



**ASX Release**  
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## **Securities Trading Policy**

In accordance with ASX Listing Rule 12.10, attached is an updated Phosphagenics Limited (ASX: POH; OTCQX: PPGNY) Securities Trading Policy.

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Phosphagenics

**Phosphagenics Limited**

## **Securities Trading Policy**

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## 1 Definitions

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“**associate**” includes:

- (a) a related body corporate; and
- (b) a Director or Secretary of a related body corporate.

“**ASX**” means ASX Limited.

“**ASX Listing Rules**” means the official listing rules and requirements from time to time of the ASX.

“**Board**” means the board of Directors of Phosphagenics as constituted from time to time.

“**Chairman**” means the Chairman of the Board from time to time.

“**Company Secretary**” means the company secretary of Phosphagenics from time to time.

“**dealing**” or “**trading**” (singular use “**deal**” or “**trade**”) includes:

- (a) any acquisition or disposal of any securities of Phosphagenics;
- (b) entering into any agreement to acquire or dispose of any securities of Phosphagenics; and
- (c) the grant, acceptance, acquisition, disposal, exercise or discharge of any option or other right or obligation to acquire or dispose of any securities of Phosphagenics.

“**Designated Employee**” means an Employee designated by the Chief Executive Officer in writing who is considered to have possession of market sensitive information.

“**Designated Officer**” means:

- (a) in the case that the Chief Executive Officer is the person applying to deal in the securities of Phosphagenics, the Chairman; or
- (b) in the case that the Chairman is the person applying to deal in the securities of Phosphagenics, the Chairman of the Audit and Risk Committee; or
- (c) in the case of all other Key Management Personnel applying to deal in the securities of Phosphagenics, the Chief Executive Officer.

“**Directors**” means the directors of Phosphagenics from time to time.

“**Employees**” (singular use “**Employee**”) means employees of Phosphagenics, whether employed on a full-time or part-time basis.

“**generally available**”, in relation to information, means any such information which:

- (a) is readily observable;
- (b) has been made known in a manner which is likely to bring it to the attention of persons who commonly invest in securities provided that 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 either paragraphs (a) or (b) above.

“**Key Management Personnel**” (singular use “**Key Management Person**”) has the meaning given to that term in the ASX Listing Rules, being those persons having

authority and responsibility for planning, directing and controlling the activities of Phosphagenics, directly or indirectly, including any Director and also includes Designated Employees.

“**Phosphagenics**” mean Phosphagenics Limited ACN 056 482 403.

“**Prohibited Period**” has the meaning given to that term in section 5.1.

“**related party**” includes:

- (a) a spouse or de facto spouse of a Key Management Person;
- (b) minor child or dependant of a Key Management Person;
- (c) any company, trust or other entity over which a person referred to in (a) or (b) above has control; or
- (d) any company, trust or other entity over which two or more persons referred to in (a) or (b) above together have control.

“**securities**” includes:

- (a) ordinary shares;
- (b) partly paid shares;
- (c) preference shares;
- (d) hybrid securities;
- (e) debentures;
- (f) legal or equitable rights or interests in (a) to (e) above; and
- (g) any derivatives including but not limited to options in respect of any of (a) to (e) above.

## 2 Introduction

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- 2.1 This policy was approved by the Board of Phosphagenics on 23 February 2016. The Board may approve any updates, amendments to and exemptions to this policy from time to time. If this policy conflicts with any other policy concerning this subject matter, this policy prevails to the extent of the inconsistency.
- 2.2 The ordinary shares of Phosphagenics are listed on the ASX. Phosphagenics aims to achieve the highest possible standards of corporate conduct and governance.
- 2.3 The purpose of this policy is to ensure compliance with the ASX Listing Rules and the *Corporations Act 2001* (Cth), and to ensure that Key Management Personnel and their associates are aware of the legal restrictions that exist on dealing in Phosphagenics’ securities while such a person is in possession of unpublished price sensitive information concerning Phosphagenics.
- 2.4 The policy recognises that it is illegal for a person to deal in Phosphagenics’ securities when he or she is in possession of price sensitive information concerning Phosphagenics. This is regardless of whether the terms of this policy have been complied with.
- 2.5 This policy shall be distributed to all Key Management Personnel and it is the responsibility of each Key Management Person to comply with this policy. Any non-compliance with this policy will be considered as serious misconduct which may lead to disciplinary action up to and including dismissal.

