

SECURITY TRADING POLICY

CORPORATE POLICY

Imdex Limited ACN 008 947 813



Imdex Limited (Company or Imdex) has amended this security trading policy to regulate dealings in securities issued by the Company in accordance with ASX Listing Rule 12.9.

The law prohibits, and imposes severe penalties on insider trading. The *Corporations Act 2001* (Cth) (Corporations Act) and the ASX Listing Rules require disclosure of trading undertaken by Directors or their related entities in the Company's securities.

1. POLICY BACKGROUND

- 1.1 This policy imposes trading restrictions when dealing with Imdex securities, specifically limiting key management and employees of the Company or persons who have access to inside information relating directly or indirectly to the Company, from trading in the Company's securities.
- 1.2 This policy aims to develop a culture of awareness of individual responsibilities under insider trading laws. This policy is made available on the Company website, to all Company key management and employees (Employees) and is subject to ASX announcement, including upon any material changes to the policy.
- 1.3 If you do not understand any part of this policy or how it applies to you please contact the Company Secretary.

2. INSIDER TRADING

- 2.1 Insider Trading is buying or selling, or inducing others to buy or sell, securities in any company, including the Company's securities, when in possession of Material Inside Information.
- 2.2 Material Inside Information is information concerning the Company's financial position, strategy or operations that is not public information (i.e. not generally available) and if made public a reasonable person would expect that it would be likely to have a material effect on the price or value of the Company's securities. Information may include information that is supposition only and not definite enough to warrant public disclosure. It also may include matters which relate to intentions or likely intentions. It does not matter how you have come by the material information.
- 2.3 Examples of material information may include (but are not limited to) information about:
 - Earnings or dividends before they are announced
 - An imminent share issue or other capital raising
 - An important new contract, new development or new venture
 - The results of exploratory work or testing
 - The likelihood of approvals being granted
 - A proposed acquisition, merger or takeover
 - A proposed disposal, rationalisation or restructuring
 - Major financial difficulties or losses
 - Possible de-listing, closure, receivership or liquidation
- 2.4 Dealing in securities includes trading, subscribing, buying or selling securities or entering an agreement to do so, as well as advising, procuring or encouraging others such as family members, friends, colleagues etc to trade in securities.

- 2.5 Insider Trading is a criminal offence attracting fines and possible imprisonment. Any person in possession of Material Inside Information must not trade in securities of that company. It is a personal responsibility of each individual to comply with the laws governing Insider Trading.
- 2.6 This Insider Trading prohibition is set out in detail in section 1043A of the Corporations Act and is an overriding obligation which applies despite anything in this policy.

3. EMPLOYEES

- 3.1 Employees may have access to Material Inside Information during the course of their employment. This policy sets parameters and procedures to reduce the risk of perceived Insider Trading.
- 3.2 Employees have a duty of confidentiality to the Company. A person must not reveal any confidential information concerning the Company, use that information in any way which may cause loss to the Company, or gain an advantage for themselves or anyone else. This obligation may also extend to information obtained in regard to other companies including the Company's suppliers or customers.
- 3.3 Employees generally may freely trade in Imdex securities, however, they are reminded that Insider Trading restrictions apply to them. Strict compliance with the Insider Trading restrictions are a condition of employment and any Employee who breaches this restriction will be subject to disciplinary action which may include dismissal.
- 3.4 Employees must:
 - (a) Take all reasonable steps to prevent the trading by their spouse, partner, child or other immediate family member, or trust or other entity controlled by them or an investment adviser on behalf of them intends dealing in Imdex securities
 - (b) Not engage in short term or speculative trading of Imdex securities, which is defined as the purchase and sale of the same securities within a 12 month period
 - (c) Exercise care if borrowing monies to purchase securities or offering securities held by them as collateral
 - (d) Not enter into arrangements, such as margin loans or arrangements involving the Company's securities as collateral to secure repayment of a loan, where the lender is granted a right to sell or compel the sale of the securities at a time that this policy prohibits the Employee dealing in the securities
 - (e) Not use derivatives such as caps, collars, warrants or similar products into in relation to any Company securities held by the Employee

4. KEY MANAGEMENT PERSONNEL

- 4.1 Additional restrictions on dealing in the Company's securities apply to those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including directors and any of their associates, where considered appropriate, executives reporting directly to the Managing Director and Employees considered appropriate by the Managing Director and Company Secretary from time to time (Key Management Personnel).
- 4.2 A list of all Key Management Personnel is to be maintained by the Company Secretary who will ensure all Key Management Personnel receive notification of this policy.
- 4.3 Key Management Personnel cannot trade in the Company's securities without written approval, pursuant to the procedures set out in this policy.

5. SCOPE OF THE POLICY

- 5.1 The purpose of this policy does not apply to every dealing with the Company's securities and as such there are some dealings which may be exempt from the requirements of this policy, namely:
- (a) Where the beneficial interest in the relevant Company's security does not change
 - (b) Where the persons otherwise prohibited from dealing pursuant to this policy have no control over trading decisions
 - (c) Where trading occurs under an offer to all or most of the Company's security holders.
- 5.2 Where persons otherwise prohibited from dealing in the Company's securities pursuant to this policy, namely Employees and Key Management Personnel (Restricted Person), the following dealings are specifically excluded from the application of this policy:
- (a) Where securities are held in a non self-managed superannuation fund or other saving scheme in which the Restricted Person 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 securities of the entity) where the assets of the fund or other scheme are invested at the discretion of a third party
 - (c) Where a Restricted Person is a trustee, trading in the securities of the entity by that trust provided the Restricted 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 Restricted Person
 - (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, including 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 securities of the entity 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 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 at a time prohibited under this policy and the Restricted Person could not reasonably have been expected to exercise it at a time when free to do so
 - (h) Transactions conducted between a person and their spouse, civil partner, child or step-child
 - (i) Bona fide gifts to a Restricted Person by a third party
 - (j) Decisions relating to whether or not to take up the entitlements under a renounceable pro rata issue.

