



29 December 2016

ASX announcement

Amended Share Trading Policy

Optiscan Imaging Limited (Optiscan or the Company) provides the attached amended Share Trading Policy following a review of the previous policy.

About Optiscan

Optiscan is an Australian company that has developed and patented miniaturised confocal microscopes, and is a global leader in the development and application of microscopic imaging and related technologies for medical markets.

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OPTISCAN IMAGING LIMITED SHARE TRADING POLICY

Version 11: Effective 29 December 2016

1. Introduction

- 1.1. Optiscan Imaging Limited and its related entities (Company) has a trading policy to apply to the regulation of trading in the Company's shares, options and other securities on the ASX ("Securities").
- 1.2. This policy applies to the persons defined below as Executives of the Company.
- 1.3. This policy serves to regulate dealing by the Executives in Securities issued by the Company.

2. Purpose

- 2.1. The purpose of this policy is to ensure that the Company's Executives are aware of the legal restrictions of trading Securities while such a person is in possession of unpublished price sensitive information concerning the Company and any of its subsidiaries and to set out a framework for Executives to be able to buy and sell Company shares.
- 2.2. In addition, the policy is intended to help minimise the risk of misunderstandings or suspicion that the Company's Executives are trading Securities while in possession of unpublished price sensitive information.

3. Executives of the Company.

- 3.1. In the context of this policy, Executives include:
 - (a) Directors of the Company;
 - (b) The Company Secretary of the company;
 - (c) Officers, consultants and all other staff; and
 - (d) Any person who is entitled to receive equity performance rights and/or options as part of any equity incentive based scheme of the Company.

4. Associated Parties

- 4.1. In the context of this policy, Associated Parties include:
 - (a) Spouse (or equivalent);
 - (b) Dependent children;
 - (c) Partners or fellow directors of family partnerships and companies;
 - (d) A trust for which the employee or director acts as trustee or as a director of its trustee company; and

(e) An investment fund which effectively acts at the direction of the employee or director.

- 4.2. Each Executive has a personal responsibility to ensure that his or her Associated Parties comply with the same respective restrictions as apply to Executives.

5. Restrictions on Trading

- 5.1. In addition to the overriding prohibition on dealing when a person is in possession of inside information in accordance with the Insider Trading Policy shown below (Section 12), unless otherwise agreed by the board, Executives and their Associated Parties are prohibited from dealing in Securities during:
- (a) Each period of 60 days immediately prior to the intended date upon which the Company releases its annual financial statements to the ASX;
 - (b) Each period of 60 days immediately prior to the intended date upon which the Company releases its half-yearly financial statements to the ASX;
 - (c) Each period of 30 days immediately prior to the intended date upon which the Company holds a shareholders meeting; and
 - (d) Each period 48 hours immediately after the date and time upon which the Company issues an ASX announcement of the Company's financial results or the holding of a shareholders' meeting

For the avoidance of doubt, it is emphasised that Executives may not deal whilst in the possession of "inside information" - this restriction applies at all times.

The Company Secretary will keep a record of any request from an Executive pursuant to Section 7 and of the clearance given pursuant to Section 8. Written confirmation from the Company that such request and clearance have been recorded must be given to the Executive concerned (as outlined in Section 8).

6. Board of Directors' discretion

- 6.1. The Board of the Company has an absolute discretion to place an embargo on Executives and/or their respective Associates trading in the Company's Securities at any time.

7. Notification rules in relation to dealing in Securities

- 7.1. Executives are required to notify the Company of intended dealings in Securities, by themselves or their Associated Parties, of the Company prior to such intended dealings and, pursuant to Section 8, receive Written Clearance prior to dealing in the Company's Securities. This should be done by written notice to the Company Secretary of the Company outlining:
- (a) Name of shareholder;
 - (b) Type of proposed transaction (purchase, sale, etc.); and
 - (c) The number of Securities involved.

The Company Secretary will confer with the Chairperson of the Board in relation to any proposed dealing.

8. Clearance to deal

- 8.1. A Committee has been established to consider all written requests from an Executive as outlined in Section 7
- 8.2. The Committee consists of:
 - (a) the Chairperson (or his duly appointed delegate); and
 - (b) either of
 - a. Company Secretary; or
 - b. CEO
- 8.3. Executives are required to receive written clearance from the Committee prior to undertaking any transaction in Company securities. Written clearance can take the form of a signed form, memo or email from the Committee Chairperson.

9. Exceptional Circumstances

Where in exceptional circumstances and it is the only reasonable course of action available to an Executive (e.g. a pressing financial commitment that cannot be satisfied otherwise), clearance may be given for the Executive to sell (but not to purchase) Securities in the Company when that person would otherwise be prohibited from doing so. The procedure for obtaining prior written clearance is outlined in sections 7 and 8.

