



**Aroa Biosurgery Limited**  
**Securities Dealing Policy**

**Introduction**

This policy sets out the rules for dealing in the company's securities. It applies to all directors and employees (including executive management) of Aroa Biosurgery Limited and its subsidiaries (**Company**), and certain persons associated with those persons, who intend to deal in the Company's securities.

In this policy, "**deal**" includes buying or selling Securities, or agreeing to do so, the exercise of convertible Securities and the entering of agreements to buy or sell Securities (but for the purposes of this policy excludes the in-cash exercise of options granted by the Company under an employee share option plan that are exercised at a fixed price).

"**Securities**" of the Company include ordinary shares, put or call options and financial products issued or created over (by the Company or a third party) or in respect of securities issued by the Company (for example, derivative products).

Additional trading restrictions apply to directors and certain key management personnel of the Company (effectively members of executive management). Those additional restrictions are set out in the Additional Trading Restrictions for Restricted Persons Policy.

**Purpose**

The purpose of this policy is to:

- set out the general rules of the applicable law of insider trading;
- set out the restrictions on trading in the Company's securities by the directors and employees; and
- assist in maintaining market confidence and ensuring that dealing with its securities takes place in an efficient and informed market.

The requirements imposed in this policy are separate from, and in addition to, the legal prohibitions on insider trading in New Zealand and Australia, with which all directors and employees (including executive management) must comply.

**Fundamental rule – Insider Trading is prohibited at all times**

It is illegal for any person who possesses any "**material information**" (as defined below) of the Company to:

- deal in the Company's Securities (including the exercise of put or call options);
- advise or encourage others to trade or hold the Company's Securities;
- advise or encourage a person to advise or encourage another person to trade or hold the Company's Securities;
- pass on the material information to anyone else – including colleagues, family or friends – knowing (or where that person ought to have known) that the other person will use that information to trade, continue to hold, or advise or encourage someone else to trade, or hold, the Company's Securities.



The prohibitions apply regardless of how that person learned of the information, and regardless of why that person is dealing with Securities. This policy continues to apply to any director or employee who leaves the Company completely if they remain in possession of material information.

This offence, called “insider trading”, can result in criminal liability including large fines and/or imprisonment, and civil liability, which may include being sued by another party or the Company, for any loss suffered as a result of illegal trading.

### **What is “material information”?**

Material information is information that:

- (a) is not generally available to the market; and
- (b) if it were generally available to the market, would have a material effect on the price or value of the Company’s securities.

Information is “**generally available**” to the market if the information:

- (a) has been released as an ASX announcement and a reasonable period for its dissemination has elapsed since the announcement;
- (b) 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 the Company’s securities; or
- (c) is readily obtained by persons who commonly invest in the Company’s securities (whether by observation, use of expertise, purchase or other means).

It does not matter how the material information has come to be known (including whether it is learnt in the course of carrying out responsibilities, or in passing the corridor, or in a lift, or at a social function).

Information includes rumours, matters of supposition, intentions or likely intentions of a person (including the Company) and information which is insufficiently definite to warrant disclosure to the public.

### **Examples of Material Information**

The following are examples of what may be considered material information:

- A transaction that will lead to a significant change in the nature or scale of the Company’s activities.
- Information relating to significant projects, contracts or tenders.
- A material acquisition or sale.
- The granting or withdrawal of a material licence.
- The entry into, variation or termination of a material contract.
- A material legal claim by or against the Company.
- Material changes to the Company’s financial condition or business performance.
- The appointment of a liquidator, administrator or receiver.
- An event of default under the Company’s financing facility or other event entitling the Company’s banks to terminate a material financing facility.
- Under subscriptions or over subscriptions of a share issue.
- Giving or receiving a notice of intention of a takeover.



- A warning letter from the FDA that may have a material impact on the Company's operations.
- Any other material unexpected liability.

This list provides examples but is not a definitive list.

### **Short term trading**

Short term trading is not encouraged as it might give rise to allegations of insider trading especially if done around important events for the Company.

