



25 June 2020

Corporate Values Statement

Melbourne, Australia; 25 June 2020: Acrux Limited (ASX:ACR) (“**Acrux**” or the “**Company**”) is pleased to provide a copy of the Acrux Code of Conduct which contains the Company’s Corporate Values Statement at section 3.1 in accordance with the ASX Corporate Governance Principles and Recommendations (4th Edition).

In addition, the Company also attaches its Anti-Bribery and Corruption Policy and updated Security Trading Policy as approved by the Board on 22 June 2020.

The Acrux Code of Conduct and policies can also be viewed on the Company’s website www.acrux.com.au

Authorised by the Board of Acrux Limited.

Yours faithfully

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Deborah Ambrosini
Company Secretary

ACRUX LIMITED

CODE OF CONDUCT



CODE OF CONDUCT

1. OVERVIEW OF THE POLICY

The Directors and management of Acrux Limited and its controlled entities (the 'Company') are committed to maintaining good standards in corporate governance, ethics and behaviour in all of the Company's activities, including the Company's interaction with its shareholders, employees, business partners, customers, suppliers, the community and the environment in which the Company operates.

The Company recognises its responsibilities as a developer of pharmaceutical products and that it must conduct its business in accordance with relevant Australian and international regulatory requirements and laws.

All employees of the Company play an important role in establishing, maintaining and enhancing the reputation of the Company by ensuring observance of the high standards of ethics and behaviour to which the Company is committed. The Company requires that its employees display the highest levels of professionalism in all aspects of their work to facilitate the Company's compliance with this code of conduct and all applicable laws.

2. OBJECTIVES AND PURPOSES

This code provides the ethical and legal framework for how the Company will conduct its business and how the Company will relate to its stakeholders, including shareholders, employees, business partners, customers, suppliers, the community and the environment in which the Company operates.

Directors and employees have an obligation to comply with this code, company policies and the law. Directors and employees have a personal responsibility to uphold the reputation of the Company and to do the right thing when dealing with shareholders, customers, partners, suppliers and employees. In addition, the Company expects contractors, consultants, suppliers and other third parties to comply with the intent of this Code when dealing with the Company.

3. GENERAL PRINCIPLES

The Company expects all Directors, employees and third parties representing the Company to follow the Company's principals and uphold the highest moral, legal and ethical standards. The Board have set the following general principles:

3.1 Honesty, integrity and fairness

Honesty, integrity and fairness are integral to the way the Company operates and should guide all decision making. Directors, employees and any other party representing the Company must, at all times:

- (a) act in the best interest of the Company;
- (b) act honestly and with high standards of personal integrity;
- (c) comply with the laws and regulations that apply to the Company and its operations;
- (d) act ethically and not enter into any arrangement which negatively impact the Company's operations;
- (e) act in a way which does not take advantage of their position within the Company;
- (f) act positively to protect and preserve the assets, including intellectual property, of the Company; and
- (g) comply with this Code.

Disciplinary and/or legal action will be taken where an individual or group of individuals do not comply with relevant laws, regulations or engage in behaviour which is either unethical or dishonest or represents other breaches of this code.

3.2 Compliance with Laws

The Company's business activities will be conducted in accordance with the laws and regulations of the countries in which the Company operates.

The Company operates in a highly regulated business environment and its activities are subject to numerous laws, regulations and licensing conditions. The Company requires its employees to familiarise themselves with the laws, regulations and licence conditions applicable to their activities. If in doubt, employees are required to seek advice.

3.3 Fair Dealing

The Company will compete effectively and fairly in markets in which it operates. It will be honest, ethical and responsible in the way it presents products and services to its business partners and customers, uses its market power and its pricing practices.

The Company will be fair and honest in its relationship with suppliers and contractors from selection through to payment and termination of the relationship.

The Company will not engage in unlawful anti-competitive business practices or conduct, nor will it enter into any unlawful anti-competitive agreements.

Corrupt practices are unacceptable and will not be tolerated.