- 2.6 The restrictions set out in this policy are additional to any provisions governing or restricting the trading of securities set out in any agreement between Phosphagenics and a Key Management Person or a person holding securities in Phosphagenics or any provisions in Phosphagenics' employee incentive plans. Where the provisions of an agreement between Phosphagenics and a Key Management Person or a person holding securities in Phosphagenics conflict with the provisions of this policy, the most restrictive provisions will prevail.

### **3 Insider Trading**

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- 3.1 A person engages in insider trading if that person deals in securities of a relevant entity while possessing information that:
- (a) is not *generally available*; and
  - (b) if it were available, may have a material effect on the price or value of the relevant entity's securities, and
- 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 or value of the entity's securities. This type of information is commonly referred to as "price sensitive information" or "inside information".
- 3.2 Information is considered 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.
- 3.3 The prohibition against insider trading applies to:
- (a) direct trading in Phosphagenics' securities;
  - (b) procuring another person to trade in Phosphagenics' securities; or
  - (c) communicating price sensitive information to another person who is likely to trade in Phosphagenics' securities.
- 3.4 Insider trading is a criminal offence, punishable by substantial fines and/or imprisonment. Phosphagenics may in certain circumstances also be liable if a Key Management Person or their associate engages in insider trading. Insider trading may also attract civil liability, including liability to pay compensation to those who suffer loss or damage as a result of the insider trading.
- 3.5 The requirements imposed by this policy are separate from, and in addition to, the legal prohibitions on insider trading in Australia. Accordingly, under insider trading laws a person who possesses price sensitive information may be prohibited from trading even where the trading is permitted by this policy. Before a Key Management Person trades in Phosphagenics' securities they should carefully consider whether they are in possession of any inside information that might preclude them from trading at that time.

### **4 Scope of this Policy**

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- 4.1 This policy extends to dealing in the securities of Phosphagenics by Key Management Personnel of Phosphagenics, any associate or related party of any Key Management Personnel and any company, trust or other entity in which any Key Management Personnel have a relevant interest. Accordingly, references to dealings in the securities of Phosphagenics by a Key Management Person in this policy apply equally to dealings in the securities of Phosphagenics by any associate or related party of that Key Management Person and any company, trust or other entity in which any Key Management Personnel have a relevant interest.

- 4.2 This policy does not apply to the following trading in the securities of Phosphagenics:
- (a) transfers of securities of Phosphagenics which result in no change to the beneficial interest in the securities;
  - (b) transfers of securities of Phosphagenics between a Key Management Person and a related party of the Key Management Person;
  - (c) transfers of securities of Phosphagenics by a Key Management Person to his or her superannuation fund;
  - (d) where a Key Management Person is a trustee, trading in the securities of Phosphagenics by that trust provided the Key Management Person 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 Key Management Person;
  - (e) undertakings to accept or the acceptance of, or a disposal of securities of Phosphagenics arising from, a takeover offer, scheme of arrangement or equal access buy-back;
  - (f) 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;
  - (g) a disposal of securities of Phosphagenics that is the result of a secured lender or financier exercising their rights under a loan agreement;
  - (h) an acquisition or disposal of securities of Phosphagenics under a pre-determined investment or divestment plan for which prior written approval has been provided by the Designated Officer and where:
    - (i) the Key Management Person did not enter into or amend the plan during a Prohibited Period; and
    - (ii) the plan does not permit the Key Management Person to exercise any discretion over how, when or whether to acquire or dispose of securities of Phosphagenics; and
  - (i) an acquisition of securities of Phosphagenics under an employee incentive scheme.
- 4.3 For the avoidance of any doubt, a Key Management Person who possesses inside information about Phosphagenics securities is generally prohibited from dealing in those securities under insider trading laws even where such dealing falls within an exclusion, occurs outside a Prohibited Period or is otherwise approved by the Designated Officer under this document.
- 4.4 Any approval to deal in Phosphagenics securities given by the Designated Officer under this document is not an endorsement of the proposed dealing by Phosphagenics and each Key Management Person is individually responsible for their investment decisions and their compliance with insider trading laws.

