



## **Securities Trading Policy**

Alcidion Group Limited

ACN 143 142 410

Version No: V.02

Approved by: Alcidion Board

Date: 26 July 2022

## Document Revision History

Date	Version	Author	Scope
26 September 2019	V.01	Alcidion Board	Adopted
23 July 2020	V.01	Alcidion Board	Reviewed
26 July 2022	V.02	Alcidion Board	Adopted

## 1. Introduction

- 1.1. As a public company, Alcidion Group Limited (**Alcidion** or **Company**) is bound by laws governing the conduct for dealing in securities (Refer to Annexure 1 for further details).
- 1.2. The purpose of this Policy is to:
  - a) explain the types of conduct in dealing in securities that are prohibited under the Corporations Act 2001 (Cth) ('Corporations Act'). Such prohibitions apply to all Relevant Persons (as defined in clause 2 below) of Alcidion and its related bodies corporate as defined in the Corporations Act (collectively the Group); and
  - b) establish a best practice procedure for the buying and selling of securities that protects the Company and Relevant Persons against the misuse of information which could materially affect the value of the Company's securities.
- 1.3. The Company aims to achieve the highest possible standards of corporate conduct and governance. The Alcidion Board considers that compliance with this Policy is essential to ensure that the highest standards of conduct are being met by all Relevant Persons.
- 1.4. Any non-compliance with this Policy will be regarded as serious misconduct which may entitle the Company to take disciplinary action, including issuing a warning, suspension, and termination. See section 5 of this Policy for further details.
- 1.5. It is essential that all Relevant Persons of the Company read, understand and comply with this Policy. Should you be unsure about any aspect of the Policy, please contact the Company Secretary.
- 1.6. Annexure 1 describes how the insider trading and related rules apply and contains definitions of the key terms used in this Policy.
- 1.7. Annexure 2 describes in detail the people to whom this Policy applies.
- 1.8. This Policy was adopted by the Alcidion Board on 26 July 2022.

## 2. Persons to whom this policy applies

- 2.1. This Policy applies to:
  - a) all directors and officers of the Company (including the CEO);
  - b) all direct reports to the CEO;
  - c) all other personnel of the Company (including employees, consultants and contractors);

(all of the above collectively, **Personnel**); and to

- d) 'closely related parties' (as the term is defined in the Corporations Act) of all directors and officers of the Company, the CEO, all direct reports to the CEO and all other Personnel of the Company.

In this Policy, the persons listed above are called **Relevant Persons**.

- 2.2. Relevant Persons must take appropriate steps to ensure that their closely related parties do not breach this Policy. Accordingly, where this Policy requires a Relevant Person to do something (for example, obtaining clearance in accordance with clause 4.4.2 or clause 4.5), that person must also do it for their closely related parties, or ensure that their closely related party does it.
- 2.3. Annexure 2 contains a Guidance Note assisting with the definitions used in this Policy, in particular 'closely related parties'.

### **3. What is Insider Trading?**

- 3.1. Insider information is information that:
  - a) Is not generally available; and
  - b) If it were generally available, would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of the relevant securities.
- 3.2. Information is generally available if it:
  - a) is readily observable;
  - b) 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
  - c) consists of deductions, conclusions or inferences made or drawn from information falling under paragraphs above.
- 3.3. A person can possess inside information in respect of a company, even if they are not associated in any way with that company. It is irrelevant how the inside information was obtained.
- 3.4. The following items are examples of information which may be inside information in relation to the Company:
  - a) a change in financial forecasts or expectations;
  - b) a proposed dividend;
  - c) changes in the Board of Directors or senior executives;
  - d) pending ASX announcements;
  - e) proposed changes in capital structure, including issues of securities, rights issues, the redemption of securities and capital reconstructions;
  - f) giving or receiving a notice of intention to make a takeover offer;
  - g) debt facilities and borrowings;