3.4 Confidentiality and Protection of Company Assets

The Company will maintain the confidentiality and privacy of all information that would reasonably be considered to be confidential and private including, but not limited to, employee details, intellectual property, performance and financial details.

Misappropriation of property, including intellectual property of all kinds, owned by the Company, employees, business partners, customers or suppliers will not be tolerated. Any misappropriation is required to be immediately reported and properly investigated. Appropriate disciplinary and/or legal action will be taken.

3.5 Conflicts of Interest

Directors and employees are required to act in the best interests of the Company.

Directors and employees are not permitted to engage in activities that involve, or could appear to involve, a conflict between their personal interests and the interests of the Company. Areas where conflicts may arise include share ownership, direct or indirect personal interest in contracts, dual employment or seeking or accepting gifts or entertainment beyond levels considered reasonable in the Company's business environment.

Any actual or potential conflicts of interest are required to be fully disclosed to appropriate management.

3.6 Shareholders and the Financial Community

The Company is committed to increasing shareholder value in conjunction with its responsibilities to act as a good corporate citizen.

The Company is committed to making sure that accurate information about its affairs is made available to its stakeholders in a timely way, in particular to make sure that the market is properly informed of anything which would be likely to have a material effect on the price of the shares of Acrux Limited.

The Company's Continuous Disclosure and Shareholder Communication Policy sets out this policy in more detail.

3.7 Fair and safe workplace

The Company is committed to providing a fair and safe workplace that is free of bias and discrimination. Directors and employees are not permitted to engage in, condone, or fail to act against activities that place the physical or mental safety of others at risk or that amount to bias, prejudice or discrimination against others on the basis of beliefs or background. The Company's Occupational Health & Safety Policy, Diversity Policy and Whistleblower Policy set out further details related to this policy.

Directors and employees should expect honest, fact based, objective performance feedback and management against appropriately defined performance goals and expectations and nothing in this policy shall be taken to prevent or discourage this.

3.8 Trading in Acrux Securities

Directors, employees and any connected persons (refer to Share Trading Policy clause 4.1.d) to Directors and employees must not buy or sell securities of the Company if they are in possession of price sensitive information that is not generally available to the market. Certain employees are also restricted from any trading in such shares and securities during certain periods of each financial year.

The Company's Share Trading Policy sets out this policy in more detail.

3.9 Equal Opportunity

The Company aims to:

- (a) make human resource decisions on the basis of merit with the information available to it; that is, employment decisions will be made on the basis of the possession of skills, experience, qualifications and characteristics relevant to the performance of work;
- (b) ensure unlawful discrimination does not occur in the workplace, in the provision of goods and services within its venues or in circumstances arising out of an employment relationship; and
- (c) maintain a workplace and public environment free from sexual and other unlawful harassment, unlawful discrimination, victimisation and vilification and other offensive conduct.

The Company will comply with relevant and applicable equal opportunity, anti-discrimination and affirmative action laws and regulations.

The Company requires all employees to follow all reasonable directions of their direct supervisor and to comply with all applicable policies and laws and reasonable standards of behaviour.

3.10 Health, Safety and Environment

The Company aims to provide a safe environment in which to work and for customers and suppliers to visit.

The Company requires all employees to follow all reasonable directions from their direct supervisor; to comply with all applicable occupational, health, safety and risk management policies of the Company and laws; and to work safely and apply appropriate practices to endeavour to protect the health, safety and wellbeing of themselves, other employees, customers and suppliers.

The Company endeavours to reduce the environmental impact of its business activities and will seek to do this through continual improvement of environmental performance, protection and safety.

The Company is committed to providing effective support and training for its employees to assist them in their responsibilities of ensuring a safe workplace and to reduce the environmental impact of their activities.

3.11 Bribes and Financial Inducements

The Company will not directly or indirectly offer, pay, solicit or accept bribes.

Directors and employees of the Company must not receive personal financial rewards or inducements in return for making particular business decisions. Directors or employees must not accept gifts or other benefits where doing so may influence, or be seen as influencing, the exercise of objective business judgement in decision making.

