

Living Cell Technologies Governance Policy							
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## **1. INTRODUCTION**

The Board is responsible for adopting and monitoring Living Cell Technologies Limited's (LCT) Communications and disclosure policy. A Disclosure Committee has responsibility for the effective implementation of this Policy.

### **1.1 Commitment to continuous disclosure**

LCT is committed to:

- ensuring that shareholders and the market are provided with full and timely information about LCT's activities;
- complying with disclosure requirements of the Corporations Act 2001 (Cth), the Australian Securities Exchange (ASX) Listing Rules and of the rules of the American OTCQX Market;
- preventing the selective or inadvertent disclosure of material price sensitive information;
- ensuring that all investors have equal opportunity to receive externally available information issued by LCT; and
- making all disclosures in a manner that is clear, concise and effective.

### **1.2 Purpose of Policy**

The purpose of this Policy is to:

- record and communicate LCT's commitment to continuous disclosure;
- outline the processes followed by LCT to ensure compliance with its disclosure obligations; and
- outline the corporate governance standards applied by LCT in its market communications practices.

### **1.3 Policy review**

The Disclosure Committee and the Board will review this Policy regularly to determine whether it is effective in ensuring accurate and timely disclosure in accordance with LCT's disclosure obligations.

## **2. CONTINUOUS DISCLOSURE**

LCT is listed on the ASX and OTCQX and is required to comply with the rules of each of these exchanges. These rules contain general and continuous disclosure requirements based on principles that encompass the interests of listed entities, maintenance of investor protection and the need to protect the reputation of the market. LCT is committed to meeting

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its disclosure obligations in accordance with these principles and to the promotion of investor confidence in its securities.

## 2.1 Disclosure principle

LCT will immediately notify the market by announcement to the ASX/OTCQX of any information concerning the business of LCT that a reasonable person would expect to have a material effect on the price or value of LCT's securities.

## 2.2 Exceptions to Disclosure principle

The only exceptions to this disclosure principle are those permitted under Listing Rule 3.1A where a company may withhold disclosure if all three of the following criteria are satisfied:

- a reasonable person would not expect the information to be disclosed;
- the information is confidential and the ASX has not formed the view that the information has ceased to be confidential; and
- one or more of the following applies:
  - it would be a breach of the law to disclose the information;
  - the information concerns an incomplete proposal or negotiation;
  - the information comprises matters of supposition or is insufficiently definite to warrant disclosure;
  - the information is generated for the internal management purposes of LCT; or
  - the information is a trade secret.

## 2.2 Disclosure Committee

LCT has established a Disclosure Committee with responsibility for the effective implementation of this Policy throughout LCT. The Committee is also responsible for the development of guidelines for the release of information and is responsible for implementing reporting processes and controls.

The current members of the Disclosure Committee are the:

- Chief Executive Officer (CEO)/(Committee Chairman);
- Chief Financial Officer (CFO) or equivalent;
- Company Secretary;
- Director with scientific knowledge

or their delegates.

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The Committee chairman is the convener of the Committee and is responsible for the administration of this Policy. Membership of the Disclosure Committee is reviewed from time to time and may be changed without notice.

### 2.3 Authorised representatives

The Disclosure Committee may delegate aspects of the administration of this Policy to members of the Committee and other employees. The delegation may be general or specific to a particular matter.

The CEO and Company Secretary are responsible for communications with the ASX/OTCQX.

CEO and management's responsibilities include:

- co-ordinating the reporting of material information concerning the activities of the Company to the Disclosure Committee;
- implementing this Policy.

### 2.4 Significant announcements

The Board will approve the text of any announcement relating to the annual and half year financial reports and any other information for disclosure to the market that contains or relates to financial projections, statements as to future financial performance or changes to the policy or strategy of the company (taken as a whole). Where issues arise that may fall within this category, the matter is to be referred urgently to the Chairman of the Board by the CEO or Company Secretary.

Where the urgency of the subject matter precludes reference to the full Board, an announcement within this category may be approved by the Directors who are available, acting in conjunction with the Disclosure Committee. It is specifically acknowledged that where a continuous disclosure obligation arises, disclosure cannot be delayed to accommodate the availability of Board members or members of the Disclosure Committee.

Significant announcements of a recurring nature, such as the Company's half year and end of year results, are as a matter of course presented for consideration by the full Board prior to their release to the market.

### 2.5 Rumours and market speculation

LCT's general practice, which must be observed by all employees, is not to comment on market speculation and rumours. The CEO (or their delegate) will decide if a comment is to be made.

