

# VISIONEERING TECHNOLOGIES, INC.

## SECURITIES TRADING POLICY

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### 1 Introduction

This document sets out the policy covering restrictions on trading in securities of Visioneering Technologies, Inc. (**VTI, Company**).

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### 2 Persons covered by this policy

This policy applies to the following persons (**VTI Personnel**):

- (a) all directors and officers of VTI;
- (b) all direct reports to the Chief Executive Officer;
- (c) all other personnel of VTI (including employees and contractors); and
- (d) any family members, trusts, partnerships, bodies corporate, nominees and other persons, over whom which a person listed in paragraphs (a), (b) or (c) has, or may reasonably be expected to have, investment control or influence.

There are additional trading restrictions on the following persons (**Designated Persons**):

- (i) all directors and other key management personnel<sup>1</sup> of VTI;
  - (ii) any other person designated by the Board from time to time; and
  - (iii) any family members, trusts, partnerships, bodies corporate, nominees and other persons, over whom which a person listed in paragraph (i) or (ii) has, or may reasonably be expected to have, investment control or influence.
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### 3 Prohibition on insider trading for all VTI Personnel

#### 3.1 Regulation

Trading of securities in VTI is governed by, amongst other things, the *Corporations Act 2001* (Cth) (**Corporations Act**), the ASX Listing Rules, the *Securities Exchange Act* of 1934 (US) and other applicable securities laws. As VTI's securities are traded on ASX, this policy focuses on Australian securities laws, however the securities trading laws of the jurisdiction in which the transaction occurs should also be considered.

#### 3.2 General rule

Under the Corporations Act, if you have Inside Information (as defined in paragraph 4.3 below) relating to the Company it is illegal for you to:

- (a) deal in (that is, apply for, acquire or dispose of) the Company's Securities or enter into an agreement to do so;
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<sup>1</sup> In this policy, "key management personnel" has the meaning given in AASB 124 issued by the Australian Accounting Standards Board. As at January 2017, this means:

*those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.*

- (b) procure another person to apply for, acquire or dispose of the Company's Securities or enter into an agreement to do so; or
- (c) directly or indirectly communicate, or cause to be communicated, that information to any other person if you know, or ought reasonably to know, that the person would or would be likely to use the information to engage in the activities specified in paragraphs (a) or (b) above.

#### **Options are included**

These prohibitions also apply to the application for, grant, exercise or transfer of an option over the Company's Securities, and to the securities of other entities **if** you possess Inside Information about those entities.

#### **Any capacity**

It does not matter how or in what capacity you become aware of the Inside Information. It does not have to be obtained from the Company to constitute Inside Information.

#### **No giving "tips"**

You cannot avoid the insider trading prohibition by arranging for a member of your family or a friend to deal in the Company's Securities, nor may you give "tips" concerning Inside Information relating to the Company to others.

**These prohibitions apply to everyone (not just Designated Persons) at all times.**

### **3.3 What is inside information?**

**"Inside Information"** is information relating to the Company, which is not generally available but, if the information were generally available, would be likely to have a material effect on the price or value of the Company's Securities.

Inside Information can include matters of speculation or supposition and matters relating to intentions or likely intentions of a person.

Information is regarded as being likely to have a material effect if it would, or would be likely to, influence persons who commonly invest in securities or other traded financial products in deciding whether or not to deal in the Company's Securities.

This prohibition applies at all times irrespective of:

- (a) how the VTI Personnel learns of the information;
- (b) whether the trading occurs outside of a Blackout Period; or
- (c) whether the trading was approved with written clearance (whether in exceptional circumstances or otherwise).

VTI Personnel should consider carefully whether they are in possession of "inside information" and, if they have any doubt, they should not trade or undertake any activities outlined in 4.2.

### **3.4 Examples of inside information**

The following is illustrative only and is not exhaustive. Inside information could include:

- (a) a possible acquisition or sale of any assets or businesses by VTI;
- (b) a pending or proposed merger, acquisition, or tender offer;
- (c) any other type of change of control transaction;
- (d) a pending public or private sale of debt or equity securities;
- (e) the financial performance of VTI against its budget or forecasts, including significant write-offs;

- (f) impending bankruptcy;
- (g) major scientific, clinical or regulatory results;
- (h) notice of issuance of patents;
- (i) senior management or board changes;
- (j) a significant change in the operations or direction of the business;
- (k) a major change in financing;
- (l) a proposed dividend or change of dividend policy;
- (m) regulatory action or investigations undertaken by a government or regulatory authority;
- (n) a material change in VTI's capital structure;
- (o) any material claim against VTI or other unexpected material liability, including any legal proceedings;
- (p) major awards or cancellations of contracts or license agreements with customers or suppliers;
- (q) major changes in pricing or discount policies; or
- (r) a significant new product.