3.12 Political Donations

The Company does not affiliate itself with any political party and does not make payments to political parties.

4. REPORTING NON-COMPLIANCE AND GRIEVANCES

Employees are encouraged to report through to their direct supervisor genuine suspicions of non-compliance with this code.

Employees who have genuine suspicions of wrongdoings have a safe environment in which to speak up without fear, reprisal or victimisation. The Company's Whistleblower Policy sets out this policy in more detail.

Non-compliance with this code will be monitored and reported on.

5. ADMINISTRATION

5.1 Publication of the Code

This code will be available for viewing by any person on the Company's website or a copy will be sent upon request.

5.2 Continual Improvement

The Company will continue to monitor the appropriateness and effectiveness of this code and adopt appropriate agreed improvements and reporting procedures.

5.3 Questions about this Code

Questions about this code and its application by employees should be directed to their direct supervisor.

Questions about this code and its application by shareholders and members of the public should be directed to the Company Secretary.

6. REVIEW OF CODE

The Company's Board of Directors approved this Code on 22 June 2020.

The Board will review this Code as often as the Board determines appropriate and make any changes it determines necessary or desirable.

7. ACCESS TO THE STATEMENT

This statement will be available for viewing by any person on the Company's website.

ACRUX LIMITED

ANTI-BRIBERY CORRUPTION AND FRAUD POLICY

This Policy relates to:

All Acrux employees and contractors



ANTI-BRIBERY, CORRUPTION AND FRAUD POLICY

1. PURPOSE

Acrux is committed to operating in a manner consistent with the laws and regulations of the jurisdictions in which its businesses operate, including those relating to anti-bribery and corruption.

Acrux's Anti-Bribery, Corruption and Fraud Policy (the "Policy") is a critical part of Acrux's overall risk management framework to prevent and detect corrupt, illegal or other undesirable conduct.

The Policy prohibits Acrux, its Employees and Business Partners from engaging in activity that constitutes Bribery, Corruption, Fraud or other related improper conduct. It also outlines:

- the responsibilities of Acrux and its Employees in observing and upholding the prohibition on Bribery, Corruption, Fraud and other related improper conduct; and
- information and guidance on how to recognise and deal with instances of Bribery, Corruption, Fraud or other related improper conduct.

The Policy is underpinned by Acrux's Code of Conduct, a copy of which is available on Acrux's website.

Terms used in this Policy are defined in Section 15.

2. SCOPE

This Policy applies to all of Acrux's business and transactions in all countries within which Acrux operates. It covers:

- Acrux and all subsidiary and affiliate entities over which it exercises control; and
- all directors, officers and employees of Acrux (whether permanent, fixed-term, casual, contracting, consulting or temporary) (collectively referred to as "Employees").

Individual and corporate entities associated with Acrux, which act for or on behalf of Acrux, or who perform functions in relation to or on behalf of Acrux, are expected to have and comply with policies managing bribery and corruption risk. This includes, but is not limited to, contractors, consultants, third party agents, third party introducers, referrers, persons acting in a fiduciary capacity, service providers and development partners in any of Acrux's operations (collectively referred to as "Business Partners").

Acrux may request copies of a Business Partner's anti-bribery and corruption policies and related materials. Where Acrux identifies that a Business Partner does not have policies managing bribery and corruption risks, or identifies that these policies are inadequate, Acrux expects its Business Partners to comply with this Policy.

3. RESPONSIBILITY FOR POLICY COMPLIANCE

Every person covered by this Policy is required to understand and comply with this Policy and comply with the reporting requirements set out in this Policy.

4. CONSEQUENCES OF BREACHING THIS POLICY

Bribery, Corruption, Fraud and other related improper conduct referred to in this Policy may be treated as criminal offences which could have serious consequences for Acrux and its Employees, including substantial fines and liabilities, imprisonment and reputational damage.

