

Optiscan Imaging Limited Securities Trading Policy

Purpose of the policy

The purpose of this policy is:

- To secure public confidence in the Company concerning trading in company securities by “potential insiders” and to limit the economic risk of those securities

A “potential insider” is a person likely to possess inside information and includes the directors, the chief executive officer, the chief financial officer, staff members who are involved in material transactions concerning the company, and any other member of staff who is likely to be in possession of inside information

- To provide officers and employees of the Company with guidelines relating the trading of Company securities and to ensure that employees comply with the law

Guidelines for Dealing in Company Securities

The board considers that if directors, employees and their associates acquire shares in the company, they should be held for longer-term investment and not for speculative or trading purposes.

The board has issued strict guidelines for dealing in the company’s securities by directors and employees. The requirements include:

- Trading is forbidden at any time where a director or employee may be in possession of price sensitive information
- Trading in securities may not take place in the one month period immediately preceding the announcement of full year and half year results to the ASX
- Directors must discuss any proposed trade with the Chairman, Chief Executive Officer or other directors, and obtain evidence of approval of proposed trading
- Employees must discuss any proposed trade with the Chief Executive Officer or Company Secretary and obtain evidence of approval of proposed trading

Exceptional circumstances

The Chairman or Chief Executive Officer has the right to grant an approval to trade if they consider that exceptional circumstances exist, for example in the case of severe financial hardship.

Excluded trading

The Chairman or Chief Executive Officer has the right to grant an approval to trade if they consider that a proposed transaction may properly be considered to be excluded from the policy, for example, where there is no change in beneficial ownership of securities, or where all holders of securities are included, for example, a rights issue.

Inside Information and Share Trading

The use of information by Directors and employees which is not public and which concerns activities or plans of the Company (inside information) for personal gain is specifically prohibited. Furthermore, using inside information is generally prohibited by legislation and can lead to substantial civil and criminal penalties. This is the case, for example, in regard to dealings in any Company securities by any person in possession of non-public price sensitive information concerning the Company.

Persons in possession of confidential information that may affect the Company's share price are not permitted to buy or sell shares.

At all times, trading in securities of the Company by employees of the Company may only be conducted with the written approval of the Chief Executive Officer or Company Secretary of the Company. Trading in securities of the Company by Directors of the Company may only be conducted with the written approval of the Chairman, Chief Executive Officer or other directors of the company.

Insider Trading

Insider trading is the trading of company securities by a person who is in possession of inside information. Insider trading violates laws that impose strict penalties upon companies and individuals, including both financial sanctions and civil and criminal penalties.

The use of inside information by Directors and employees of the Company for personal gain is specifically prohibited.

Inside Information

“Inside information” is information concerning the company’s financial position, strategy or operations, which is not generally available and which, if made public, would be likely to:

- have material effect on the price or value of the company securities
- influence persons who commonly invest in securities in deciding whether or not to buy or sell company securities

Information is generally available if:

- it is readily observable; or
- it 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 a company whose price might be affected by the information; and since it was made known, a reasonable period for it to be disseminated among such persons has elapsed; or
- it consists of deductions, conclusions or inferences made or drawn from information that consists of readily observable matter or information made known or public

Directors and employees who possess price-sensitive information are prohibited from trading in company shares as this may be deemed “insider trading”, which means it is illegal to:

- buy, sell or otherwise deal in company securities
- advise, procure or encourage another person (for example, a family member, a friend, a family company or trust) to buy or sell company securities
- pass on information to any other person, if the insider knows or ought to reasonably know that the person may use the information to buy or sell (or procure another person to buy or sell) company securities

Examples of price-sensitive information include:

- the results of research and development
- the financial performance of Company against budget
- the forecast financial performance of Company and its budgets
- entry into or termination of important agreements, including licence agreements,
- the intention of Company to acquire a business or important assets; or
- an unexpected liability.

A person does not need to be a director or employee of the Company to be guilty of insider trading in relation to company securities. The prohibition extends to dealings by Directors and employees through nominees, agents or other associates, such as family members, family trusts and family companies.

Disclosure of Information

Directors and employees are prohibited from disclosing any information or documents relating to the Company or its business, making any improper public comment on the Company's affairs, or misusing any information about the Company or its associates, other than as required by law.

The Company has the responsibility of informing ASX on a continuous basis of any information that would be expected to have a material effect on the price or value of the company securities.

The Company Secretary co-ordinates such disclosures in accordance with the relevant legislation and listing rules and should be notified of any information or developments that may require disclosure.

All public communications, including, but not limited to, announcements to the ASX, media releases, presentation to analysts, conferences and public speeches, must be approved by the Chief Executive Officer or Company Secretary before release.

Anti Hedging Policy

No employees of the Company, including directors and key management personnel, are permitted to enter into transactions with securities or derivatives thereof which limit the economic risk of any unvested entitlements under any equity based remuneration schemes offered by the company.