- h) mergers, demergers, acquisitions and divestments;
- i) significant changes in operations, strategy or proposed changes in the general character or nature of the business of the Company or its subsidiaries;
- j) liquidity and cash flow information;
- k) sales figures;
- l) major or material purchases or sales of assets;
- m) significant new contracts or customers;
- n) an entity proposing to buy, or a securityholder proposing to sell, a substantial number of Company Securities;
- o) industry issues that may have a material impact on the Company;
- p) significant litigation involving the Company;
- q) allegations of any breach of the law or other regulatory requirements by the Company; and
- r) decisions on significant issues affecting the Company by regulatory bodies in Australia or other relevant jurisdictions (such as the Australian Securities and Investments Commission or the Australian Competition and Consumer Commission).

This is not an exhaustive list.

3.5. Insider Trading is a serious crime. When a person has Inside Information they must not:

- a) Deal in (buy or sell) securities;
- b) Procure another person to deal in securities; or
- c) Communicate the information (directly or indirectly) to another person who may deal in the securities.

3.6. The key concepts of Insider Information and Insider Trading are discussed in more detail in Annexure 1.

## **4. Restrictions on dealing in securities**

### 4.1. Introduction

- a) This policy and the laws and regulations it refers to apply equally to both the buying and the selling of securities.
- b) Wherever the words 'trading' or 'dealing' are used, you should take that to mean both buying and selling, and note that it makes no difference how many securities are bought or sold, nor whether you make a profit or a loss on that transaction.
- c) You cannot undo or cancel a restricted or illegal trade, so you must consider your position before you act.

#### 4.2. No dealing while in possession of inside information

- a) Broadly defined, 'inside' information is information which a person knows (or should know) to be:
  - i. not generally available; and
  - ii. likely to materially affect the Company's share price.
- b) A Relevant Person must not deal in the Company's securities where:
  - i. they are aware of price-sensitive or 'inside' information; or
  - ii. the Company has notified Relevant Persons that they must not deal in securities (either for a specified period, or until the Company gives further notice).
  - iii. Annexure 1 sets out further guidance as to what constitutes 'inside' or price-sensitive information.

#### 4.3. The Front Page Test

- a) It is important that public confidence in the Company is maintained. It would be damaging to the Company's reputation if the market or the general public perceived that Relevant Persons might be taking advantage of their position in the Company to make financial gains (by dealing in securities on the basis of confidential information).
- b) As a guiding principle, Relevant Persons and their closely related parties should ask themselves:

*If the market was aware of all the current circumstances, could the proposed dealing be perceived by the market as the Relevant Person (or their closely related parties) taking advantage of his or her position in an inappropriate way? How would it look if the transaction were reported on the front page of the newspaper?*
- c) If the Relevant Person is unsure, he or she should consult the Company Secretary.
- d) Approval for a dealing will not be granted where the dealing would not satisfy the Front Page Test.

#### 4.4. Other prohibited dealings

##### 4.4.1. Blackout Periods (or 'closed periods')

- a) Blackout Periods are times when Relevant Persons must not deal in the Company's securities, given the heightened risk of actual or perceived insider trading.
- b) The following are mandated Blackout Periods:
  - i. from close of business on 30 June each year until close of business on the day following announcement of the Company's audited financial statements (Full Year Results);
  - ii. from close of business on 31 December each year until close of business on the day following announcement of the Company's half-yearly results;

- iii. subject to clause 4.4.1(c):
  - A. from close of business on 30 September each year until close of business on the day following announcement of the Company's quarterly cash flow statement for the quarter ending 30 September of that year; and
  - B. from close of business on 31 March each year until close of business on the day following announcement of the Company's quarterly cash flow statement for the quarter ending 31 March of that year; and
- iv. any other period that the Board specifies from time to time.
- c) Clause 4.4.1(b)(iii) only applies at times when the Company is required to give quarterly cash flow statements under the ASX Listing Rules.
- d) If the day when a Blackout Period is to commence under clause 4.4.1(b) is not a business day, the Blackout Period begins on the preceding business day.
- e) During Blackout Periods, Relevant Persons must not deal in any of the Company's securities, or in any securities related to them.