Any breach of this Policy by Employees will be regarded as serious misconduct, leading to disciplinary action which may include termination of employment. Breaching this Policy may breach applicable anti-corruption laws and expose an individual to criminal and civil liability, could result in imprisonment or the imposition of a significant financial penalty. Employees should be aware that Acrux's insurance policies may not provide coverage for conduct involving a breach this Policy.

Employees and Business Partners must cooperate fully and openly with any investigation by Acrux of an

alleged or suspected corrupt activity or breach of this Policy. Failure to cooperate or to provide information is a breach of this Policy.

5. REPORTED SUSPECTED OR ACTUAL BREACHES

Employees should report any breaches or suspected breaches or suspicious activities or payments in accordance with Acrux's Code of Conduct or Whistleblower Policy, a copy of each which is available on Acrux's website.

The Board will be informed of any material breaches of this Policy.

Processes are in place to ensure that reports are logged, investigated and appropriate action is taken. Measures are in place to ensure complaints are treated confidentially to the extent possible and consistently with legislative protections.

Acrux will not permit retaliation of any kind against any Employee where they have reasonable grounds to suspect a violation of this Policy. Any actual or attempted retaliation is also a breach of this Policy.

6. ACRUX POLICY ON BRIBERY, CORRUPTION, FRAUD AND OTHER RELATED IMPROPER CONDUCT

6.1 Bribery and Corruption

Corrupt conduct by Acrux and its Employees is absolutely prohibited. Acrux and its Employees are not permitted to give, offer, promise, accept, request or authorise, whether directly or indirectly any Bribe, (however small).

Additionally, Acrux and its Employees must not, directly or indirectly, authorise, undertake or participate in any form of corrupt business practice including:

- making any Facilitation Payment;
- making any Secret Commission; or
- engaging in Money Laundering.

Under no circumstances will Acrux approve of any offers, or make, request or receive an irregular payment or other thing of value, to win business or influence a business decision in Acrux's favour. Such actions are in breach of this Policy and may be illegal in jurisdictions in which Acrux operates. This prohibition applies to Bribery of public officials as well as Bribery in respect of any commercial transaction in the private sector.

No Employees or Business Partners will be penalised, or be subject to other adverse consequences, for refusing to pay bribes or engage in any other conduct that would be in breach of this Policy, even if that refusal may affect Acrux's business.

6.2 Fraud

Acrux and its Employees must not, directly or indirectly, authorise, undertake or participate in any form of Fraud.

6.3 New Countries and Business Ventures

Entry into new countries and new business ventures may pose risks from an anti-bribery and Corruption perspective.

In advance of undertaking new business ventures or investing in new companies or countries, Acrux will include in its due diligence process consideration of Corruption risks and its ability to address any such risks.

7. ACRUX'S RELATIONSHIPS WITH THIRD PARTIES

Any improper conduct by a third party, including Business Partners, may damage Acrux's reputation and expose Acrux and its Employees to criminal or civil liability or other sanctions.

This may include liability for the conduct of agents, representatives and associates or those involved in negotiating any business arrangements or transactions including, negotiating supply contracts, arranging introductions to potential business clients or key government decision makers.

Acrux and its Employees must not:

- enter into or continue a business relationship with a Business Partner if they cannot be satisfied that the entity will behave in a manner consistent with this Policy; or
- engage or make a payment to a Business Partner, or any other third party, knowing or suspecting the Business Partner or third party may use or offer all or a portion of the payment directly or indirectly as a bribe, kickback, secret commission or other form of improper or corrupt payment.

Acrux's procurement processes ensure that Acrux exercises an appropriate level of due diligence regarding any third party before it enters into a relationship with that third party and engages in appropriate monitoring of third parties.

8. GIFTS, HOSPITALITY AND TRAVEL

Acrux prohibits the offering or acceptance of Gifts, Hospitality or Travel which are contrary to this Policy, including in circumstances which:

- could be considered to give rise to undue influence or improperly influence a relationship or decision affecting Acrux or its business;
- could give rise to the appearance of attempting to secure favourable treatment;
- creates a sense of obligation;
- is more than token value or exceeds common courtesies with accepted business practice; or
- they know or suspect that the recipient cannot accept the gift or benefit pursuant to law or to any duties that they owe others.