### 2.6 Trading halts

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LCT may, in exceptional circumstances, request a trading halt to prevent the emergence of a false or uninformed market for LCT's securities and to manage disclosure issues. Any decision to request a trading halt will be made by the CEO or, if the CEO is not available, by the Company Secretary after clearing this with any Director.

## **2.7 Policy breaches**

Breaches by employees of LCT's Continuous Disclosure and Market Communications Policy or any guidance documents that support this Policy may lead to disciplinary action including dismissal in serious instances.

## **3. COMMUNICATION WITH MARKETS**

LCT recognises the importance of regular and proactive interaction with the market in order to ensure the Company's investors remain fully informed about its activities. As well as market announcements, this interaction can be in the form of group or one-on-one briefings with investors and analysts, and presentations at industry conferences.

### **3.1 Guiding principles for market communications**

- At all times in these interactions, LCT adheres to its guiding principles for market communications: LCT will not disclose price sensitive information to an external party except where that information has previously been disclosed to the market save when appropriate protection of confidentiality is in place..
- Timely and accurate information must be provided equally to all shareholders and market participants.
- Information must be disseminated by channels prescribed by laws and other channels which LCT considers to be fair, timely and cost-efficient.

### **3.2 Authorised spokespersons in respect of public communications**

The only persons authorised to make public statements to the market on behalf of, or attributable to, LCT are the:

- Chairman of the Board;
- CEO.

If any other employee receives a request for comment from an investor, analyst or the media in relation to any matter concerning LCT, they must advise that person that they are not authorised to speak on behalf of LCT and must refer enquiries to the CEO, or in the absence of the CEO, the Chairman.

### **3.3 Communication of disclosable information**

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All information disclosed to the ASX/OTCQX in compliance with this Policy will be placed promptly on LCT's website, following receipt of confirmation from the ASX/OTCQX, and will be maintained on the website for at least three years.

LCT's website address is [www.lctglobal.com](http://www.lctglobal.com).

The LCT Board, senior management and advisers are provided with copies of all information disclosed to the ASX/OTCQX via a direct email from the ASX/OTCQX. Receipt of this email confirms that the announcement that is attached to the email has been released to the market and that the content of the announcement is no longer confidential.

### 3.4 Shareholder meetings

LCT encourages and supports shareholder participation in general meetings. Mechanisms for enabling shareholder participation will be reviewed regularly to encourage the highest level of participation, and include:

- notices of meeting being prepared, and meetings being conducted, in accordance with industry best practice and the guidelines published by the ASX Corporate Governance Council;
- the use of electronic communication to disseminate information relating to meetings;
- proxy voting, allowing shareholders unable to attend the AGM to vote on resolutions; and
- copies of formal addresses by the Chairman of the Board and the CEO at the AGM being disclosed to the market and posted to the Company's website.

### 3.5 Briefings

From time to time, LCT conducts briefings for investors, analysts and media groups to discuss information that has been released to the market. The following protocols apply:

- There will be no discussion of price sensitive information not already disclosed to the market generally.
- Questions raised in relation to price sensitive information not previously disclosed will not be answered.
- If price sensitive information is inadvertently released during the briefing, it will immediately be released to the ASX/OTCQX and placed on LCT's website.
- A staff member will attend all open briefings and keep a record of the briefing including a summary of the issues discussed, those present and the time and place of the briefing.
- All briefing and presentation materials containing material information not previously released to the market will be disclosed to the market via the ASX/OTCQX and placed on LCT's website in advance of the briefing.

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- Briefings on the financial results, and other briefings with institutional investors and analysts containing material information not previously released to the market, will be made available on the company's website.
- The dates of investor briefings will be released to ASX/OTCQX in advance.

### **3.6 Analyst reports**

LCT recognises the important role played by analysts in assisting the establishment of an efficient market with respect to LCT's securities. However, LCT is not responsible for, and does not endorse, analysts' research reports on the Company. When requested to do so, LCT may review analysts' research reports but will confine its comments to material previously disclosed by LCT or material in the public domain.

LCT may comment on analysts' earnings estimates to the extent of:

- acknowledging the current market range of estimates;
- questioning an analyst's assumptions or sensitivities if the analyst's estimate is significantly at variance from current market range estimates; and
- advising factual errors where data is already in the public domain.

Forecast information will not be provided by LCT unless it has already been disclosed to the market.

### **4. OTHER COMMUNICATIONS**

LCT has standards and processes in place, and regularly trains its employees in these, to ensure that information communicated outside of the principles set out in this Policy will not breach this Policy.