

1 Purpose

- 1.1 The securities of the Company are listed on the ASX. This Securities Trading Policy regulates the trading of securities in the Company by its Directors and Senior Management, including their Related Parties.

2 Definitions

In this Policy:

Approving Officer means the relevant approving officer that has the authority to provide Trading Clearance to the Company's Directors and Senior Management, including their relevant Related Parties, as described at clause 5.4 of this Policy;

ASX means the Australian Securities Exchange or ASX Limited ACN 008 624 691.

Blackout Period means a period of time, as described at clause 5 of this Policy, when Directors and Senior Management, including their Related Parties, must not trade in the Company's securities;

Board means the Board of the Company.

Company means the entity of InhaleRx Limited (ACN 611 845 820) or any legal subsidiary.

Corporations Act means the *Corporations Act 2001* (Cth);

Directors and Senior Management means each director of the Company, the Chief Executive Officer, the Chief Financial Officer (if applicable), the Company Secretary of the Company, Key Management Personnel and other persons as the Board decides from time to time;

Inside Information means information that is not generally available and, if it were generally available, a reasonable person would expect it to have a material effect on the price or value of the Company's securities or, if the context requires, the securities of any other publicly listed company;

Key Management Personnel has the meaning given in the Corporations Act;

Policy means this Securities Trading Policy as amended from time to time;

Protection Arrangements means, without limiting the generality of this policy, arrangements or transactions entered into which:

- (a) amount to short selling of the Company's securities beyond the holding by the Company's Directors and Senior Management, including their Related Parties;
- (b) operate to limit the economic risk of the holding by the Company's Directors and Senior Management, including their Related Parties, (for example, hedging arrangements) which includes the Company's securities held beneficially; or
- (c) otherwise enable any of the Company's Directors and Senior Management, including their Related Parties, to profit from a decrease in the market price of the Company's securities;

Related Parties means, if holding an interest in, controlling or trading the Company's securities:

- (d) any company or trust controlled, within the meaning of Section 50AA of the Corporations Act, by any of the Directors and Senior Management; and
- (e) any spouse (including a de facto spouse), child (including a step-child or adopted child), a close relative, a personally financially dependent on or acting in concert with any of the Directors and Senior Management;

Securities means ordinary shares, options, debentures (including convertible notes) and other securities of the Company.

Trading Clearance means the written clearance received by any of the Company's Director and Senior Management, including their Related Parties, from the relevant Approving Officer to be able to trade in the Company's securities at a point in time outside of a Blackout Period, or if during a Blackout Period pursuant to clause 5.8, and valid for the Trading Clearance Period.

Trading Clearance Period means the period of ten (10) business days following the grant of the Trading Clearance, or such longer period as may be prescribed by the relevant Approving Officer.

3 Securities Trading

- 3.1 This Policy aims to reduce the risk of insider trading and ensure that the Company's Directors and Senior Management, including their Related Parties, are aware of the legal restrictions on trading securities in the Company whilst in possession of Inside Information concerning the Company.
- 3.2 In addition, the Policy sets out when trading in the Company's securities by Directors and Senior Management, including their Related Parties, is not permitted. Restrictions on trading are imposed by the Company to reduce the risk of insider trading and to minimise the chance that misunderstandings or suspicions arise that any of the Company's Directors and Senior Management, including their Related Parties, are trading while in possession of Inside Information.
- 3.3 A breach of this Policy by any of the Company's Directors and Senior Management, including their Related Parties, is serious and may lead to disciplinary action, including dismissal. It may also be a breach of the law.

4 Insider Trading

- 4.1 The insider trading provisions are contained in Part 7.10 Division 3 of the *Corporations Act 2001* (Cth). The *Corporations Act* prohibits any person who possesses Inside Information and who knows or ought reasonably to know, that the information qualifies as Inside Information from:
 - (a) dealing in Company shares; or
 - (b) procuring another person to deal in Company shares; or
 - (c) directly or indirectly communicating the Inside Information, or causing the Inside Information to be communicated, to any person who they know, or ought reasonably to know, would be likely to deal in Company shares or procure another person to do so.
- 4.2 To illustrate the prohibition described above, the following are possible examples of price sensitive information that, if made available to the market, may be likely to materially affect the price of the Company's securities:
 - (a) The threat of major litigation against the Company;
 - (b) The Company's revenue and profit or loss results materially exceeding (or falling short of) the market's expectations;
 - (c) A material change in debt, liquidity or cash flow;
 - (d) Medical trial results;
 - (e) A serious injury or death at one of the Company's sites;
 - (f) A management or business restructuring proposal;
 - (g) A share issue proposal;
 - (h) An agreement or option to acquire or sell a major asset and