Employees must adhere to Acrux's policies and procedures in relation to all Gifts, Hospitality or Travel given or received by an Employee. All Gifts and Hospitality received by an Employee are to be handed to Acrux administration for safe keeping for, if appropriate and consistent with this Policy, equal distribution amongst all Employees.

Gifts, Hospitality or Travel are only permitted if they meet all the following conditions:

- solely given for the purpose of building a general relationship and understanding with the other party;
- when in the form of an invitation to an event, the event occurs after business hours and is approved by the Employee(s)'s manager and Acrux's human resources team;
- not intended, and not reasonably able to be construed as, an attempt to influence the performance of the recipient's role or function or obtain business or a business advantage;
- given or received in an open and transparent manner;
- compliant with any relevant law, regulation, rule or code (including this Policy);
- otherwise lawful in the jurisdiction where it is made;
- not cash, loans or cash equivalents (such as gift certificates or vouchers);
- not embarrassing to Acrux or its Employees or the individual in question if publicly disclosed;
- reasonable and appropriate for the persons involved; and
- not given or received while the relevant parties are involved in negotiations or a tender process.

Gifts, Hospitality or Travel frequently given to or received from the same person or entity or which create an ongoing expectation, and in aggregate exceed the value or frequency set by Acrux, do not comply with this Policy.

Employees should, where possible, discuss with the Company Secretary the fact that they have been offered a gift / benefit before accepting it, in order to determine the appropriate action.

Gifts, Hospitality or Travel given or received with a value of greater than \$100 require the approval of the CEO.

9. POLITICAL AND CHARITABLE DONATIONS AND COMMUNITY ENGAGEMENT

Acrux does not make donations to any political party or to any individual in, or seeking to obtain, political office.

Acrux does not make charitable donations.

10. RECORD KEEPING

Acrux and its Employees must keep accurate and complete accounts, invoices, and other documents and records relating to dealings with any external or third party, which will evidence the business reason for these dealings. No accounts may be kept "off-book" for any reason or treated/managed in a way so as to facilitate, conceal or disguise potential breaches of this Policy or other Acrux policies.

Further, Employees must:

- make no false or misleading entries in the books and/or records of Acrux;
- ensure contracts, invoices and other documents relating to Business Partners and third party relationships accurately describe the transactions to which they relate;
- abide diligently by payment control procedures; and
- abide diligently by requirements to record and obtain approvals for payments and expenses, including those relating to gifts, hospitality, entertainment, travel, charitable donations, sponsorships, political donations and community engagement activities.

11. TRAINING AND COMMUNICATION

Acrux will ensure that Employees (including new Employees) and applicable Business Partners are informed about and understand this Policy. Each Employee will have access to this Policy and be provided with training, and key Employees will receive additional training on a more regular basis.

A copy of this Policy will also be publicly available on Acrux 's website.

Any questions about this Policy, or doubt about whether particular conduct may violate this Policy, can be referred to the Company Secretary.

13. RELATED SUPPORTING POLICIES

This Policy is supported by, and linked to, specific Acrux policies and standards, including:

- Code of Conduct;
- Whistleblower Policy; and
- Human Resources Handbook

14. REVIEWING AND MAINTAINING THE POLICY

The Policy is to be reviewed annually to ensure reports or breaches are appropriately recorded, investigated and responded to, is in line with changes in law, that it continues to operate effectively and to confirm whether any changes are required to the Policy.

Internal control systems and procedures will be subject to regular audits and reviews to provide assurance that they are effective in countering Bribery, Corruption and Fraud. There may also be independent reviews undertaken from time to time by other external parties as commissioned by Acrux.

Changes to this Policy require Board approval.

