at all times abide by the rules and regulations governing the trading in securities including, without limitation, the Corporations Act, the ASX Listing Rules and this policy.

- 5.2 Securities in CathRx should not be traded by a Designated Person, if they know or become aware of any “inside information”.
- 5.3 Designated Persons with inside information must not at any time procure another person to apply for, acquire, or dispose of, or enter into an agreement to acquire, or dispose of, the securities of CathRx.
- 5.4 Designated Persons with inside information, must not at any time, directly or indirectly, communicate any inside information or cause the information to be communicated if the Designated Person knows or ought to reasonably to know that the other person would be likely to apply for, acquire or dispose or enter into an agreement to acquire or dispose of the relevant securities or procure another person to acquire or dispose of the securities.

## 6. **Trading Embargoes**

- 6.1 Designated Persons may not trade in CathRx’s securities during a trading embargo.
- 6.2 Trading embargoes may be imposed by the Company Secretary at any time including when the Company is embarking on a significant transaction or a significant development that has not yet been announced to the market.
- 6.3 Fixed trading embargoes are in place for the following periods each year:
  - (a) From 1 July until twenty four hours after release to the market of the full year financial report or June quarterly report, whichever occurs first.
  - (b) From 1 January until twenty four hours after release to the market of the half year financial report or the December quarterly report, whichever occurs first.
  - (c) Other periods as may be designated trading embargoes by the Company Secretary.

## 7. **Trading Windows**

- 7.1 Designated Persons are permitted to trade in CathRx’s securities during an approved trading window after first seeking approval from the Company Secretary, provided they are not in possession of inside information.
- 7.2 Approved trading windows commence twenty four hours after release to the market of any one of the following announcements:
  - (a) quarterly report to shareholders;
  - (b) annual report;
  - (c) half year financial report;
  - (d) annual general meeting or investor presentations.
- 7.3 Approved trading windows terminate twenty one days after they commence.

## 8. **Approval**

- 8.1 All directors and employees of CathRx must, before they or any other Designated Person related to them trades in the securities of CathRx, carefully consider whether they possess (or are deemed to possess) any inside information.

8.2 All directors and employees must, before they or any Designated Person related to them trades in the securities of CathRx, seek the approval of the Company Secretary and confirm in writing to the Company Secretary that they are not in possession of inside information. If the Company Secretary wishes to trade, they must seek the approval of the Chairman. If approval is given, the applicable Designated Person may ordinarily trade within five business days from the date of the approval. The applicable Designated Person will be notified if the position changes within those five business days. A further application will need to be made if the Designated Person does not trade in the five business days but they still wish to trade.

8.3 Persons who have not been permitted to trade must not disclose that the refusal to others.

9. **Notification**

Each director must advise the Company Secretary after they have traded any of CathRx's securities.

10. **Exceptions**

This general prohibition on trading does not apply in the following circumstances:

10.1 dealing in a managed securities portfolio where the Designated Person is not in a position to influence a choice of the portfolio;

10.2 dealing under a dividend reinvestment plan where the Designated Person has given a standing instruction to reinvest dividends; or

10.3 exercise of options granted under the CathRx employee option plan.

11. **Other Companies**

From time to time, directors and employees may gain inside information of the securities of another company because of their involvement with CathRx. The inside trading provisions apply equally to that information.

12. **Compliance with Share Trading Policy**

Directors and employees should be aware that they might be charged with criminal offences under the rules and regulations associated with the prevention of insider trading. Accordingly, it is the responsibility of each director and employee to ensure that they abide by the law. Failure to comply with this policy is considered grounds for termination of employment.

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