- (i) Information that is being withheld in accordance with the exception to the continuous disclosure requirements in ASX Listing Rule 3.1A (for example because it is confidential and incomplete, like the status of contract negotiations).
- 4.3 Consistent with the insider trading provisions of the Corporations Act, the Company's Directors and Senior Management, including their Related Parties, are prohibited from trading in the Company's securities while in possession of Inside Information concerning the Company. The Company's Directors and Senior Management, including their Related Parties, should never communicate any Inside Information to any other person (including family members and associates).
- 4.4 Any person whom this Policy applies to:
 - (a) while in the possession of Inside Information, is prohibited from trading in the Company's securities even if trading occurs outside of a Blackout Period or if they have been given Trading Clearance under this Policy; and
 - (b) before trading in the Company's securities, should carefully consider whether they are in possession of Inside Information that might preclude them from trading; and if in doubt should not trade.
- 4.5 Any Directors and Senior Management who, by virtue of their role or position with the Company, obtain or come into possession of Inside Information concerning another publicly listed entity with whom the Company has or is proposing to have commercial dealings, shall not trade in such other entity's securities.

5 Restrictions on Trading and Trading Clearances

BLACKOUT PERIOD

- 5.1 The Company's Directors and Senior Management, including their Related Parties, are prohibited from trading in the Company's securities during:
 - (a) each period of fourteen (14) calendar days immediately prior to the intended date upon which the Company releases its annual financial statements to the ASX;
 - (b) each period of fourteen (14) calendar days immediately prior to the intended date upon which the Company releases its half year financial statements to the ASX;
 - (c) each period of fourteen (14) calendar days immediately prior to the intended date upon which the Company releases its quarterly cash flow and activity reports to the ASX; and
 - (d) any other period that the Board specifies from time to time.
 - (e) If the Board exercises its authority pursuant to 5.1(d) above, the Chair will ensure that relevant parties are notified.

SHORT TERM GAIN

- 5.2 Under no circumstances should the Company's Directors and Senior Management, including their Related Parties, trade in the Company securities for short-term gain in a 3-month period, without first obtaining Trading Clearance from the relevant Approving Officer.

TRADING CLEARANCE

- 5.3 Prior to trading in the Company's securities outside of a Blackout Period, the Company's Directors and Senior Management, including their Related Parties, must:
 - (a) first obtain Trading Clearance from the relevant Approving Officer;
 - (b) confirm that they are not in possession of any Inside Information; and

- (c) provide the Approving Officer with written confirmation after trading with the Company's securities.

5.4 Approving Officer:

- (a) Where the Chair of the Board is seeking Trading Clearance, the Approving Officer shall be any other of the Company's directors.
- (b) Where the Company's Directors and Senior Management (other than the Chair of the Board) are seeking Trading Clearance, the Approving Officer shall be the Chair of the Board, and in his/her absence, the Company Secretary (other than for the Company Secretary itself).

5.5 Any Trading Clearance provided by the Approving Officer is not an endorsement of the proposed trade in the Company's securities.

5.6 Notwithstanding any Trading Clearance provided, the Company's Director and Senior Management, including their Related Parties, are individually responsible for their investment decisions and to ensure compliance with the insider trading provisions of the Corporations Act.

5.7 If any of the Company's Directors and Senior Management, including their Related Parties, do come into possession of Inside Information after receiving Trading Clearance, that person is prohibited to trade in the Company's securities in accordance with clause 4 of this Policy.

5.8 If the Company's Directors and Senior Management, including their Related Parties, are not in possession of Inside Information, then it may seek Trading Clearance from the relevant Approving Officer, pursuant to clause 5.4 of this Policy, to trade Company securities even during a Blackout Period in the following circumstances:

- (a) where that person, faces financial hardship, to be approved and determined by the Board;
- (b) where that person is required to trade their securities by court order, court enforceable undertaking or other requirement by law; or
- (c) where such other exceptional circumstances exist as approved and determined by the Approving Officer.

5.9 To obtain Trading Clearance in the above circumstances, the person in question must submit an application in writing to the relevant Approving Officer, setting out reasons for requesting the approval and including supporting documentation.

5.10 Any request made for a Trading Clearance by any of the Company's Directors and Senior Management, including their Related Parties, can be granted or refused by the Approving Officer in its discretion, without giving any reasons. The Approving Officer's decision to refuse Trading Clearance is final and binding on that person seeking clearance.

5.11 The Company's Director and Senior Management, including their Related Parties, seeking Trading Clearance must keep the decision of the relevant Approving Officer confidential and not disclose it to anyone.

5.12 Any Trading Clearance granted to the Company's Directors and Senior Management, including their Related Parties, can be withdrawn by the Company or the Approving Officer in its discretion if new information comes to light or there is a change in circumstances.

6 Prohibition on Protection Arrangements

6.1 The Company's Directors and Senior Management, including their Related Parties, are prohibited from entering into all types of Protection Arrangements for any of the Company's securities (or Company products in the derivative markets) at any time in connection with the Company's securities which are unvested or subject to a holding lock, and otherwise if the securities are vested or not subject to a holding lock, such Protection Arrangements first require Trading Clearance to be obtained.