#### 4.4.2. Exceptional circumstances

- a) If a Relevant Person needs to deal in the Company's securities during a Blackout Period due to exceptional circumstances, but such dealing is prohibited by clause 4.4.1 of this Policy, the Relevant Person seeking to trade (column A, below) must:
  - i. provide notification to; and
  - ii. seek for a waiver from compliance with the provisions of clause 4.4.1 for any proposed dealing in the Company's securities from,

the person/s approving the trade (column B, below) ('Approver'):

Column A	Column B
Relevant Person seeking to trade (including closely related party)	Person/s to approve the trade
Directors	The Chair of the Board
The Chair of the Board	The Chair of the Audit and Risk Committee
All other Personnel	CEO

- b) Exceptional circumstances for these purposes include severe financial hardship, compulsion by Court order or any other circumstance that is deemed exceptional by the Approver.
- c) Relevant Persons seeking a waiver under this clause must apply in writing to the relevant Approver using the form set out in Annexure 3 and setting out:
  - i. the number and type of the securities the subject of the application;

- ii. the proposed date/s for executing the proposed dealing/s; and
  - iii. the reason the waiver is requested and an explanation as to the exceptional circumstances.
- d) The Approver may, in his/her reasonable discretion, require further details from the Relevant Person, and may take the time he/she considers necessary to consider the request, including time to seek a legal opinion. While the Approver should endeavour to respond to the request within 2 business days, this period may be extended where considered necessary by the Approver.
- e) A waiver will only be granted if the Relevant Person's application is accompanied by sufficient evidence (in the opinion of the Approver) that the requested dealing is the only reasonable course of action available in the circumstances.
- f) If a waiver is granted, the Relevant Person will be notified in writing (including by email) and in each circumstance the duration of the waiver to deal in securities will be limited to 5 business days nominated by the Approver.
- g) The Relevant Person must confirm any such dealings with the person who approved the dealing and the Company Secretary, within 2 business days of the dealing. This is to assist the Company to manage voting exclusions at its AGM.
- h) Unless otherwise specified in the waiver approval notification, any dealing permitted under this clause 4.4.2 must comply with the other sections of this Policy (to the extent applicable). It is important to note that:
  - i. any clearance to trade can be given or refused by Alcidion in its discretion, without giving any reasons;
  - ii. clearance may be denied for any reason including your trading frequency, matters known to the Company, but not to you, or if the person considering your request determines clearance should not be given;
  - iii. clearance to trade can be withdrawn before the trade has been made if new information comes to light or there is a change in circumstances;
  - iv. Alcidion's decision to refuse clearance to trade is final and binding upon the Relevant Person;
  - v. if a clearance to trade is refused, the Relevant Person seeking the clearance must keep that information confidential and not disclose it to any person; and
  - vi. clearance to trade does not absolve a Relevant Person from complying with this Policy and the insider trading rules. The Relevant Person is responsible for ensuring that the dealing does not breach these rules.

#### 4.4.3. No short-term dealing – buying and selling within 3 month period

Relevant Persons must not deal in the Company’s securities on a short-term trading basis. Short-term trading includes buying and selling securities on market within a 3 month period, and entering into other short-term dealings (for example, forward contracts).

#### 4.4.4. No dealing for a 3 month period following cessation as a Board member.

Following cessation as a Board member of the Company, any Relevant Person must not deal in the Company’s securities for a 3 month period following that cessation.