10. Trading not subject to this Policy

The following dealings are not subject to the provisions of this Share Trading Policy:

- (a) Undertakings or elections to take up entitlements under a rights issue or other offer (including an offer of shares in lieu of a cash dividend);
- (b) The take up of entitlements under a rights issue or other offer (including an offer of shares in lieu of a cash dividend);
- (c) Allowing entitlements to lapse under a rights issue or other offer (including an offer of shares in lieu of a cash dividend);
- (d) The sale of sufficient entitlements to allow take up of the balance of the entitlements under a rights issue;
- (e) Undertakings to accept, or the acceptance of, a takeover offer or pursuant to a scheme of arrangement implemented in accordance with section 411 of the Corporations Act;
- (f) Transfer of Securities arising out of the operation of an employee share scheme into a savings scheme investing only in securities of the Company following:
 - (i) The exercise of an option under a savings related share option scheme; or
 - (ii) Release of Securities from a profit sharing scheme;
- (g) The cancellation or surrender of an option under an employee share scheme;

- (h) The purchase of Securities or the communication of information pursuant to a requirement imposed by law;
- (i) Transfers of Securities by an independent trustee of an employee share scheme to a beneficiary who is not a Person;
- (j) Transfers of Securities of the entity already held into a superannuation fund or other saving scheme in which the restricted person is a beneficiary;
- (k) 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;
- (l) 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; and
- (m) 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.

11. Directors to notify ASX of shareholding

- 11.1. The Directors of the Company are required to complete, or request that the Company Secretary complete necessary forms to the Company to be filed with the ASX in respect of their shareholding in the Company for the purposes of section 205G of the Corporations Act and Listing Rule 3.19A.

12. Insider Trading Policy

12.1. Policy

The Board of the Company has established the following Insider Trading Policy to apply to trading in the Company's Securities on the ASX.

This policy applies to all Executives of the Company. All Executives and their Associates must not deal in the Company's Securities while in possession of price sensitive information.

The law imposes a number of significant restrictions on employees of the Company when they deal in their Company's Securities. As fiduciaries, these persons must not utilise their position for their own gain or for the gain of any person other than the Company.

The Corporations Act imposes severe penalties (both criminal and civil) on persons who conduct insider trading activities. Any perception of improper conduct by employees of the Company also has the potential to substantially damage the Company's reputation.

The Company has established the policy set out in this document in an effort to prevent the incidence of insider trading in the Company's Securities. The policy provides a general summary of the law in Australia in relation to insider trading, and as such operates in addition to the legal requirements. It is the personal responsibility of each Executive to comply with this policy.

12.2. Overview of the insider trading provisions in the Corporations Act

It is illegal for anybody to deal in any Securities of a body corporate (including the Company), when in possession of information that the person knows, or ought reasonably to know:

- (a) is not generally available (including information that the Company has not disclosed to the market in accordance with the Company's Continuous Disclosure Policy); and
- (b) might have material effect on the price or value of those Securities if it was generally available (Inside Information).

This prohibition extends to procuring another person to deal, and, in the case of Securities of listed corporations, extends to communicating the inside information to another person, if the person knows, or ought reasonably to know, that the other person would, or would be likely to, deal in the Securities in question or procure another person to do so. To communicate Inside Information to another person is also an offence which carries both civil and criminal penalties.

An employee or officer in possession of Inside Information about the Company has a duty to keep that information confidential and must not in any way disclose or communicate that information to any person.

12.3. Dealing with security analysts, institutional investors and journalists

An Executive may be exposed to others outside the Company such as security analysts, institutional investors and journalists. It is important that all Executives be aware that selective disclosure of non-public information may result in a breach of the insider trading rules.

It is important to emphasise that it is the mere fact of conveyance of the material non-public information that gives rise to liability, not the manner in which it is conveyed.

It is possible to convey information in breach of this policy and the Corporations Act by expressing subjective attitudes about the Company's performance or by calling attention to selective information not available as an aggregate to the general public. It is essential to avoid the indirect conveyance of information by any means whatsoever.

If during the course of a discussion with any analyst, journalist or other outsider, material non-public information concerning the Company is disclosed, inadvertently or otherwise, the recipient of the information should be informed of its non-public nature and cautioned against its use unless and until the Company has made full public disclosure of the information. The Company Secretary should be notified of the situation immediately so that a decision can be made regarding disclosure of the information.

No public comments should be made regarding any previously undisclosed operating results or other developments unless authorised by the Company.