15. GLOSSARY OF TERMS

TERM	DESCRIPTION
Acrux	Acrux Limited and its related bodies corporate.
Bribe	<p>A bribe involves (either directly or indirectly) improperly offering or providing a benefit or something of value, either to a public official, someone in business or a close relative of such a person in order to obtain or retain business or an advantage or to induce or reward improper conduct or an improper decision. While a bribe may involve a monetary payment or offer, it covers anything of value such as:</p> <ul style="list-style-type: none"> • cash or cash equivalents (e.g. gift vouchers or loans); • some gifts, hospitality, entertainment or travel; • political or charitable donations or scholarships • reciprocal favours or the provision of favours; • business and employment opportunities; or • anything else that is of significant value to the recipient, <p>and Bribery has a corresponding meaning.</p>
Business Partner	Has the meaning given in Section 2.
Corruption	Any activity in which a person abuses their position and/or trust in order to achieve an improper gain or advantage for themselves, or for another person or entity.
Employees	Has the meaning given in Section 2.
Facilitation Payment	Any minor payment to a public official either directly or indirectly as an incentive for the public official to facilitate, expedite or secure the performance of a routine government action or process (for example, to facilitate the expedition of applications for visas or licences).
Fraud	Dishonest activity that leads to obtaining a personal benefit through deception. It can be by an individual against Acrux, Acrux's customers or other external parties. Fraud includes forgery, money laundering, irregular payments or commissions, misuse of company or customer information, theft or misappropriation of cash or stock, company credit card or asset misuse and falsifying accounting records.
Gifts	Any gift, gratuity, favour, benefit, discount, forbearance, or other tangible or intangible item having monetary value for which the recipient does not pay fair market value. A gift also includes meals, drinks, entertainment and recreation (tickets, passes, etc.), services, training, transportation, discounts, promotional items, lodging, gift cards, door prizes or physical items (such as 'free' products, flowers, wine, tickets to events and the like).
Hospitality	Includes invitations to business meals, entertainment, receptions, sports and cultural events hosted in a business context.
Money Laundering	Concealing the existence of an illegal source of income and disguising to make it appear legitimate.
Policy	Has the meaning given in Section 1.
Secret Commissions	<p>Benefits that are given, offered, received or solicited by an agent or representative of another person or entity, where that benefit is:</p> <ul style="list-style-type: none"> • not disclosed to the principal; and • given, offered, received or solicited as an inducement or reward for providing or having provided a favour, or the receipt of which would tend to influence the provision of a favour.
Travel	Circumstances where Acrux pays the travel expenses (for example, flights, accommodation, and living expenses) of individuals who are not Employees, Business Partners or representatives.

ACRUX LIMITED

SECURITY TRADING POLICY

SECURITY TRADING POLICY

1. OVERVIEW OF THE POLICY

Acrux Limited (the 'Company') is listed on the Australian Security Exchange ('ASX'). Directors and employees of the Company are encouraged to be shareholders of the Company. Trading of the Company's securities is governed by, amongst other things, the Corporations Act 2001 ('Corporations Act') and the ASX Listing Rules.

The provisions regulating the trading of securities on the ASX are intended to ensure that the stock market is kept fully informed of relevant information for all listed companies in order that all investors are able to make informed investment decisions when acquiring or disposing of shares.

It is illegal for a person to trade securities or arrange for another person to trade securities when they possess non-public price sensitive information. This is known as 'inside information' and is illegal under the Corporations Act.

It is therefore important that Director and employee shareholders exercise due care in the timing of any dealings in the Company's securities and ensure that at all times they comply with the law in connection with trading in the Company's securities.

For the purpose of this policy, Securities means and includes shares in Acrux Limited and other securities defined in Section 92 of the Corporations Act.