#### 4.5. Other permitted dealings

- a) Aside from the prohibitions set out above, Relevant Persons may deal in the Company’s securities, subject to the notification and approval requirements set out below. This clause 4.5 applies to all Relevant Persons.
- b) During any period other than a Blackout Period, and before a transaction is undertaken, the Relevant Person seeking to trade (column A, below) must:
  - i. provide notification to; and
  - ii. seek approval for any proposed dealing in the Company’s securities from, the person/s approving the trade (column B, below) (‘Approver’):

Column A	Column B
Relevant Person seeking to trade (including closely related party)	Person/s to approve the trade
Directors	The Chair of the Board
The Chair of the Board	The Chair of the Audit and Risk Committee
All other Personnel	CEO

- c) Relevant Persons seeking approval under this clause must apply in writing to the relevant Approver using the form set out in Annexure 3 and setting out:
  - i. the number and type of the securities the subject of the application; and
  - ii. the proposed date/s for executing the proposed dealing/s.
- d) The Approver may, in his/her reasonable discretion, require further details from the Relevant Person, and may take the time he/she considers necessary to consider the request, including time to seek a legal opinion. While the Approver should endeavour to respond to the request within 2 business days, this period may be extended where considered necessary by the Approver.
- e) Upon receiving approval, a Relevant Person (or their closely related party) must undertake the proposed dealing within 5 business days. If the dealing is not undertaken within this time, the approval will no longer have effect and a new approval will be required.

- f) Upon receipt of approval, the Relevant Person may undertake the proposed dealing. The Relevant Person must confirm any such dealings with the person who approved the dealing and the Company Secretary, within 2 business days of the dealing. This is to assist the Company to manage voting exclusions at its AGM.
- g) Any dealing permitted under this clause 4.5 must comply with the other sections of this Policy (to the extent applicable). It is important to note that:
  - i. any clearance to trade can be given or refused by Alcidion in its discretion, without giving any reasons;
  - ii. clearance may be denied for any reason including your trading frequency, matters known to the Company, but not to you, or if the person considering your request determines clearance should not be given;
  - iii. clearance to trade can be withdrawn before the trade has been made if new information comes to light or there is a change in circumstances;
  - iv. Alcidion's decision to refuse clearance to trade is final and binding upon the Relevant Person;
  - v. if a clearance to trade is refused, the Relevant Person seeking the clearance must keep that information confidential and not disclose it to any person; and
  - vi. clearance to trade does not absolve a Relevant Person from complying with this Policy and the insider trading rules. The Relevant Person is responsible for ensuring that the dealing does not breach these rules.

#### 4.6. Margin lending arrangements

- a) Any dealing in the Company's securities by a Relevant Person pursuant to a margin lending arrangement, including:
  - i. entering into a margin lending arrangement in respect of the Company's securities;
  - ii. transferring securities in the Company into an existing margin lending arrangement; and
  - iii. selling securities in the Company to satisfy a call pursuant to a margin lending arrangement,must be conducted in accordance with this Policy.
- b) A Relevant Person must obtain approval in accordance with the procedure set out in clause 4.4.2 (if there is a Blackout Period in force) or clause 4.5 (in all other cases) for any proposed dealing in the Company's securities in connection with a margin lending arrangement.
- c) The Company may, at its discretion, make any approval granted in accordance with clause 4.6(b) conditional upon such terms and conditions as the Company sees fit (for example, with regard to the circumstances in which the Company's securities may be sold to satisfy a margin call).

#### 4.7. Hedging of the Company's securities

- a) Hedging includes entering into transactions in financial products that operate to limit the economic risk associated with holding Company securities. Hedging of Company securities by a Relevant Person or their closely related parties is subject to restrictions under the Corporations Act.
- b) Hedging of Company securities by a Relevant Person is subject to the following overriding prohibitions:
  - i. the hedge transaction must not be entered into, renewed, altered or closed out when the Relevant Person is in possession of inside information;
  - ii. Company securities must never be hedged prior to the vesting of those Company securities. In particular, Relevant Persons are prohibited from entering into any hedge transaction involving unvested Company securities held pursuant to any employee, executive or director equity plan operated by the Company; and
  - iii. Company securities must never be hedged while they are subject to a holding lock or restriction on dealing under the terms of any employee, executive or director equity plan operated by the Company.
- c) Relevant Persons are permitted to hedge their vested and unrestricted Company securities on the following conditions:
  - i. the hedge transaction is treated as a dealing in Company securities for the purposes of this Policy, and the relevant approvals and notifications are made on this basis; and
  - ii. the relevant requirements under clause 4.4.2 (if there is a Blackout Period in force) or clause 4.5 (in all other cases) of this Policy have been satisfied.
- d) Where a Relevant Person enters into a hedging arrangement in respect of Company securities, the Company reserves the right to, where appropriate, disclose the fact and nature of the hedge (e.g. in its annual report or in a notification on its website).