7 Prohibition on Granting Security over the Company's Securities or Entering into Margin Lending Arrangements

- 7.1 The Company's Directors and Senior Management, including their Related Parties, must not grant any form of security over any of the Company's securities which are unvested or subject to a holding lock, to secure any obligation of that person or any third party or enter into a margin lending arrangement involving the Company's securities.
- 7.2 Should clause 7.1 of this Policy not apply, if Trading Clearance has been obtained by the Company's Directors and Senior Management, including their Related Parties, then that person may grant any form of security over any of the Company's securities, to secure any obligation of that person or any third party to enter into any margin lending arrangements involving the Company's securities.

8 Trading Excluded from the Restrictions of this Policy

- 8.1 Trading by the Directors and Senior Management, including their Related Parties, in the following circumstances are excluded from the restrictions in this Policy:
- (a) where ordinary shares in the Company are acquired by conversion of securities giving a right of conversion to ordinary shares;
 - (b) where securities are acquired under a bonus issue made to all holders of securities in the same class;
 - (c) where the trading of securities results in no change to the beneficial ownership interest in the securities;
 - (d) transfers of securities already held into a superannuation fund or other saving scheme in which the person is a beneficiary;
 - (e) where securities are acquired under a dividend reinvestment plan that is available to all holders of securities in the same class;
 - (f) where securities are acquired or exercised under the Company's employee share ownership plan;
 - (g) where securities are traded or acquired under an on-market buy back or any rights offer or share purchase plan;
 - (h) accepting into a takeover offer;
 - (i) a trade of securities in the Company that is the result of a secured lender exercising their rights;
 - (j) trading under a non-discretionary trading plan for which a Trading Clearance has been provided where the trading plan was not entered into or amended during a Black-out Period and where the trading plan does not permit Directors and Senior Management to exercise any influence or discretion over how when or whether to trade; or
 - (k) where a Director or Senior Manager is a trustee, trade in the securities of the Company by that trust provided the Director or Senior Manager is not a beneficiary of the trust and any decision to trade during a Blackout Period is taken by the other trustees or by the investment managers independently of the Director or Senior Manager.

9 ASX Notifications

- 9.1 Directors and Senior Management shall notify the Company of any trading in the Company's securities by them or their Related Parties within five (5) business days following completion of any such trades.
- 9.2 When advising the ASX of any change to a notifiable interest of a director of the Company, the Company must ensure that the ASX be advised whether this occurred during a Blackout Period, and if so, whether Trading Clearance was first obtained.
- 9.3 The Board shall do all acts, matters and things as may be necessary in order to ensure that the Company, and its Directors and Senior Management, including their Related Parties, comply with the requirements of the ASX Listing Rules (as amended from time to time) insofar as they relate to the Policy.
- 9.4 In the event that the Company makes a material change to the Policy, the Board shall ensure that the amended Policy is provided to the ASX for release to the market within five (5) business days of the material changes taking effect, in accordance with ASX Listing Rule 12.10.

10 Annual Compliance Attestations

- 10.1 Each of the Company's Directors and Senior Management, including their Related Parties, must attest to their understanding and compliance with this Policy in a form agreed by the Board from time to time.
- 10.2 Attached to this Policy as Appendix A is the pro forma Annual Compliance Attestation that must, annually, be completed and returned to the Company Secretary after being circulated to each of the Company's Directors and Senior Management, including their Related Parties.

11 Listing Rules

- 11.1 The Board shall do all acts, matters and things as may be necessary in order to ensure that the Company, its officers, and employees comply with the requirements of the ASX Listing Rules (as amended from time to time) insofar as they relate to the Policy.
- 11.2 In the event that the Company makes a material change to the Policy, the Board shall ensure that the amended Policy is given to the company announcements offices for release to the market.

12 Review of Policy

- 12.1 The Board will review this Policy periodically or as otherwise required.
- 12.2 This Policy will be available on the Company's networks, and available to employees, shareholders and other key stakeholders on request.
- 12.3 The Board reviewed and approved this Policy on 21 December 2023.

Approved by:

SEAN WILLIAMS

Chair



Signature

APPENDIX A – PRO FORMA ANNUAL COMPLIANCE ATTESTATION FORM

For the period DD Mmmmm YYYY to DD Mmmmm YYYY, I certify that by replying with “Yes”:

1. I understand insider trading provisions under the Corporations Act and what inside information is;
2. I have read and understood the InhaleRx Limited Securities Trading Policy;
3. I have at all times complied with the InhaleRx Limited Securities Trading Policy;
4. If I have traded in InhaleRx Limited securities during the period, I have done so by first obtaining unrevoked Trading Clearance from the relevant Approving Officer; and
5. If I have traded in InhaleRx Limited securities or any other securities during the period, I have done so without insider information.

(Sign here)

Signed by Name

On Behalf Of (if applicable, otherwise leave blank)

Date Signed