### **3.5 When is information generally available?**

Information is generally available if:

- (a) it consists of readily observable matter or deductions;
- (b) it has been brought to the attention of investors through an announcement to ASX or otherwise similarly brought to the attention of investors who commonly invest in securities, and a reasonable period has elapsed since it was announced or brought to investors' attention; or
- (c) it consists of deductions, conclusions or inferences made or drawn from information referred to in paragraphs (a) or (b) above.

Examples of possible readily observable matters are:

- (a) a change in legislation which will affect the Company's ability to make certain types of investments; or
- (b) a severe downturn in global securities markets.

### **3.6 Penalties**

As well as reputational damage for both you and the Company, a breach of the insider trading laws may subject you to:

- (a) criminal liability - penalties include heavy fines and imprisonment;
- (b) civil liability - you can be sued by another party or the Company for any loss suffered as a result of illegal trading activities;
- (c) civil penalty provisions - ASIC may seek civil penalties against you and may even seek a court order that you be disqualified from managing a corporation.

Breach of the law, this policy, or both, will also be regarded by the Company as serious misconduct which may lead to disciplinary action or dismissal.

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## 4 Additional trading restrictions for Designated Persons

In addition to the general trading restrictions set out in this policy that apply to all VTI Personnel, additional restrictions on trading in VTI securities apply to Designated Persons.

### 4.1 Blackout periods

Designated Persons are prohibited from trading in VTI securities during the following periods (**Blackout Periods**):

- (a) the period from two weeks before the end of a half-year to the close of trading on the business day after release of VTI's half-year financial results to the ASX;
- (b) the period from two weeks before the end of a financial year to the close of trading on the business day after release of VTI's annual financial results to the ASX (for the avoidance of doubt the release of the preliminary financial report will trigger this clause); and
- (c) for so long as VTI is required to provide quarterly cash flow reports to the ASX, the period from two weeks before the end of the first and third quarters of a financial year to the release of the cash flow report to the ASX.

In addition to these set periods, the Board may, from time to time, declare any other relevant period to be a Blackout Period for the purposes of this policy or determine that a period will not be a Blackout Period. The Board may also vary the opening or closing date of any Blackout Period.

The Chief Executive Officer or Company Secretary will notify the Designated Persons of the precise opening and closing date of each Blackout Period.

### 4.2 Trading outside of Blackout Periods

Designated Persons may trade in VTI securities outside of Blackout Periods if they obtain prior written clearance from the Clearance Officer, who is as follows (using the appropriate Company form – refer to Schedule 1):

- (a) for trading by directors of VTI – the Chairman;
- (b) for trading by the Chairman – the Board; and
- (c) for trading by employees (who are not also directors) – the Chief Executive Officer,

and confirm that you are not in possession of Inside Information.

Paragraphs (a), (b) and (c) of this clause 5.2 will be applied to Designated Persons described in paragraph (iii) of clause 2 as though the Designated Person was the director, Chairman or employee to whom the Designated Person is connected.

### 4.3 Clearance procedures

The person from whom the clearance is sought under clause 4.2 (**Clearance Officer**) may appoint a delegate (which must be the Board, in the case of a delegation by the Chairman) to act on his or her behalf in the case of a temporary absence.

The Designated Person seeking the clearance must give the Clearance Officer all information or certifications which the Clearance Officer may request for the purpose of determining whether to grant the clearance. In every case, the Designated Person must certify that they are not in possession of any inside information that might preclude them from trading at that time.

The clearance may be given or refused by the Clearance Officer in their discretion, with or without conditions, and with or without giving any reasons. A decision to refuse clearance is final and binding on the Designated Person, and the Designated Person must keep the decision and any reasons given confidential.

Where clearance is given, the relevant trading must occur within the 7 days beginning on the day after the clearance. The clearance may however be withdrawn by the Board, Chairman, Chief Executive Officer or Clearance Officer at their discretion before the relevant trading occurs (for instance, if new information comes to light or there is a change in circumstances).