#### 4.8. Short selling of Company securities

- a) Short selling is a trading technique used by traders who believe that the market price of a security is likely to fall. They will borrow the security and sell it in the hope that they will be able to buy it back at a lower price at some point in the future and close out their short position at a profit.
- b) Relevant Persons are prohibited from short selling of the Company's securities, due to the negative connotations arising from such activity.

#### 4.9. Exclusions

- a) Clauses 4.4 and 4.5 of this Policy do not apply to any of the following, unless determined otherwise by the Company's Board:
  - i. participation in an employee, executive or director equity plan operated by the Company (e.g. applying for an allocation of securities under an employee equity plan offer). However, where securities in the Company granted under an employee,

executive or director equity plan cease to be held under the terms of that plan, any dealings in those securities must only occur in accordance with this Policy;

- ii. acquisition of Company securities through a dividend reinvestment plan, or through a share purchase plan available to all retail shareholders, where the Relevant Person does not commence or amend their participation in the plan during a Blackout Period and that participation cannot be cancelled during a Blackout Period, other than in exceptional circumstances;
- iii. acquisition of Company securities through a rights issue available to shareholders generally;
- iv. disposal of Company securities through the acceptance of a takeover offer, scheme of arrangement or equal access buy-back;
- v. dealings that result in no effective change to the beneficial interest in the Company securities (for example, transfers of Company securities already held into a superannuation fund or trust of which the Relevant Person is a beneficiary)
- vi. trading under a pre-approved non-discretionary trading plan, where the Relevant Person did not enter into the plan or amend the plan during a Blackout Period, the plan does not permit the Relevant Person to exercise any influence or discretion in relation to trading under the plan and the plan cannot be cancelled during a Blackout Period, other than in exceptional circumstances; and
- vii. subject to clause 4.6, a disposal of securities of the Company that is the result of a secured lender exercising their rights, for example, under a margin lending arrangement.

## **5. Securities in other companies**

- 5.1. The prohibition against insider trading under the Corporations Act includes dealings not only in the Company's securities, but also those in other listed companies with which the Company may be dealing where Relevant Persons possess 'inside information' in relation to that other company.
- 5.2. Examples of listed companies with which Alcidion may be dealing include the Company's customers, contractors or business partners, as well as potential acquisition or merger targets.
- 5.3. If a Relevant Person is aware of information that is not generally available but which, if it were generally available, a reasonable person would expect to have a material effect on the price or value of a security, that person must not deal in the securities of the company or companies that it affects.
- 5.4. Relevant Persons may come into possession of 'inside information' where they are directly involved in client relationship management or negotiating contracts. For example, where the Relevant Person is aware that the Company is about to sign a major agreement with another company, the Relevant Person must not buy securities in either the Company (i.e. Alcidion) or the other company.
- 5.5. In addition, Relevant Persons may become aware of confidential analysis, internal reports or other materials, involving strategies for corporate growth such as mergers or acquisitions, joint ventures or other corporate transactions. Again, such matters must in the first instance be considered as constituting 'inside information', and a Relevant Person must not buy securities in either the Company (i.e. Alcidion) or the other company.