2. OBJECTIVES AND PURPOSES

2.1 Purposes

This document sets out the Company policy on dealings in the Company's shares by the Directors and employees. The purpose of this policy is:

- (a) to assist Directors and employees to avoid conduct known as 'insider trading';
- (b) to protect the Company against potentially damaging adverse inferences being drawn that its senior Officers and personnel may have engaged in unlawful activity, or acted for their personal benefit using information not available to the public;
- (c) to enable the Company to comply with its obligations under securities legislation and ASX Listing Rules

3. INSIDER TRADING

3.1 What is 'Insider Trading'?

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

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

3.2 What is 'Inside Information'?

Inside information is regarded as being information:

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

Inside information could relate to actions of the Company or external parties. Relevant internal actions of the Company could include (but may not be limited to):

- (c) proposed mergers, acquisitions, sales or reconstructions;
- (d) significant disputes or litigation;
- (e) liquidity and cash flow information;
- (f) potential changes in the asset values or valuations;
- (g) profit and cashflow forecasts;
- (h) proposed buy back of the Company's shares;
- (g) proposed capital raisings/share issues;
- (j) proposed dividend announcements;
- (k) recruitment or resignation of key personnel;
- (l) anticipated or actual results from preclinical or clinical trials;
- (m) registration of the Company's product by a government agency authorising sale of the Company's products to commence;
- (n) significant agreements with other companies; and or
- (o) significant new developments, including but not limited to new products and or new technology.

Relevant actions by external parties could include (but may not be limited to):

- (p) proposed acquisitions or disposals of the Company's securities;
- (q) changes to the competitive environment in which the Company operates; or
- (r) takeovers.

The prohibitions do not simply relate to shares, but relate to all other forms of securities, including options, debentures, and units. The prohibitions apply directly to employees and Directors of the Company.

3.3 Penalties

Criminal penalties for breaches of the prohibitions on insider trading are severe and include substantial

finances or imprisonment for up to five years. Civil liability also attaches to breaches of the relevant provisions.

4. COMPANY POLICY – DESIGNATED PERSONS

4.1 Designated Persons

This Policy applies to the following persons:

- (a) Directors and Company Secretary;
- (b) direct reports to the Chief Executive Officer and Managing Director;
- (c) any other person who is either employed by Acrux Limited or its subsidiaries and any other person notified that they are subject to this policy by the Chief Executive Officer and Managing Director or the Company Secretary; and
- (d) in relation to any person above any of the following 'Connected Persons':
 - (i) their spouse;
 - (ii) any of their children (including step-children) less than 18 years old;
 - (iii) their nominee, including an investment manager managing funds on their behalf (subject to paragraph 4.5 below);
 - (iv) a trust of which they, any member of their family, or any family controlled company, are the trustee or beneficiary;
 - (v) a person in partnership with them or any of their Connected Persons mentioned above (acting in his or her capacity as such); and
 - (vi) a company which they or their family control.

These persons in paragraphs (a) to (d) are referred to in this policy as 'Designated Persons'.

4.2 General Rules

Designated Persons must not deal in the securities of the Company when they are in possession of Inside Information relating to the Company.

Designated Persons will not be given clearance to deal in securities of the Company under this policy where price sensitive, non-public information exists in relation to a matter, even though they may not be aware of it.

Designated Persons must not engage in 'Tipping' (see below) others with respect to the Company's securities at any time.

4.3 Hedging is prohibited

Notwithstanding any other part of this policy, Designated Persons must not at any time:

- (a) enter into transactions or arrangements in financial products which could have the effect of limiting the economic risk associated with holding Company securities; or
- (b) deal at any time in financial products over or in respect of the securities of the Company, except for the type of dealing permitted by law or under this policy.

4.4 Appropriate Timing

The only appropriate time for a Designated Person to deal in the securities of the Company is when there is no price sensitive information which has not been made public, whether or not the Designated Person is aware of that information.

In addition to this general rule, Designated Persons are not permitted to deal in the securities of the Company:

- (a) during the period from 1 July until the preliminary announcement of the Company's annual financial results;
- (b) during the period from 1 January until the preliminary announcement of the Company's half-year financial results;
- (c) during other periods as advised by the Company Secretary, for example, when the Company is embarking on a significant transaction or a significant development that has not yet been announced to the market.