Clearance to trade will not be granted if the Clearance Officer believes that VTI is likely in the short term to release a periodic financial report or other financial data, or make an announcement of market sensitive information under ASX Listing Rule 3.1.

Any written clearance provided to trade is not an endorsement of the proposed trade and the Designated Person is individually responsible for their investment decisions and their compliance with insider trading laws. If the Designated Person does come into possession of inside information after receiving a clearance to trade, they must not trade despite having the clearance.

#### **4.4 Exceptional Circumstances**

If there are exceptional circumstances, Designated Persons may request to trade in VTI securities during a Blackout Period with:

- (a) the prior written clearance of the Chairman; or
- (b) if the Chairman is absent or if the relevant trading is proposed to be undertaken by the Chairman – the prior written clearance of the Board,

if one of the following exceptional circumstances applies, except if this would breach the insider trading prohibitions:

- (a) if the Designated Person is facing severe financial hardship (as determined by the relevant decision maker approving the clearance) and can only meet their financial commitments by selling their securities;
- (b) if the Designated Person is required by a court order, a court enforceable undertaking (eg. a bona fide family settlement), or some other overriding legal or regulatory requirement to transfer, or accept a transfer, of VTI securities; or
- (c) such other exceptional circumstances as may from time to time be determined by the Chairman or Board (as applicable).

A liability to pay tax does not normally constitute severe financial difficulty.

If the Clearance Officer has any doubt in making a determination of exceptional circumstances, they should exercise the discretion with caution.

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## **5 Other restrictions**

### **5.1 No short-term trading in VTI securities**

Designated Persons are encouraged to be long-term holders of VTI securities.

As speculation in short-term fluctuations in VTI securities does not promote market or stockholder confidence in the integrity of VTI, no Designated Person may trade in VTI securities on a short-term basis. Short-term means less than three months.

### **5.2 No hedging and pledging**

All participants in an approved share or option plan of VTI or who otherwise hold securities in VTI which are subject to performance or other vesting conditions or escrow are prohibited from engaging in any conduct that seeks to secure the economic value attaching to the relevant securities and remove the element of price risk inherent in the value of those securities, while the securities remain unvested or subject to escrow.

Prohibited conduct includes writing forward contracts or put or call options over the underlying securities, trading in derivative products or entering into other arrangements intended to hedge a “profit” in those securities, a margin loan or similar funding arrangement or other financial transaction which can give rise to pledging, lending or using the securities as collateral.

After vesting and the cessation of any applicable escrow arrangements, a holder of the relevant securities may undertake any transaction of a type referred to in this section provided they obtain written clearance in the manner described in

sections 4.2 and 4.3 and comply with all applicable laws (including insider trading laws) and the other provisions of this policy (including with respect to when trading can occur) when undertaking any such transaction.

### **5.3 No margin lending**

Designated Persons are not permitted to enter into margin lending arrangements in relation to the Company's Securities. This is on the grounds that the terms may require the Company's Securities to be sold during a Blackout Period or when the Designated Person possesses Inside Information.

This restriction does not extend to other funding arrangements where the Company's Securities may be included as security. Designated Persons should consult the Australia Company Secretary if they are uncertain as to whether an arrangement should be classified as a margin lending arrangement.

### **5.4 ASX notification by directors**

Directors must notify VTI if there is a change in their security interests as soon as possible to enable VTI to comply with relevant timeframes under the ASX Listing Rules in relation to notification of changes to directors' relevant interests.

Any director requiring assistance in this regard should contact the Australian Company Secretary.

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## **6 Guidelines for employees**

It is the responsibility of each employee to ensure that they observe this policy and the prohibition on insider trading, and encourage and take all reasonable steps to ensure that any other VTI Personnel related to the employee observe this policy and the prohibition on insider trading.

Where an employee is unsure as to whether they are in possession of inside information they should discuss the matter with the Chief Executive Officer, Company Secretary, or their respective delegates.

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## **7 Securities of other companies**

The prohibited insider trading under the Corporations Act also extends to trading in securities of other listed companies with which VTI may be dealing (including suppliers or distributors) where an employee possesses "inside information" in relation to that other company.

That is, if VTI Personnel are aware of information that is not generally available that may have a material effect on the price or value of another company's securities; they should not trade in the securities of that company.