- 5.6. On behalf of the Chairman or the CEO, the Company Secretary may from time to time notify a Relevant Person that he or she is prohibited from dealing in the securities of certain nominated entities, in which case the Relevant Person must not deal in the securities, until notified otherwise.
- 5.7. If you are in doubt, you should:
  - a) not trade;
  - b) not pass the inside information to another person; and
  - c) immediately seek advice from the Company Secretary.
- 5.8. More details on insider trading can be found in Attachment 1.

## **6. Breaches of the law and this policy**

- 6.1. Breaches of the insider trading laws have serious consequences for both the Relevant Person concerned and the Company.
- 6.2. A person who commits a breach of the insider trading provisions could be subject to criminal liability (substantial fines or imprisonment or both may be imposed) or civil liability (substantial fines may be imposed) under Australian law.
- 6.3. A person who contravenes or is involved in a contravention of these insider trading provisions may also be liable to compensate any person who suffers loss or damage resulting from the conduct. In addition, an actual or suspected breach of the insider trading laws may also give rise to adverse public scrutiny and media comment and reputation damage.
- 6.4. It is therefore important that Relevant Persons adhere to this Policy at all times.
- 6.5. Any person who is suspected of breaching this Policy (including, but not limited to breaching the law) may be suspended from attending the workplace pending the outcome of investigations into the alleged breach.
- 6.6. Any person who breaches this Policy may face suspension or termination of employment or contract or other disciplinary action.
- 6.7. Further consequences may include:
  - a) forfeiture of Company securities;
  - b) reporting of breaches to the Company's auditors and/or to ASIC or other relevant regulator/s;
  - c) loss of other entitlements, including loss of rights relating to Company incentive or share schemes; and
  - d) forfeiture of bonuses, including but not limited to performance bonuses or project related bonuses.
- 6.8. Note that proof of breach by the Company or successful prosecution by a regulator is not required to discipline, suspend, or terminate an employee or contractor. It may be sufficient that, in the opinion of the Company, there has been behaviour constituting serious or wilful misconduct. The

Company may form a view that there has been a breach of obligations of confidentiality, a breach of good faith and fidelity, and/or a conflict of interest.

- 6.9. To understand this policy, or answer any questions as to specific circumstances including when considering trading in Alcidion securities or third-party shares, it is important that any contractor or employee consult with a manager (who should escalate the enquiry as required), Company Secretary or CEO.

## **7. Substantial holding notices**

- 7.1. Relevant Persons with relatively significant holdings of Company securities should be aware of their obligations to give notice to the Company Secretary if they begin to have, or cease to have, a substantial holding in Alcidion or if they have a substantial holding in Alcidion and there is a movement of at least 1% in their holding.

## **8. Who to contact**

- 8.1. Any person who has queries about this Policy should contact the Company Secretary.

**Insider trading and other relevant rules**

1.1. This Policy is not legal advice and does not substitute for seeking specific advice for your particular situation. You can seek clarification from the Company Secretary at any time.

1.2. Summary of prohibited conduct

- a) Australia's Corporations Act prohibits 'insider trading'.
- b) Under the Corporations Act provisions that apply to insider trading, a person is prohibited from dealing in securities where:
  - i. the person possesses information which is not generally available to the public;
  - ii. that information may have a material effect on the price of securities of the relevant entity; and
  - iii. the person knows or ought reasonably to know that the information is not generally available and, if it were, it might have a material effect on the price of securities.
- c) In addition, a person with inside information must not procure another person to deal in the Company's securities or communicate the information (directly or indirectly) to another person whom the person believes may deal (or procure someone else to deal) in the Company's securities.
- d) The key concepts are discussed in more detail in paragraph 1.2 of this Attachment 1.

1.3. Relevant terms

1.3.1. Securities

- a) The definition of securities in the Corporations Act is very broad. Securities include:
  - i. ordinary shares;
  - ii. preference shares;
  - iii. options or performance rights;
  - iv. debentures; and
  - v. convertible notes.
- b) For the purposes of this Policy, the term 'securities' also extends to financial products issued or created over or in respect of securities issued by the Company (for example, warrants and other derivative products), whether or not the financial products are created by the Company or by third parties.