## **5 Periods During Which Dealings May Take Place**

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- 5.1 Subject to compliance with the procedure set out in section 6, dealing by Key Management Personnel in Phosphagenics' securities may take place at any time, except during the following periods:
- (a) the period commencing 1 July to the release of Phosphagenics' half year results to the ASX and ending at the beginning of the next trading day after such release;
  - (b) the period commencing 1 January to the release of Phosphagenics' year end results to the ASX and ending at the beginning of the next trading day after such release;
  - (c) the period commencing 2 weeks prior to Phosphagenics' Annual General Meeting and ending at the beginning of the next trading day after the Annual General Meeting; and
  - (d) any other time imposed by the Board when it is considering matters which are subject to the exceptions to the continuous disclosure requirements set out in ASX Listing Rule 3.1A,
- (collectively the "**Prohibited Periods**").
- 5.2 Notwithstanding the above, no dealing in Phosphagenics' securities will be permitted at any time if that Key Management Person possesses (or is deemed to possess) any price sensitive information which is not generally available. In addition to financial information, such information may include (without limitation), in the case of Phosphagenics:
- (a) results of clinical studies or non-clinical studies;
  - (b) the status of commercial negotiations that are near completion; and
  - (c) the status of patent and other governmental and regulatory applications.

## **6 Pre-Dealing Procedure - trading outside Prohibited Periods**

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- 6.1 For all periods during which dealing in Phosphagenics' securities is permitted in accordance with this policy, Key Management Personnel must apply to the Company Secretary on behalf of the Designated Officer to deal in the securities of Phosphagenics. The application must be in writing (which, for the avoidance of doubt, does not include by e-mail or facsimile as original signatures are required) in the form set out in the Schedule and submitted to the Company Secretary on behalf of the Designated Officer.
- 6.2 On receipt of an application under section 6.1, the Company Secretary shall procure that the Designated Officer considers the application. No dealing in Phosphagenics' securities may be undertaken before the Key Management Person receives the written approval of the Designated Officer.
- 6.3 The request for written approval of the Designated Officer under section 6.2 may be refused, given or given subject to any conditions the Designated Officer determines necessary to comply with this policy, in the absolute discretion of the Designated Officer.
- 6.4 The Designated Officer's refusal to grant approval under section 6.2 is final and binding on a Key Management Person and any refusal must be kept confidential and must not be disclosed to any other person.
- 6.5 Any dealing in Phosphagenics' securities by a Key Management Person approved by the Designated Officer in accordance with section 6 must be completed within 14 days (or such earlier time as determined by the Designated Officer) from the date that the Key Management Person receives written approval from the Designated Officer, and the Key



Management Person must advise the Company Secretary on behalf of the Designated Officer promptly following completion of any such trade.

- 6.6 Any approval to deal in Phosphagenics' securities by a Key Management Person in accordance with section 6:
- (a) is automatically deemed to be withdrawn if the Key Management Person becomes aware of any price sensitive information prior to or during any approved dealing in Phosphagenics' securities; and
  - (b) can be withdrawn at any time by the Designated Officer (in their absolute discretion) if new information comes to light or there is a change in circumstances.

## **7 Dealing during Prohibited Periods in Exceptional Circumstances**

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- 7.1 Key Management Personnel may in exceptional circumstances apply to the Company Secretary on behalf of the Designated Officer for approval to deal in Phosphagenics' securities during a Prohibited Period, provided that the Key Management Person is not in possession of any price sensitive information. The application must be in writing (which, for the avoidance of doubt, does not include by e-mail or facsimile as original signatures are required) in the form set out in the Schedule and submitted to the Company Secretary on behalf of the Designated Officer.
- 7.2 On receipt of an application under section 7.1, the Company Secretary shall procure that the Designated Officer considers the application. No dealing in Phosphagenics' securities may be undertaken before the Key Management Person receives the written approval of the Designated Officer.
- 7.3 The request for written approval of the Designated Officer under section 7.2 may be refused, given or given subject to any conditions the Designated Officer determines necessary to comply with this policy, in the absolute discretion of the Designated Officer.
- 7.4 The Designated Officer's refusal to grant approval under section 7.2 is final and binding on a Key Management Person and any refusal must be kept confidential and must not be disclosed to any other person.
- 7.5 The Designated Officer may grant the Key Management Person written permission to deal in Phosphagenics' securities during the Prohibited Period if the Designated Officer is satisfied (in its absolute discretion) that the Key Management Person's circumstances amount to exceptional circumstances.
- 7.6 Without limiting the discretion of the Designated Officer under this section 7, the following factors may be considered by the Designated Officer in determining whether the Key Management Person is to be granted permission to deal in Phosphagenics' securities during a Prohibited Period:
- (a) whether the Key Management Person is suffering severe financial hardship;
  - (b) whether the Key Management Person is required by a court order or a court enforceable undertaking or other legal or regulatory requirement to transfer, or accept a transfer of, securities of Phosphagenics; and
  - (c) whether the Key Management Person's circumstances are otherwise exceptional that warrant the granting of approval of the Key Management Person to deal in Phosphagenics' securities during the Prohibited Period.
- 7.7 Any dealing in Phosphagenics' securities by a Key Management Person approved by the Designated Officer in accordance with section 7 must be completed within 7 days (or such earlier time as determined by the Designated Officer) from the date that the Key