### **Hedging and derivatives**

Notwithstanding any other part of this policy, or any other Company policy, directors and members of executive management must not at any time enter into transactions in associated products which operate to limit the economic risk of any securities (including any securities that are part of such person's performance based remuneration) that they hold in the Company, for example through the use of derivative or other hedge-related instruments.

### **Margin lending**

Margin loans over Securities are strongly discouraged. If any person wishes to take out a margin loan over any Securities, they must first notify the Chief Financial Officer of the circumstances in which the transaction is being entered into and receive prior written consent to enter into the transaction. The Chief Financial Officer may withhold their consent at their absolute discretion, and any decision is final and binding on the applicant and must be complied with.

### **If in doubt, don't trade**

This policy does not replace the legal obligations of each party. The boundary between what is (and is not) in breach of the law is not always clear. Sometimes behaviour that you consider to be ethical actually may be insider trading. If in doubt, don't!

### **Breaches of policy**

There are potentially serious criminal and civil liability for breaches of insider trading law. Strict compliance with this policy is a condition of employment. A person who breaches this policy will be subject to disciplinary action, which may include termination.

### **Monitoring of trading**

The Company may monitor the trading of directors and employees as part of the administration of this policy.

Regulatory authorities in both Australia and New Zealand regularly monitor trading activity of listed companies and may investigate trading activity by directors or employees if they believe any irregularity may have taken place.

### **Application of this policy**

The Board has approved this policy. The Board may approve updates, amendments to, and exemptions from, this policy from time to time.

UPDATED 16 MARCH 2022



To the extent of any inconsistency with any previous policy or rules relating to this subject matter, this policy prevails over them.



## **ADDITIONAL TRADING RESTRICTIONS FOR RESTRICTED PERSONS**

These additional trading restrictions apply to the following:

- All directors
- All key management personnel (as defined in Accounting Standard AASB 124 *Related Party Disclosures*)
- Any spouse, dependent child or dependent stepchild of such persons
- Trusts and companies controlled by any such persons
- Anyone else notified by the Chief Financial Officer from time to time.

### **(Restricted Persons)**

#### **Additional trading restrictions for Restricted Persons (black out period)**

Restricted Persons are prohibited from dealing<sup>1</sup> in any Securities<sup>2</sup> during the following specific “black out” periods:

- 1 October in each year until the first trading day **after** the half year results of the Company are released to the ASX; and
- 1 April in each year until the first trading day **after** the Company’s full year results are released to the ASX.

Restricted Persons may deal in the Company’s securities outside the “black out” periods provided that the notification and acknowledgement requirements set out in this Policy are complied with and such Restricted Person does not hold material information (as defined in the Securities Dealing Policy) at the time of dealing with Securities.

#### **Requirements for Restricted Persons**

A Restricted Person must, before dealing in any Securities, in writing:

- notify the Chief Financial Officer of the intention to deal in Securities using the “Notification to Deal in Securities” form;
- confirm that they do not hold material information (as defined in the Securities Dealing Policy); and
- confirm that there is no known reason to prohibit dealing in any Securities.

Upon receipt of a notification form, the Chief Financial Officer must provide an acknowledgement of the notification in writing to the Restricted Person, where upon receipt of the acknowledgement the Restricted Person may deal in Securities provided they do so within one week following receipt of the written acknowledgement. Any proposed dealing outside that one week period will require a new notification. Any notification and subsequent acknowledgement is automatically

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<sup>1</sup> “Dealing” in securities is a broad concept and it includes buying or selling Securities, or agreeing to do so, whether as principal or agent, and the exercise of convertible Securities and the entering of agreements to buy or sell Securities.

<sup>2</sup> “Securities” include but is not limited to ordinary shares, put or call options and financial products issued or created over (by the company or a third party) or in respect of securities issued by the Company (for example, derivative products).



deemed to be withdrawn if the person becomes aware of material information prior to dealing.

If a Restricted Person holds material information regardless of whether it is a black out period or not, or whether the Restricted Person has made a notification or not or received an acknowledgement or not, that person must not deal in Securities.

### **Exceptions**

If a Restricted Person needs to deal in Securities within a black out period due to exceptional circumstances (such as severe financial hardship or circumstances that are otherwise exceptional) and such person is not aware of any material information at that time, the Restricted Person must as part of the notification (in addition to the above), also provide details of the exceptional circumstances and the reason the waiver is requested.