### 1.3.2. Dealing in securities

- a) Dealing in securities is a broad concept and covers more than simply buying or selling securities. It extends to exercising options over securities and entering into agreements to buy or sell securities. Under this Policy and the law, the prohibition on dealing means that Relevant Persons are not permitted to:
  - i. buy or sell; or
  - ii. enter into an agreement to subscribe for, buy or sell securities,  
  
where they possess information that is not generally available and which a reasonable person would expect to have a material effect on the price or value of those securities.
- b) If a Relevant Person possesses price sensitive information that is not generally available, the Relevant Person is also prohibited from:
  - i. procuring any other person to deal in those securities; or
  - ii. directly or indirectly communicating the information to another person whom the Relevant Person believes is likely to deal in, or procure another person to deal in, those securities.
- c) Procuring means enticing, encouraging, persuading, causing or securing another person to do or not to do something. Procuring also includes inciting, inducing or encouraging an act or omission.
- d) For example, a Relevant Person cannot ask or encourage anyone, including family members, friends, associates or others, to deal in securities when the Relevant Person possesses price sensitive information, and Relevant Persons should not communicate price sensitive information.
- e) If a Relevant Person accidentally gives somebody 'inside information' when he or she should not have, the Relevant Person must immediately tell that person that it is 'inside information' and warn them against trading in the Company's securities, getting others to trade in the Company's securities, or communicating the information to others.

### 1.3.3. Price sensitive or 'inside' information

- a) Information is 'inside' or 'price sensitive' if it is not generally available, but which, if it were generally available, a reasonable person would expect to have a material effect (upwards or downwards) on the price or value of a security.
- b) For the purposes of the insider trading provisions of the Corporations Act, information is defined broadly and includes matters of supposition and other matters which are insufficiently definite to warrant being made known to the public. It also includes matters relating to the intentions of a person.
- c) 'Inside' information does not have to be obtained from Alcidion. It does not matter how or from where a Relevant Person obtains inside information.

#### 1.3.4. Information that is generally available

- a) Information is 'generally available' if it:
  - i. consists of readily observable matter; or
  - ii. has been made known in a manner that would, or would be likely to, bring it to the attention of persons who commonly invest in any of the classes of securities issued by the Company and since it was made known, a reasonable period for it to be disseminated among those persons has elapsed; or
  - iii. consists of deductions, conclusions or inferences made or drawn from information referred to in paragraph 1.2.4(a)(i) of this Annexure 1 or information made known as mentioned in paragraph 1.2.4(a)(ii) of this Annexure 1, or both.
- b) By way of example, under paragraph 1.2.4(a)(a)(ii) above, information will be 'generally available' if it has been published in an annual report or prospectus or similar document or published on a website or through social media and a reasonable period of time has elapsed after the information has been disseminated in one of these ways.

#### 1.3.5. Material effect on the price of securities

- a) Under the Corporations Act, information is likely to have a material effect on the price or value of securities of a company if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to subscribe for, buy or sell those securities.
- b) It is not possible to list all information that may be material. However, the following types of information would be likely to be considered to have a material effect on the price of the Company's securities:
  - i. sales figures;
  - ii. profit forecasts;
  - iii. unpublished announcements or knowledge of possible regulatory investigation;
  - iv. liquidity and cash flow;
  - v. proposed changes in the Company's capital structure, including issues of securities, rights issues and buy backs;
  - vi. significant borrowings;
  - vii. major asset purchases and sales;
  - viii. impending mergers, acquisitions, reconstructions, takeovers, etc.;
  - ix. significant litigation;

- x. significant changes in operations;
- xi. significant changes in industry;
- xii. new products/services and technology;
- xiii. proposed dividends or dividend policies;
- xiv. material management restructuring or significant Board changes; and
- xv. new or lost significant contracts or customers.