4.5 Exceptions to General Rule

This policy does not apply in the following circumstances:

- (a) dealing in a managed securities portfolio where the Designated Person is not in a position to influence a choice of the portfolio;
- (b) dealing under a dividend reinvestment plan where the Designated Person has given a standing instruction to reinvest dividends at a time when they were not in possession of Inside Information;
- (c) conversion of options to shares on exercise of options granted under the Acrux Omnibus Equity Plan (or its similar predecessor or successor plans as may be in place from time to time). However General Rule does apply to the sale of securities granted or received on exercise of options or rights under the Omnibus Equity Plan or equivalent unless paragraph (d) applies;
- (d) where the dealing is in accordance with an unconditional written securities trading plan established by the Designated Person at a time when they were not in possession of Inside Information and were in compliance with this policy and lodged with the Company Secretary (or the Chair in the case of the Company Secretary) ("Trading Plan"). A Trading Plan may only be amended or revoked when the Designated Person is not in possession of Inside Information and this policy has otherwise been complied with.

4.6 Confidentiality Agreements with External Advisers

It is possible that, as a result of acting for or advising the Company, external advisers to the Company may have access to price sensitive information affecting the securities of the Company.

Whilst these external advisers are not covered by this policy, it is the Company's policy to require such external advisers to enter into confidentiality agreements covering such price sensitive information.

4.7 Trading Approvals

Before any Designated Person deals in securities of the Company (at any time), they must first obtain approval from the Company Secretary (the Company Secretary must obtain approval from the Chair of the Company). If the Chairman wishes to buy, sell or exercise rights in relation to the Company's securities, the Chairman must obtain the proper approval from the Chairman of the Audit and Risk Committee or the Company Secretary before doing so.

This obligation operates at all times.

Designated Persons must not deal in securities of the Company (including shares issued as a consequence of the exercise of options or performance rights) until approval has been given by the Company Secretary, evidenced in writing. The request for approval must be in writing and include a

statement that the Designated Person is not in possession of any material non-public information. If approval is given, the Designated Person may ordinarily trade within five business days after receiving the approval.

The Designated Person will be notified if the clearance position changes within those five business days. A further application will need to be made if no dealing takes place within the five business days and the Designated Person still wishes to deal.

Designated Persons who have been told that they cannot deal must not communicate this fact to others.

As each Designated Person's knowledge is different, Company approval to deal in securities of the Company is not to be taken as a determination that there is no relevant Inside Information in existence or in the possession of the Company or that the Designated Person is not in possession of Inside Information. The onus remains on the Designated Person to ensure they are compliant with the law and this policy.

4.8 Notification of Dealings in Company Securities

ASX Listing Rule 3.19A.2 requires the Company to notify the ASX of dealings in notifiable interests in Company securities by directors within 5 business days.

Each of the Directors is required to notify the Company Secretary within two business days after any change in their interests in securities of the Company, or the interests of any of their Connected Persons listed above.

This enables the Company to notify the ASX of the change in the Director's or Connected Person's interests, which must occur within 5 business days of the change.

All other Designated Persons are required to notify the Company Secretary of any dealing in securities of the Company within five business days of effecting such a dealing.

4.9 Tipping

Directors or employees with inside information must not at any time, directly or indirectly, communicate any insider information or cause the information to be communicated if the Director or employee knows or ought to reasonably know that the other person would be likely to apply for, acquire or dispose or enter into an agreement to acquire or dispose of the relevant shares or procure another person to acquire or dispose of the shares ('Tipping').

This obligation is in addition to the obligations Directors and employees have to protect the confidential information of the Company.

5. COMPLIANCE WITH SHARE TRADING POLICY

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

Failure to comply with this policy is considered grounds for termination of employment.

6. ACCESS TO THE POLICY

This policy will be available for viewing by any person on the Company's website.

7. MAINTENANCE OF POLICY

The Company's Board of Directors approved this policy on 22 June 2020.

The Board will review this Policy as often as the Board determines appropriate and make any changes it determines necessary or desirable.