Management Person receives written approval from the Designated Officer, and the Key Management Person must advise the Company Secretary on behalf of the Designated Officer promptly following completion of any such trade.

- 7.8 Any approval to deal in Phosphagenics' securities by a Key Management Person in accordance with section 7:
- (a) is automatically deemed to be withdrawn if the Key Management Person becomes aware of any price sensitive information prior to or during any approved dealing in Phosphagenics' securities; and
  - (b) can be withdrawn at any time by the Designated Officer (in their absolute discretion) if new information comes to light or there is a change in circumstances.

## **8 Margin Loans, Security Arrangements and Short-Term Dealings**

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- 8.1 Key Management Personnel may only enter into a margin loan or other security arrangement in respect of Phosphagenics' securities with the prior written approval of the Designated Officer (in their absolute discretion).
- 8.2 Any approval by the Designated Officer may be subject to the condition that Phosphagenics be permitted to disclose to the ASX the existence of the margin loan or security arrangement, and where Phosphagenics considers appropriate, any relevant terms such as the trigger points or right of the financier to sell unilaterally.
- 8.3 Key Management Personnel may not enter into any short-term dealings in Phosphagenics' securities without the prior written permission of the Designated Officer.

## **9 Unvested Securities**

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- 9.1 Phosphagenics prohibits Key Management Personnel from entering into transactions in associated products which operate to limit the economic risk of security holdings in Phosphagenics over unvested entitlements or entitlements which have vested but remain subject to a holding lock.

## **10 Further assistance**

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Any Key Management Person who is unsure of the nature of the information that they have in their possession and whether they may deal in Phosphagenics' securities should contact the Company Secretary before dealing in any securities of Phosphagenics.

## SCHEDULE - APPLICATION TO TRADE

To: The Company Secretary  
Phosphagenics Limited

In accordance with Phosphagenics' Securities Trading Policy, I request the Designated Officer's approval for the following proposed transaction to be undertaken either by me or by persons associated with me:

Name:	
Name of registered holder transacting (if different):	
Residential address:	
Office or position in Phosphagenics:	
Type of transaction (circle):	Sale/ Purchase/ Other (specify)
Description and number of securities that are subject of the proposed transaction:	
To be transacted (circle):	On ASX/ Off-market trade/ Other (specify)
Likely date of the transaction (on or about):	

The following information is only required if you are seeking approval to deal in Phosphagenics' securities during a Prohibited Period:

Details of the exceptional circumstances pursuant to which I make this application:	
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I declare and confirm that:

- 1 I have read the Phosphagenics Securities Trading Policy and my decision to deal in securities of Phosphagenics has not been made on the basis of information that:
  - (a) is not generally available, and
  - (b) would be expected by a reasonable person to have a material effect on the price or value of the securities of Phosphagenics, if it was generally available.
- 2 Phosphagenics is not advising or encouraging me to trade in any securities of Phosphagenics and does not provide any securities recommendation; and
- 3 I know of no reason to prohibit me from trading in Phosphagenics' securities and certify that the details given in this application are complete, true and correct.

\_\_\_\_\_  
Signed by

Print name: \_\_\_\_\_

Print date: \_\_\_\_\_

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**Designated Officer Consideration**

(For Completion by Designated Officer)

I have reviewed the contents of this application and hereby [approve]/[do not approve] the proposed transaction described in the application.

Any approval is conditional on the proposed transaction being completed within 14 days (or 7 days in the case of exceptional circumstances) of the date of this approval and in compliance with Phosphagenics' Securities Trading Policy.

\_\_\_\_\_  
Signed by the Designated Officer

Print name of the Designated Officer: \_\_\_\_\_

Print position of the Designated Officer: \_\_\_\_\_

Print date: \_\_\_\_\_