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## **8 Exceptions to the policy**

Subject to the insider trading provisions of the Corporations Act (described in section 3), VTI Personnel may at any time:

- (a) acquire VTI's ordinary shares by conversion of securities giving a right of conversion to ordinary shares;
- (b) acquire VTI securities under a bonus issue made to all holders of securities of the same class;
- (c) acquire VTI securities under a dividend reinvestment plan, a rights issue or a share purchase plan that is available to all holders of securities of the same class;
- (d) dispose of rights acquired under a rights issue of a kind referred to in paragraph (c) above;
- (e) acquire, or agree to acquire, options or other rights under an VTI's equity incentive plan;
- (f) exercise options or other rights acquired under an VTI's equity incentive plan (but may not sell all or part of the shares received upon exercise of the options other than in accordance with this policy);
- (g) transfer VTI securities already held into a self-managed superannuation fund in which the Designated Person is a beneficiary;

- (h) trading the Company's securities where the trading results in no change in the beneficial interests of those securities. However the requirements of clause 5 must be complied with;
- (i) invest in, or trade units of, a fund or other scheme where the assets of the fund or other scheme are invested at the discretion of a third party provided the VTI Personnel does not hold more than 5% of the economic value of that fund or other scheme;
- (j) accept a takeover offer or an equal access buy-back; or
- (k) effect transactions in VTI securities pursuant to approved trading plans established under Rule 10b5-1 of the *Securities Exchange Act* of 1934 (US), as amended.

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## 9 Confidential Information

You must treat all sensitive, non-public information (**Confidential Information**) about the Company as confidential and belonging to the Company. You must not disclose Confidential Information to others (including family members, relatives, business or social acquaintances) except as authorised or legally required. You must avoid inadvertent or indirect disclosure of Confidential Information. Even within the Company, Confidential Information should be distributed to or discussed with others only on a need-to-know basis, and those people must be told that the information is confidential. Be careful that your conversations are not overheard in elevators, aeroplanes or other public places. Do not leave Confidential Information on conference tables, desks or otherwise unguarded. Take whatever steps are reasonably necessary to keep Confidential Information from being disclosed, except as authorised or legally required.

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## 10 Further information

Any person who has questions about this policy, or who requires further information, should contact the Chief Executive Officer or the Company Secretary.

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## 11 Review and publication of this policy

The Board will review this policy annually to ensure it remains relevant to the current needs of the Company. This policy may be amended by resolution of the Board of the Company.

This policy is available on the Company's website. Key features are also published in the Corporate Governance Statement.

Adopted by the Board of Directors of Visioneering Technologies, Inc.

# Trading Policy

## Schedule 1 – Notification to deal in VTI Securities

**Instructions:** This form is to be used in conjunction with VTI’s Trading Policy which is available on the website. Terms defined in the Trading Policy have the same meaning in this form. If you have any questions, please contact the Company Secretary. Your Clearance Officers are (unless you are notified otherwise):

Applicant	Notification Officer
Chairman of the Board	The Board
Other directors (including CEO)	Chairman of the Board
Other Designated Person	Chief Executive Officer (CEO)

- If, under the Trading Policy, you are required to notify VTI of a proposed transaction, please complete **Part A** and send it to your Clearance Officer.
- You must receive **Part B** completed by your Relevant Clearance Officer before you trade.
- You must also send **Part C** confirming details of your trade to your Clearance Officer within three (3) business days of the trade.

### Part A – Prior notification by an applicant

Name of Employee or Director	
Description of Securities (ie number and class of Securities)	
Nature of agreement/dealing (sale/purchase/subscription)	
Proposed date of transaction (ie completion date)	

I confirm that:

1. I am not in possession of any unpublished information which, if generally available, might materially affect the price or value of VTI Securities; and
2. the transaction in VTI Securities described above does not contravene the Trading Policy.

Signed: .....

Dated: .....



**Part B – Clearance by the Relevant Notification Officer**

This clearance confirms that the proposed trade by the applicant is within the terms of the Trading Policy but does not otherwise constitute an approval or endorsement of the proposed trade. You have seven (7) days from the date of this clearance to undertake the proposed trade.

Name: .....

Title: .....

Signature: .....

Dated: .....

**Part C – Confirmation of dealing by the applicant**

Name of applicant	
Description of Securities (ie number and class of Securities)	
Nature of agreement/dealing (sale/purchase/subscription)	
Date of transaction (ie completion date)	