In these circumstances, the Chair of the Board or the Chair of the Audit Committee must provide their consent to the Restricted Person to deal in Securities in such circumstances.

### **Requirements after dealing**

A Restricted Person must advise the Chief Financial Officer promptly following completion of any dealing of Securities, and the Restricted Person must comply with any disclosure obligations it has under the ASX Listing Rules or the Financial Markets Conduct Act 2013.

### **Exclusions**

The additional dealing restrictions set out above do not apply to:

- participation in an employee, executive or director equity plan operated by the Company (eg. applying for an allocation of securities under an employee equity offer). However, where securities in the Company granted under an employee, executive or director equity plan cease to be held under the terms of the plan, any dealings in Securities will need to comply with the relevant policies.
- passive trades including:
  - acquisition of Securities through a dividend reinvestment plan, rights issue or a share purchase plan available to all shareholders, subject in each case to any specific requirements under the ASX Listing Rules; or
  - disposal of the Company's Securities through the acceptance of a takeover offer or a scheme of arrangement to which the Company is a party.

However, such dealings are still subject to the prohibitions against insider trading as set out in the Securities Dealing Policy.



**AROA BIOSURGERY LIMITED (“AROA”)**

**NOTIFICATION TO DEAL IN SECURITIES**

**To:** Chief Financial Officer  
Aroa Biosurgery Limited

In accordance with Aroa’s Securities Dealing Policy, I notify Aroa of the following proposed transaction to be undertaken either by me or persons associated with me, within one week of receipt by me of a written acknowledgement of this notification from the Company. I acknowledge that I cannot trade in Aroa securities until I receive a written acknowledgement of this notification from the Company, after which I may proceed with the proposed transaction set out in this notification. I further acknowledge that Aroa is not advising or encouraging me to trade or hold Aroa securities and does not provide any recommendation in respect of the relevant securities.

**Name:**

**Address:**

**Email address:**

<p><b>Name of Registered Holder Transacting (if different):</b></p> <p>a. Personal (if an immediate family member please advise):</p>
<p>b. Trust:</p> <p>Name of Trust:</p> <p>Name of Trustees:</p>
<p>c. If a Company, please advise name and describe your interest in the Company (i.e. shareholder)</p> <p>Company Name:</p>
<p>d. Associated Person- please provide detail:</p>



**Description and number of securities:**

<b>Type of Trade (circle):</b>	Purchase	Sale	Other (specify)
<b>To be transacted (circle):</b>	On ASX	Off market Trade	Other (specify)
<b>Other (please specify):</b>			
<b>Likely date of trade: (on or about)</b>			

**DECLARATION**

I declare that I **do not** hold information which:

- is not generally available to the market; and
- would have a material effect on the price or value of Aroa’s securities if it were generally available to the market.

I know of no reason to prohibit me from trading in Aroa’s securities and certify the details given above are complete, true and correct.

**I UNDERSTAND THAT THE NOTIFICATION OF THIS TRANSACTION IS VALID ONLY FOR ONE WEEK FROM THE DATE THAT I RECEIVE A WRITTEN ACKNOWLEDGEMENT OF THIS NOTIFICATION FROM THE COMPANY AND IS AUTOMATICALLY DEEMED TO BE WITHDRAWN, AND I CANNOT TRADE IN AROASECURITIES, UNTIL SUCH TIME AS I RECEIVE A WRITTEN ACKNOWLEDGEMENT OF THIS NOTIFICATION FROM THE COMPANY, OR IF I BECOME AWARE OF MATERIAL INFORMATION PRIOR TO THE SECURITIES DEALING BEING EXECUTED.**

**Signature:**

**Company Position:**

**Date:**

**ACKNOWLEDGMENT**

The Company acknowledges the proposed transaction described above. Any acknowledgement is conditional on the proposed transaction being completed within one week of the date of this acknowledgement and compliance with the Company’s Securities Dealing Policy and Additional Dealing Restrictions for Restricted Persons.

**Signature:**

**Company Position:**

**Date:**