However, where any Employee who would otherwise be prohibited from trading under this policy, and is seeking to rely on these exclusions so as to trade, they must first notify the Company Secretary in writing of the dealing and the applicable exclusion.

6. APPLICATION TO DEAL

- 6.1 Key Management Personnel must, on all occasions before dealing with the Company's securities, provide written notification to the Company Secretary of:

- (a) Details regarding their intention to deal with the Company's securities
 - (b) Confirm they are not in possession of Material Inside Information
 - (c) Provide an application in accordance with Schedule 1 to the Company Secretary.
- 6.2 The Company Secretary will then refer the application to the Chairperson of the board of directors of the Company (Board) who:
- (a) Must inform the Board of any such requests
 - (b) May refer such a request to the Board at their discretion or where the Chairperson intends to trade in the Company's securities must refer such request to the Board
 - (c) Must respond (or authorise the Company Secretary to respond) to the application, normally, within 24 hours by written (which may be in the form of an email) decision
 - (d) In the event of approval, place conditions on the approval when deemed appropriate.
- 6.3 Where dealing by a Key Management Personnel is approved:
- (a) Dealing must occur within 14 days of the approval or subject to the conditions of the approval
 - (b) Key Management Personnel must advise the Company Secretary within five business days of the date that trading has occurred, including details of the applicant's percentage shareholding in the Company
 - (c) Company Secretary shall advise the Board of all such trades
 - (d) Where applicable the Company Secretary will ensure an Appendix 3Y is lodged with ASX.
- 6.4 Notwithstanding that the Company Secretary is to be informed of all information concerning Key Management Personnel's shareholding, the ultimate responsibility for ensuring that the required forms and notifications (including any substantial shareholding or change in any substantial shareholding) are lodged with ASIC and ASX, remains with the relevant Key Management Personnel.
- 6.5 Key Management Personnel should note that, notwithstanding the formal consent to deal, it is the Key Management Personnel's obligation to ensure that they do not breach the general obligation not to deal in the Company's securities

7. PROHIBITED PERIODS

- 7.1 The Board has the discretion to prohibit trading by any Key Management Personnel, for example during periods when it is considering matters which are subject to the exceptions to the continuous disclosure requirements set out in Listing Rule 3.1A (Prohibited Periods).
- 7.2 As Key Management Personnel cannot trade in the Company's securities without written approval, this provides the opportunity for the Board to exercise its discretion to prohibit trading.

8. CLOSED PERIODS

In addition to the Board's discretionary prohibition on trading by Key Management Personnel during Prohibited Periods, given the heightened risk of perceived insider trading on the following occasions, Key Management Personnel are prohibited from trading during:

- (a) The period commencing from the end of the financial half (31 December) to the release of the Company's half year results to the ASX and ending 24 hours after such releases
- (b) The period commencing from the end of the financial year (30 June) to the release of the Company's year end results to the ASX and ending 24 hours after such releases

- (c) The period commencing two weeks prior to the Company's Annual General Meeting and ending 24 hours after the close of the Annual General Meeting.

9. EXCEPTIONAL CIRCUMSTANCES

- 9.1 An application may be made to sell (but not to purchase) securities, when this policy otherwise prohibits, on the grounds of Exceptional Circumstances.
- 9.2 "Exceptional circumstances" may include genuine hardship, severe financial hardship, and court orders or some other overriding legal or regulatory requirement, as determined at the Chairperson's discretion. A tax liability would not normally constitute severe financial hardship unless the person has no other means of satisfying the liability.
- 9.3 The applicant must provide written notification to the Company Secretary:
 - (a) detailing their intention to deal with the Company's securities; and
 - (b) confirming they are not in possession of Material Inside Information.
- 9.4 The Company Secretary will then refer the application on to the Chairperson of the Board.
- 9.5 The application must satisfy the Chairperson that their circumstances are exceptional and that the proposed sale of relevant securities is the only reasonable course of action available. In determining whether circumstances are exceptional the Chairperson will give consideration to the purpose of the relevant ASX Listing Rules and will exercise their discretion with caution.
- 9.6 The Chairperson must inform the Board of any such requests and may refer such a request to the full Board at his discretion or must refer the request to the Board where it is the Chairperson seeking approval to trade in the Company's securities.
- 9.7 In the event of approval, conditions may be placed on the approval when deemed appropriate.
- 9.8 Where dealing is approved on exceptional circumstances:
 - (a) Dealing must occur within 14 days of the approval or subject to the conditions of the approval
 - (b) The applicant must advise the Company Secretary within five business days of the date that trading has occurred, including details of the applicant's percentage shareholding in the Company
 - (c) Company Secretary shall advise the Board of all such trades
 - (d) Where applicable the Company Secretary will ensure an Appendix 3Y is lodged with ASX.
- 9.9 Notwithstanding that the Company Secretary is to be informed of all information concerning Key Management Personnel's shareholding, the ultimate responsibility for ensuring that the required forms and notifications (including any substantial shareholding or change in any substantial shareholding), are lodged with ASIC and ASX, remains with the relevant Key Management Personnel.
- 9.10 Notwithstanding the formal consent to deal, it is the applicant's obligation to ensure that they do not breach the general obligation not to deal in the Company's securities when in possession of unpublished price sensitive information, being Material Inside Information.