#### 1.4. Other related prohibited conduct

The Corporations Act also includes obligations on persons not to engage in market manipulation (i.e. the creation or maintenance of an artificial price for trading in securities), and not to use information acquired as a director or employee to gain an improper advantage for themselves or anyone else.

**Guidance note: who is who?****1.1. Personnel and Relevant Persons**

- a) This Policy applies to:
  - i. all directors and officers of the Company (including the CEO);
  - ii. all direct reports to the CEO;
  - iii. all other personnel of the Company (including employees, consultants and contractors);  
  
(all of the above collectively being 'Personnel');and to
  - iv. closely related parties of Personnel.
- b) Relevant Persons, as the term is used in this Policy, means Personnel (as described above) together with any closely related parties of Personnel (as further defined below).

**1.2. Closely related parties**

- a) Closely related parties are defined in Australia's Corporations Act in a complex manner, and it is important to understand or get advice if you are unsure. Broadly, it is as follows:
  - i. a spouse or child; or
  - ii. a child of the person's spouse; or
  - iii. a dependant of the person or of the person's spouse; or
  - iv. anyone else who is one of the person's family and may be expected to influence the person, or be influenced by the person, in the person's dealings with the entity; or
  - v. a company the person controls; or
  - vi. a person prescribed by the Corporations Regulations.
- b) You may need assistance in determining who is a closely related party. It may not always be clear and obvious, so please seek advice from the Company Secretary. For example, your closely related parties will include:
  - i. your children;
  - ii. your step children;
  - iii. your partner's children;

- iv. your wife / husband;
  - v. your partner's grown children from a previous marriage;
  - vi. close members of your family / who influence you, and may also include:
  - vii. your superannuation fund; and
  - viii. any other company you are on the board of.
- c) Closely related parties are also prohibited from voting on resolutions at the Company's general meetings which relate to directors' remuneration. This can mean that the above people and entities cannot vote at Alcidion shareholder meetings on such matters. You should seek advice from the Company Secretary on this if required, particularly if you are a director or officer, or a closely related party of a director or officer of the Company.

## Annexure 3

### Request for clearance

[insert date]

[insert name of relevant Approver]

Alcidion Group Limited

#### TRADING OF COMPANY SECURITIES

In accordance with clause 4.4.2 (if a Blackout Period is in force) or clause 4.5 (in all other cases) of the Alcidion Group Limited ('Company') securities trading policy, I give notice to you that I am proposing to deal with securities in the Company ('Company Securities') in following manner:

- buy Company Securities
- sell Company Securities
- transfer Company Securities vested under an equity incentive plan to me
- transfer Company Securities to a related party (e.g. family company, trust or superannuation fund)
- exercise options over Company Securities
- utilise derivatives and enter into a hedging transaction

The number of securities that I propose to deal with is

(number).The transaction will be carried out [on-market / off-market].

The transaction is proposed to be carried out in the 5 business days between (date)

and (date).

I confirm that I have no inside information and will comply with the Company's securities trading policy in relation to my dealing.

I agree to notify the Company Secretary of the results of this action within 2 business days of the action for the purposes of disclosure in the annual report or to ASX.

[I [attach / set out] the following information as to the reason why a waiver is requested and an explanation of the exceptional circumstances giving rise to this waiver request: *employee/director to set out relevant information or summarise relevant information attached.*]

*[Note: the above square additional information is only required where applying for clearance to trade under clause 4.4.2 of the Company's securities trading policy (i.e. where a Blackout Period applies), not where applying for clearance to trade under clause 4.5 of the Company's securities trading policy.]*

Please confirm that I am authorised to deal in the Company's securities in the manner set out above.

..... Relevant Person

Date:

I confirm that subject to you not gaining any inside information, you are authorised to deal in Company's securities within a 5 business day window starting on \_\_\_\_\_ (date) and ending on \_\_\_\_\_ (date) as outlined above.

.....  
Approver

Date: