
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

**REPORT OF FOREIGN ISSUER PURSUANT TO RULE 13a-16 AND 15d-16 UNDER
THE SECURITIES EXCHANGE ACT OF 1934**

For the Month of August 2014

File No. 000-54598

Stellar Biotechnologies Inc.

(Name of Registrant)

332 E. Scott Street, Port Hueneme, CA 93041

(Address of Principal executive offices)

Indicate by check mark whether the Registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

FORM 20-F FORM 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

SIGNATURE

Pursuant to the requirements of the securities Exchange Act of 1934, the registrant has duly caused this Form 6-K to be signed on its behalf by the undersigned, thereunto duly authorized.

Stellar Biotechnologies, Inc.
(Registrant)

Dated: 8/14/14

By: /s/ Kathi Niffenegger
Kathi Niffenegger
Chief Financial Officer

Exhibits:

[99.1](#) **Stellar Audit Committee Charter**

[99.2](#) **Stellar Compensation Committee Charter**

[99.3](#) **Stellar Nomination and Corporate Governance Committee Charter**

[99.4](#) **Stellar Code of Ethics and Business Conduct**

[99.5](#) **Stellar Insider Trading Policy**

STELLAR BIOTECHNOLOGIES, INC.

AUDIT COMMITTEE CHARTER

1. Charter.

This charter (this "Charter") governs the operations of the Audit Committee (the "Committee") of the Board of Directors (the "Board") of Stellar Biotechnologies, Inc. (the "Company"). The Committee shall review and reassess this Charter at least annually and recommend any proposed changes to the Board for approval.

2. Purpose of the Committee.

The purpose of the Committee is to oversee the Company's accounting and financial reporting processes and the audits of the Company's financial statements. In that regard, the Committee assists the Board in monitoring:

- (a) the integrity of the financial statements of the Company;
- (b) the Company's independent auditor's qualifications, independence, and performance;
- (c) the performance of the Company's internal audit function, including the Company's system of internal controls, financial reporting, and disclosure controls; and
- (d) the Company's compliance with legal and regulatory requirements.

The Committee shall also prepare the report required to be included in the Company's annual proxy statement pursuant to applicable rules and regulations of the Securities and Exchange Commission (the "Commission") as promulgated from time to time, as well as the report to be included in the Management Proxy Solicitation Information Circular (MIC) required to be furnished under applicable Canadian securities law and/or the rules and regulations of the TSX Venture Exchange ("TSX-V") as promulgated from time to time.

The primary role of the Committee is to oversee the Company's financial reporting and disclosure process. To fulfill this obligation and perform its duties, the Committee will maintain effective working relationships with the Board, management, the Company's internal auditor, and the Company's independent auditor. It is not the duty of the Committee to prepare the Company's financial statements, to plan or conduct audits, or to determine that the Company's financial statements are complete and accurate and are in accordance with generally accepted accounting principles ("GAAP"). The Company's management is responsible for preparing the Company's financial statements and for maintaining internal controls, and the independent auditor are responsible for auditing the financial statements. Nor is it the duty of the Committee to assure compliance of the Company's policies and procedures with applicable laws and regulations.

3. Membership.

The Committee shall consist of a minimum of three directors, each of whom is independent from the management of the Company. The members of the Committee shall be appointed by the Board, which shall recommend for Committee membership such directors as it believes are qualified. Members of the Committee shall serve at the pleasure of the Board and shall serve and for such term or terms as the Board may determine.

(i) Independence

Each member of the Committee shall be independent in accordance with the requirements of Rule 10A-3 of the Securities Exchange Act of 1934 (the "Exchange Act"), the rules of the NASDAQ Stock Market ("NASDAQ"), and the rules of the TSX-V. No member of the Committee can have participated in the preparation of the financial statements of the Company or its subsidiaries at any time during the past three years.

(ii) Accounting Expertise

Each member of the Committee must be able to read and understand fundamental financial statements, including the Company's balance sheet, income statement and cash flow statement. At least one member of the Committee must have past employment experience in finance or accounting, requisite professional certification in accounting or other comparable experience or background that leads to financial sophistication, including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities. At least one member of the Committee must be an "audit committee financial expert" as defined in Item 407(d)(5)(ii) of Regulation S-K. A person who satisfies this definition of audit committee financial expert will also be presumed to have financial sophistication.

(iii) Service on Other Boards

While there is no limit on the number of public company audit committees on which a director may serve, if a director serves on more than two public company audit committees in addition to this Committee (i.e., more than three public company audit committees in total), his or her service on this Committee shall be subject to the Board's determination that such simultaneous service on such other audit committees will not impair his or her ability to effectively serve on this Committee.

4. Meetings.

The Committee shall meet as often as it determines necessary in order to perform its responsibilities, but in no event less than quarterly. The Committee shall meet separately from the Board; provided, however, the Committee may meet immediately before or after any meeting of the Board. The Committee may hold meetings at such times and locations as the Committee may determine.

The Committee shall report regularly to the Board regarding its actions and make recommendations to the Board as appropriate. The Committee is governed by the same rules regarding meetings (including meetings in person or by telephone or other similar communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board or as set forth in the Company's bylaws. The Committee shall meet periodically in separate executive sessions with management, the internal auditor and the independent auditor, and have such other direct and independent interaction with such persons from time to time as the members of the Committee deem appropriate. The Committee may request any officer or employee of the Company, the Company's outside counsel or the Company's independent auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

5. Roles and Responsibilities.

The Committee shall fulfill the following roles and discharge the following responsibilities:

(i) External Audit

The Committee shall have the sole and direct responsibility for the appointment, compensation, retention and oversight of the work of an independent registered public accounting firm to act as the Company's independent auditor for the purpose of auditing the Company's annual financial statements, books, records, accounts and internal controls over financial reporting. The Committee shall also be responsible for resolving disagreements between management and the independent auditor regarding financial reporting. The independent auditor shall report directly to the Committee. In carrying out this duty, the Committee shall have the responsibility and authority:

- a. to pre-approve all audit and permitted non-audit and tax services, subject to the *de minimis* exception for non-audit services described in Section 10A(i)(1)(B) of the Exchange Act, the Commission rules promulgated thereunder, and under the rules of the TSX-V, that may be provided by the Company's independent auditor or other registered public accounting firms, and establish policies and procedures for the Committee's pre-approval of permitted services by the Company's independent auditor on an on-going basis;
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- b. to select, retain, compensate, oversee and terminate, if necessary, any other registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company;
- c. to review and discuss with the Company's independent auditor (1) the auditor's responsibilities under generally accepted auditing standards and the responsibilities of management in the audit process, (2) the overall audit strategy, (3) the scope and timing of the annual audit, (4) any significant risks identified during the auditor's risk assessment procedures and (5) when completed, the results, including significant findings, of the annual audit;
- d. to review and discuss with the Company's independent auditor (1) all critical accounting policies and practices to be used in the audit; (2) all alternative treatments of financial information within GAAP that have been discussed with management, including the ramifications of the use of such alternative treatments and the treatment preferred by the auditor; and (3) other material written communications between the auditor and management;
- e. establish procedures for (1) the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and (2) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;
- f. to review with management and the Company's independent auditor (1) any major issues regarding accounting principles and financial statement presentation, including any significant changes in the Company's selection or application of accounting principles; (2) any significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including the effects of alternative GAAP methods; and (3) the effect of regulatory and accounting initiatives and off-balance sheet structures on the Company's financial statements; and
- g. recommend to the Board policies for the Company's hiring of employees or former employees of the independent auditor.

(ii) Internal Controls

The Committee shall consider whether adequate controls are in place over annual and interim financial reporting as well as controls over assets, transactions and the creation of certain obligations, commitments and liabilities of the Company. In carrying out this duty, the Committee shall have the responsibility and authority:

- (a) to review with management and the Company's independent auditor the adequacy and effectiveness of the Company's financial reporting processes, internal control over financial reporting and disclosure controls and procedures, including any significant deficiencies or material weaknesses in the design or operation of, and any material changes in, the Company's internal controls and any special audit steps adopted in light of any material control deficiencies, and any fraud involving management or other employees with a significant role in such internal controls, and review and discuss with management and the Company's independent auditor disclosure relating to the Company's financial reporting processes, internal control over financial reporting and disclosure controls and procedures;
 - (b) at least annually, to obtain and review a formal written statement from the Company's independent auditor delineating all relationships between the auditor and the Company, and to actively engage in a dialogue with the auditor with respect to any disclosed relationships or services of the auditor to the Company that may impact the objectivity and independence of the auditor;
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- (c) taking, or recommending that the full Board take, appropriate action to oversee the independence of the independent auditor; and
- (d) ensure that the independent auditor discuss with the Committee any event or matter which suggests the possibility of fraud, illegal acts or deficiencies in internal controls.

(iii) Financial Reporting; Review of Transactions and Arrangements

The Committee shall review the Company's financial statements and financial information prior to its release to the public and review, approve and oversee certain transactions and arrangements. In carrying out this duty, the Committee shall:

- (a) review, approve and oversee any transaction between the Company and any related person (as defined in Item 404 of Regulation S-K) and any other potential conflict of interest situations, on an ongoing basis, and to develop policies and procedures for the Committee's approval of related party transactions under applicable provisions of U.S. federal securities laws and the rules and regulations of the TSX-V and NASDAQ;
- (b) review all off-balance sheet arrangements (as defined in Item 303 of Regulation S-K);
- (c) review and discuss with the Company's independent auditor and management the Company's annual audited financial statements (including the related notes), the form of audit opinion to be issued by the auditor on the annual financial statements, the disclosure under "Management's Discussion and Analysis of Financial Condition and Results of Operations" to be filed with the Company's annual report on Form 10-K, and the disclosure under "Management Discussion and Analysis" to be filed with the TSX-V;
- (d) meet with management and the independent auditor to review the financial statements and the results of the audit, including any difficulties encountered or significant changes in the Company's selection or application of accounting fees;
- (e) recommend to the Board that the audited financial statements be included in the Company's Form 10-K and produce the audit committee report required to be included in the Company's proxy statement;
- (f) review and discuss with management and the independent auditor the Company's internal controls report;
- (g) review and discuss with the Company's independent auditor and management the Company's quarterly financial statements, the disclosure under "Management's Discussion and Analysis of Financial Condition and Results of Operations" to be filed with the Company's quarterly report on Form 10-Q, and the disclosure under "Management Discussion and Analysis" to be filed with the TSX-V; and
- (h) review, discuss with management and the Company's independent auditor, and approve all public disclosure, including earnings press releases and other documents containing financial information including the use of "pro forma" information, prior to release to the public.

(iv) Non-Audit Services

- (a) All non-audit services (being services other than services rendered for the audit and review of the financial statements or services that are normally provided by the independent auditor in connection with statutory and regulatory filings or engagements) which are proposed to be provided by the independent auditor to the Company or any subsidiary of the Company shall be subject to the prior approval of the Committee.
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(b) *Delegation of Authority.* The Committee may delegate authority to subcommittees consisting of one or more members of the Committee the authority to approve non-audit services, provided any non-audit services approved in this manner must be presented to the Committee at its next scheduled meeting.

(c) *Pre-Approval Policies and Procedures.* The Committee may also satisfy the requirement for the pre-approval of non-audit services by adopting specific policies and procedures for the engagement of non-audit services, if:

- a. the pre-approval policies and procedures are detailed as to the particular service;
- b. the Committee is informed of each non-audit service; and
- c. the procedures do not include delegation of the Committee's responsibilities to management.

(v) *Other Responsibilities.* The Committee shall perform other oversight functions as requested by the Board.

6. Resources and Authority.

The Committee shall have the resources and the authority appropriate to discharge its responsibilities under this Charter, including the authority to:

- (a) engage independent legal, accounting or other advisors as it determines necessary to carry out its duties;
- (b) set and pay the compensation for any independent legal, accounting, or other advisors employed by the Committee, including the fees, terms and conditions for the performance of such services; and
- (c) communicate directly with the internal and independent auditor.

Costs incurred by the Committee in performing its functions under this Charter shall be borne by the Company. Any significant expenses incurred by the Committee shall be reported to the Board.

Adopted by the Board of Directors on June 3, 2014.

Appendix - Guidance Regarding the Roles and Responsibilities of Audit Committee Members

The following guidance is intended to provide the Committee members with additional guidance on fulfillment of their roles and responsibilities while serving on the Committee:

Internal Control

- a. evaluate whether management is setting the goal of high standards by communicating the importance of internal control and ensuring that all individuals possess an understanding of their roles and responsibilities;
- b. focus on the extent to which external auditor review computer systems and applications, the security of such systems and applications, and the contingency plan for processing financial information in the event of an IT systems breakdown; and
- c. gain an understanding of whether internal control recommendations made by external auditor have been implemented by management.

Financial Reporting

General

- a. review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements;
- b. ask management and the external auditor about significant risks and exposures and the plans to minimize such risks; and
- c. understand industry best practices and the Company's adoption of them.

Annual Financial Statements

- a. review the annual financial statements and determine whether they are complete and consistent with the information known to Committee members, and assess whether the financial statements reflect appropriate accounting principles in light of the jurisdictions in which the Company reports or trades its shares;
 - b. pay attention to complex and/or unusual transactions such as restructuring charges and derivative disclosures;
 - c. focus on judgmental areas such as those involving valuation of assets and liabilities, including, for example, the accounting for and disclosure of loan losses; warranty, professional liability; litigation reserves; and other commitments and contingencies;
 - d. consider management's handling of proposed audit adjustments identified by the external auditor; and
 - e. ensure that the external auditor communicate all required matters to the Committee.
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Interim Financial Statements

- a. be briefed on how management develops and summarizes interim financial information, the extent to which the external auditor review interim financial information;
- b. meet with management and the auditor, either telephonically or in person, to review the interim financial statements; and
- c. to gain insight into the fairness of the interim statements and disclosures, obtain explanations from management on whether:
 - i. actual financial results for the quarter or interim period varied significantly from budgeted or projected results;
 - ii. changes in financial ratios and relationships of various balance sheet and operating statement figures in the interim financial statements are consistent with changes in the company's operations and financing practices;
 - iii. generally accepted accounting principles (GAAP) have been consistently applied;
 - iv. there are any actual or proposed changes in accounting or financial reporting practices;
 - v. there are any significant or unusual events or transactions;
 - vi. the Company's financial and operating controls are functioning effectively;
 - vii. the Company has complied with the terms of loan agreements, security indentures or other financial position or results dependent agreement; and
 - viii. the interim financial statements contain adequate and appropriate disclosures.

Compliance with Laws and Regulations

- a. periodically obtain updates from management regarding compliance with certain laws, regulations and industry best practices;
- b. be satisfied that all regulatory compliance matters have been considered in the preparation of the financial statements; and
- c. review the findings of any examinations by securities regulatory authorities and stock exchanges.

Other Responsibilities

- a. review, with the Company's counsel, any legal matters that could have a significant impact on the Company's financial statements.
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STELLAR BIOTECHNOLOGIES, INC.

COMPENSATION COMMITTEE CHARTER

1. Charter.

This charter (this “Charter”) governs the operations of the Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of Stellar Biotechnologies, Inc. (the “Company”). The Committee shall review and reassess this Charter at least annually and recommend any proposed changes to the Board for approval.

2. Purpose of the Committee.

The purpose of the Committee is to discharge the Board’s responsibilities relating to compensation of the Company’s Chief Executive Officer (the “CEO”) and the Company’s other executive officers (collectively, including the CEO, the “Executive Officers”). The Committee has overall responsibility for approving and evaluating all compensation plans, policies and programs of the Company as such plans, policies and programs affect the Executive Officers.

3. Membership.

The Committee shall consist of a minimum of two directors, each of whom is independent from the management of the Company. At least two members of the Committee also shall qualify as “outside” directors within the meaning of Internal Revenue Code Section 162(m) and as “non-employee” directors within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”). The members of the Committee shall be appointed by the Board, which shall recommend for Committee membership such directors as it believes are qualified. Members of the Committee shall serve at the pleasure of the Board and shall serve for such term or terms as the Board may determine.

4. Meetings.

The Committee shall meet as often as it determines necessary in order to perform its responsibilities. The Committee shall meet separately from the Board; provided, however, the Committee may meet immediately before or after any meeting of the Board. The Committee may hold meetings at such times and locations as the Committee may determine.

The Committee shall report regularly to the Board regarding its actions and make recommendations to the Board as appropriate. The Committee is governed by the same rules regarding meetings (including meetings in person or by telephone or other similar communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board or as set forth in the Company’s bylaws. The Committee may request any officer or employee of the Company, the Company’s outside counsel or any other individual as the Committee deems appropriate to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee, and in all cases the CEO and any other such Executive Officers shall not be present at meetings at which their compensation or performance is discussed or determined.

5. Responsibilities and Authority.

The Committee shall have the following authority and responsibilities:

1. To review and approve annually the corporate goals and objectives applicable to the compensation of the CEO, evaluate at least annually the CEO’s performance in light of those goals and objectives, and determine and approve the CEO’s compensation level based on this evaluation. In determining the long-term incentive component of CEO compensation, the Committee may consider the Company’s performance and relative stockholder return, the value of similar incentive awards given to CEOs at comparable companies and the awards given to the Company’s CEO in past years. In evaluating and determining CEO compensation, the Committee shall consider the results of the most recent stockholder advisory vote on executive compensation (“Say on Pay Vote”) required by Section 14A of the Exchange Act. The CEO shall not be present during any Committee deliberations or voting with respect to his or her compensation.
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2. To approve the compensation of all other Executive Officers. In evaluating and determining executive compensation, the Committee shall consider the results of the most recent Say on Pay Vote.
 3. To review and approve, periodically and as and when appropriate, the following as they affect the Executive Officers: (a) all other incentive awards and opportunities, including both cash-based and equity-based awards and opportunities; (b) any employment agreements and severance arrangements or plans; (c) any change-in-control agreements and change-in-control provisions affecting any elements of compensation and benefits; and (d) any special or supplemental compensation and benefits for the Executive Officers and individuals who formerly served as Executive Officers, including supplemental retirement benefits and the perquisites provided to them during and after employment; which includes the ability to adopt, amend and terminate such opportunities, agreements, arrangements benefits, or plans.
 4. The Committee shall review, approve and, when appropriate, recommend to the Board for approval, all employee benefit plans for the Company, which includes the ability to adopt, amend and terminate such plans.
 5. If applicable to the requirements imposed on the Company by the Securities and Exchange Commission (the “Commission”), to review and discuss the Compensation Discussion and Analysis (the “CD&A”) required to be included in the Company’s proxy statement and annual report on Form 10-K by the rules and regulations of the Commission and the related executive compensation information with management, and, based on such review and discussion, determine whether or not to recommend to the Board that the CD&A be so included.
 6. To produce the annual Compensation Committee Report on executive officer compensation for inclusion in the Company’s proxy statement in compliance with the rules and regulations promulgated by the Commission.
 7. To oversee the Company’s compliance with Commission rules and regulations regarding shareholder approval of certain executive compensation matters and the requirement under the NASDAQ rules that, with limited exceptions, shareholders approve equity compensation plans, including, but not limited to, reviewing and recommending to the Board for approval the frequency with which the Company will conduct Say on Pay Votes, after taking into account the results of the most recent stockholder advisory vote on frequency of Say on Pay Votes required by Section 14A of the Exchange Act, and reviewing and approving the proposals regarding the Say on Pay Vote and the frequency of the Say on Pay Vote to be included in the Company’s proxy statement.
 8. To review the Company’s incentive compensation arrangements to determine whether they encourage excessive risk-taking, to review and discuss at least annually the relationship between risk management policies and practices and compensation, and to evaluate compensation policies and practices that could mitigate any such risk.
 9. To monitor the Company’s compliance with the requirements under the Sarbanes-Oxley Act of 2002 relating to loans to directors and officers, and with all other applicable laws affecting employee compensation and benefits.
 10. To receive periodic reports on the Company’s compensation programs as they affect all employees.
 11. Have the authority, in its sole discretion, to retain and terminate (or obtain the advice of) any adviser to assist it in the performance of its duties, but only after taking into consideration factors relevant to the adviser’s independence from management specified in NASDAQ Listing Rule 5605(d)(3). The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any adviser retained by the Committee, and shall have sole authority to approve the adviser’s fees and the other terms and conditions of the adviser’s retention. The Company must provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to any adviser retained by the Committee.
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6. Resources.

The Committee shall have the authority to delegate any of its responsibilities, along with the authority to take action in relation to such responsibilities, to one or more subcommittees as the Committee may deem appropriate in its sole discretion.

The Committee shall have the authority, in its sole discretion, to select, retain, terminate and obtain the advice of a any advisor, including compensation consultants and outside legal counsel, to assist with the execution of its duties and responsibilities as set forth in this Charter, but only after taking into consideration factors relevant to the adviser's independence from management specified in NASDAQ Listing Rule 5605(d)(3). The Committee shall also evaluate whether any compensation consultant retained or to be retained by it has any conflict of interest in accordance with Item 407(e)(3)(iv) of Regulation S-K.

The Committee shall be directly responsible for the appointment, compensation, and oversight of the work of any advisor retained by the Committee, and shall have sole authority to approve the adviser's fees and the other terms and conditions of the adviser's retention. The Committee shall receive appropriate funding from the Company, as determined by the Committee in its capacity as a committee of the Board, for the payment of reasonable compensation to its compensation consultants, outside legal counsel and any other advisors. However, the Committee shall not be required to implement or act consistently with the advice or recommendations of its compensation consultant, legal counsel or other advisor to the compensation committee, and the authority granted in this Charter shall not affect the ability or obligation of the Committee to exercise its own judgment in fulfillment of its duties under this Charter.

Adopted by the Board of Directors on June 3, 2014.

STELLAR BIOTECHNOLOGIES, INC.

NOMINATING AND CORPORATE GOVERNANCE COMMITTEE CHARTER

1. Charter.

This charter (this “Charter”) governs the operations of the Nominating and Corporate Governance Committee (the “Committee”) of the Board of Directors (the “Board”) of Stellar Biotechnologies, Inc. (the “Company”). The Committee shall review and reassess this Charter at least annually and recommend any proposed changes to the Board for approval.

2. Purpose of the Committee.

The purpose of the Committee is to (1) identify individuals qualified to become Board members; (2) recommend to the Board individuals to serve as directors of the Company; (3) advise the Board with respect to Board composition, procedures and committees; (4) develop, recommend to the Board and annually review a set of corporate governance principles applicable to the Company; and (5) oversee any related matters required by the federal securities laws.

3. Membership.

The Committee shall consist of a minimum of two directors, each of whom is independent from the management of the Company. The members of the Committee shall be appointed by the Board, which shall recommend for Committee membership such directors as it believes are qualified. Members of the Committee shall serve at the pleasure of the Board and shall serve and for such term or terms as the Board may determine.

4. Meetings.

The Committee shall meet as often as it determines necessary in order to perform its responsibilities. The Committee shall meet separately from the Board; provided, however, the Committee may meet immediately before or after any meeting of the Board. The Committee may hold meetings at such times and locations as the Committee may determine.

The Committee shall report regularly to the Board regarding its actions and make recommendations to the Board as appropriate. The Committee is governed by the same rules regarding meetings (including meetings in person or by telephone or other similar communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board or at set forth in the Company’s bylaws. The Committee may request any officer or employee of the Company, the Company’s outside counsel or any other individual as the Committee deems appropriate to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

5. Responsibilities and Authority.

The Committee shall have the following authority and responsibilities:

Oversight of Composition and Function of the Board and Committees

1. To determine the qualifications, qualities, skills, and other expertise required to be a director and to develop, and recommend to the Board for its approval, criteria to be considered in selecting nominees for director. Such criteria shall include the possession of such knowledge, experience, skills, expertise and diversity so as to enhance the Board’s ability to manage and direct the affairs and business of the Company, including, when applicable, to enhance the ability of committees of the Board to fulfill their duties and/or to satisfy any independence requirements imposed by law, regulation or NASDAQ listing standards.
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2. To identify, attract and screen individuals qualified to become members of the Board and to review potential nominees proposed by management, stockholders or others, consistent with the criteria approved by the Committee and/or the Board. The Committee shall consider any director candidates recommended by the Company's stockholders pursuant to the procedures set forth in the Company's corporate governance guidelines or such similar policies, and as described in the Company's proxy statement.
3. To make recommendations to the Board regarding the selection and approval of the nominees for director to be submitted to a stockholder vote at the annual meeting of stockholders or for appointment by the Board, as the case may be, pursuant to the Company's bylaws, which recommendations shall be consistent with the Board's criteria for selecting new directors.
4. If a vacancy on the Board occurs, to identify and make recommendations to the Board regarding the selection and approval of candidates to fill such vacancy either by election by stockholders or appointment by the Board.
5. To review periodically the size of the Board and to recommend to the Board any appropriate changes, giving consideration to changing circumstances of the Company and the then current Board membership.
6. To oversee the evaluation of the Board as a whole and its committees and to make recommendations for any changes, including the creation and elimination of committees. The Committee shall establish procedures to allow it to exercise this oversight function.

Corporate Governance

7. To develop and recommend to the Board a set of corporate governance guidelines applicable to the Company; to review these principles at least once a year and to recommend any changes to the Board; and to oversee the Company's corporate governance practices and procedures, including reviewing and recommending to the Board for approval any changes to the other documents and policies in the Company's corporate governance framework.
 8. To consider corporate governance issues as well as issues related to corporate social responsibility and sustainability that may arise from time to time, and make recommendations to the Board as appropriate.
 9. To develop and recommend to the Board for approval a Company Code of Ethics; to monitor compliance with the Code of Ethics; to investigate any alleged breach or violation of the Code of Ethics; to enforce the provisions of the Code of Ethics; and to review the Code of Ethics periodically and recommend any changes to the Board.
 10. Assist the Board in making determinations of independence of directors by developing, periodically reviewing and making recommendations to the Board regarding standards to be applied in making determinations as to the absence of material relationships between the Company and a director.
 11. To monitor from time to time outside activities of and consider questions of possible conflicts of interest of directors and senior executives.
 12. To review and evaluate, with the Company's management, the Company's governance-related risks and risk management practices and make recommendations, as necessary, regarding any proposed changes to the Board.
 13. To consider any other corporate governance issues that arise from time to time, and to develop appropriate recommendations for the Board.
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6. Resources.

The Committee shall have the authority to delegate any of its responsibilities, along with the authority to take action in relation to such responsibilities, to one or more subcommittees as the Committee may deem appropriate in its sole discretion.

The Committee shall have the authority, in its sole discretion, to select, retain and obtain the advice of a director search firm as necessary to assist with the execution of its duties and responsibilities as set forth in this Charter. The Committee shall set the compensation, and oversee the work, of the director search firm. The Committee shall have the authority, in its sole discretion, to retain and obtain the advice and assistance of outside counsel and such other advisors as it deems necessary to fulfill its duties and responsibilities under this Charter. The Committee shall set the compensation, and oversee the work, of its outside counsel and other advisors. The Committee shall receive appropriate funding from the Company, as determined by the Committee in its capacity as a committee of the Board, for the payment of compensation to its consultants, outside counsel and any other advisors.

Adopted by the Board of Directors on June 3, 2014.

STELLAR BIOTECHNOLOGIES, INC.

CODE OF ETHICS AND BUSINESS CONDUCT

As Adopted by the Board on June 3, 2014

1. Introduction.

The Board of Directors (the "Board") of Stellar Biotechnologies, Inc. (together with its subsidiaries, the "Company") has adopted this Code of Ethics and Business Conduct (the "Code"), which is applicable to all directors, officers and employees of the Company. The purpose of this Code is to:

- (a) promote honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) promote the full, fair, accurate, timely and understandable disclosure in reports and documents that the Company files with, or submits to, the U.S. Securities and Exchange Commission (the "SEC") or to the TSX Venture Exchange ("TSX-V"), and in all other public communications made by the Company;
- (c) promote compliance with applicable governmental laws, rules and regulations of both the United States and Canada;
- (d) promote fair dealing practices;
- (e) deter wrongdoing;
- (f) require prompt internal reporting of violations of the Code to an appropriate person or persons identified in this Code; and
- (g) require accountability for adherence to this Code.

All directors, officers and employees are required to be familiar with the Code, comply with its provisions and report any suspected violations as described below in Section 13, "Reporting and Enforcement."

This Code may be amended only by unanimous resolution of the Board.

2. Honest, Ethical and Fair Conduct.

The Company's policy is to promote high standards of integrity by conducting its affairs honestly and ethically.

Each director, officer and employee of the Company must act with integrity and observe the highest ethical standards of business conduct in his or her dealings with the Company's customers, suppliers, partners, service providers, competitors, employees and anyone else with whom he or she has contact in the course of performing his or her job.

Each director, officer and employee must:

- (a) Act with integrity, including being honest and candid while still maintaining the confidentiality of information relating to the affairs of the Company.
-

- (b) Safeguard the confidentiality of information relating to the affairs of the Company acquired in the course of their service as directors, officers and employees, by keeping it secure, limiting access to those who have a need to know in order to do their job, and avoiding discussion of confidential information in public areas. The obligation to preserve the Company's confidential information is ongoing, even after service to the Company ends.
- (c) Observe all applicable governmental laws, rules and regulations.
- (d) Comply with the requirements of applicable accounting and auditing standards, as well as Company policies, in the maintenance of a high standard of accuracy and completeness in the Company's financial records and other business-related information and data.
- (e) Adhere to a high standard of business ethics and not seek competitive advantage through unlawful or unethical business practices.
- (f) Deal fairly with the Company's customers, suppliers, competitors and employees.
- (g) Refrain from taking advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair-dealing practice.
- (h) Protect the assets of the Company and ensure their proper use.
- (i) Refrain from taking for themselves personally opportunities that are discovered through the use of corporate assets or using corporate assets, confidential information or position for general personal gain outside the scope of employment with the Company.

3. Conflicts of Interest.

3.1 A conflict of interest occurs when an individual's private interest (or the interest of a member of his or her family) interferes, or even appears to interfere, with the interests of the Company as a whole. A conflict of interest can arise when an employee, officer or director (or a member of his or her family) takes actions or has interests that may make it difficult to perform his or her work for the Company objectively and effectively. Conflicts of interest also arise when an employee, officer or director (or a member of his or her family) receives improper personal benefits as a result of his or her position in the Company.

Examples of conflict of interest situations include, but are not limited to, the following:

- any significant ownership interest in any supplier or customer;
- any consulting or employment relationship with any customer, supplier or competitor;
- any outside business activity that detracts from an individual's ability to devote appropriate time and attention to his or her responsibilities with the Company;
- the receipt of any money, non-nominal gifts or excessive entertainment from any company with which the Company has current or prospective business dealings;

- being in the position of supervising, reviewing or having any influence on the job evaluation, pay or benefit of any close relative;
- selling anything to the Company or buying anything from the Company, except on the same terms and conditions as comparable officers or directors are permitted to so purchase or sell; and
- any other circumstance, event, relationship or situation in which the personal interest of a person subject to this Code interferes – or even appears to interfere – with the interests of the Company as a whole.

3.2 Loans by the Company to, or guarantees by the Company of obligations of, employees or their family members are of special concern and could constitute improper personal benefits to the recipients of such loans or guarantees, depending on the facts and circumstances. Loans by the Company to, or guarantees by the Company of obligations of, any director or executive officer are expressly prohibited.

3.3 Whether or not a conflict of interest exists or will exist can be unclear. Conflicts of interest should be avoided unless specifically authorized as described in this Section. Persons other than directors and executive officers who have questions about a potential conflict of interest or who become aware of an actual or potential conflict should discuss the matter with, and seek a determination and prior authorization or approval from, their supervisor or the Company's Chief Financial Officer. A supervisor may not authorize or approve conflict of interest matters or make determinations as to whether a problematic conflict of interest exists without first providing the Chief Financial Officer with a written description of the activity and seeking the Chief Financial Officer's written approval. If the supervisor is himself involved in the potential or actual conflict, the matter should instead be discussed directly with the Chief Financial Officer. Directors and executive officers must seek determinations and prior authorizations or approvals of potential conflicts of interest exclusively from the Audit Committee of the Board (the "Audit Committee").

4. Compliance.

4.1 Employees, officers and directors should comply, both in letter and spirit, with all applicable laws, rules and regulations in the cities, states and countries in which the Company operates.

4.2 Although not all employees, officers and directors are expected to know the details of all applicable laws, rules and regulations, it is important to know enough to determine when to seek advice from appropriate personnel. Questions about compliance should be addressed to the Chief Financial Officer.

5. Disclosure.

5.1 The Company strives to ensure that the contents of and the disclosures in the reports and documents that the Company files with the SEC and TSX-V, and all other public communications shall be full, fair, accurate, timely and understandable in accordance with applicable disclosure standards, including standards of materiality, where appropriate. Each person must:

- (a) not knowingly misrepresent, or cause others to misrepresent, facts about the Company to others, whether within or outside the Company, including to the Company's independent auditors, governmental regulators, self-regulating organizations and other governmental officials, as appropriate; and

(b) in relation to his or her area of responsibility, properly review and critically analyze proposed disclosure for accuracy and completeness.

5.2 Each director, officer and employee who contributes in any way to the preparation or verification of the Company's financial statements and other financial information must ensure that the Company's books, records and accounts are accurately maintained. Each director, officer and employee must cooperate fully with the Company's accounting and internal audit departments, as well as the Company's independent public accountants and counsel.

5.3 Each director, officer and employee who is involved in the Company's disclosure process must:

(a) be familiar with and comply with the Company's disclosure controls and procedures and its internal control over financial reporting; and

(b) take all necessary steps to ensure that all filings with the SEC, the TSX-V, and all other public communications about the financial and business condition of the Company provide full, fair, accurate, timely and understandable disclosure.

5.4 Each person must promptly bring to the attention of the Chairman of the Audit Committee any information he or she may have concerning (a) significant deficiencies in the design or operation of internal and/or disclosure controls which could adversely affect the Company's ability to record, process, summarize and report financial data, or (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's financial reporting, disclosures or internal controls.

6. Confidentiality.

Directors, officers and employees should maintain the confidentiality of information entrusted to them by the Company or by its customers, suppliers or partners, except when disclosure is expressly authorized or legally required. Confidential information includes all non-public information (regardless of its source) that might be of use to the Company's competitors or harmful to the Company or its customers, suppliers or partners if disclosed.

7. Fair Dealing.

Each director, officer and employee must deal fairly with the Company's customers, suppliers, partners, service providers, competitors, employees and anyone else with whom he or she has contact in the course of performing his or her job. No director, officer or employee may take unfair advantage of anyone through manipulation, concealment, abuse or privileged information, misrepresentation of facts or any other unfair dealing practice.

8. Competitors.

Directors, officers and employees are not permitted to discuss prices or make formal or informal arrangements with any competitor regarding prices, discounts, business terms, or market segments and channels in which the Company competes where the purpose or result of such discussion or agreement would be inconsistent with applicable antitrust laws.

9. Insider Trading.

Directors, officers, and employees who have access to confidential information relating to the Company are not permitted to use or share that information for stock trading purposes or for any other purpose except the conduct of the Company's business. All non-public information about the Company should be considered confidential information. To use non-public information for personal financial benefit or to "tip" others who might make an investment decision on the basis of this information is not only unethical and against Company policy, it is also illegal.

Insider trading rules are strictly enforced, even in instances when the financial transactions seem small. The Company's Insider Trading Policy governs trading in securities of the Company, and all directors, officers and employees are expected to review and following the Policy. Under this Policy, directors, officers, and employees are subject to certain trading blackout periods which will normally be instituted by the Chief Executive Officer or Chief Financial Officer. If a question arises regarding the Company's Insider Trading Policy, the director, officer, or employee should consult with the Company's Chief Financial Officer who serves as the Compliance Officer for purposes of the policy.

10. Payments to Government Personnel.

Many federal, state and foreign jurisdictions have certain rules governing payments to government personnel.

For example, the U.S. Foreign Corrupt Practices Act prohibits giving anything of value, directly or indirectly, to officials of foreign governments or foreign political candidates in order to obtain or retain business. Under the Act, it is strictly prohibited to make illegal payments to government officials of any country.

Further, the U.S. government has a number of laws and regulations regarding business gratuities that may be accepted by U.S. government personnel. The promise, offer, or delivery to an official or employee of the U.S. government of a gift, favor, or other gratuity in violation of these rules would not only violate Company policy but could also be a criminal offense.

11. Discrimination and Harassment.

The Company provides equal opportunities in all aspects of employment and does not tolerate any illegal discrimination or harassment of any kind.

12. Health and Safety.

The Company desires to provide a clean, safe and healthy work environment to all employees. Each person to whom this Code applies is responsible for maintaining a safe and healthy workplace by following safety and health rules and practices and reporting accidents, injuries and unsafe conditions, procedures, or behaviors.

13. Reporting and Enforcement.

13.1 The Board and the Audit Committee are responsible for applying this Code to specific situations in which questions are presented to either the Board or Audit Committee, and have the authority to interpret this Code in any particular situation. Any person who becomes aware of any existing or potential breach of this Code is required to notify the Chairman of the Board and the Chairman of the Audit Committee promptly. Failure to do so is itself a breach of this Code.

Specifically, each person must:

- (a) notify the Chairman of the Board and the Chairman of the Audit Committee promptly of any existing or potential violation of this Code; and
- (b) not retaliate against any other person for reports of potential violations that are made in good faith.

All directors, officers and employees are expected to cooperate in any internal investigation of misconduct.

13.2 The Company will follow the following procedures in investigating and enforcing this Code and in reporting on the Code:

- (a) The Audit Committee will promptly take all appropriate action to investigate any violations reported to it.
- (b) If, after investigating a report of an alleged prohibited action by a director, executive officer, or employee, the Audit Committee determines that a violation of this Code has occurred, it will report such determination to the Board.
- (c) Upon being notified that a violation of this Code has occurred, the Board (by majority decision of members disinterested in the matter) will take or authorize such disciplinary or preventive action as it deems appropriate, after consultation with the Audit Committee and/or legal counsel, including, but not limited to, reassignment, demotion, dismissal and, in the event of criminal conduct or other serious violations of the law, notification of appropriate governmental authorities.

13.3 No person following the above procedure shall, as a result of following such procedure, be subject by the Company or any officer or employee thereof to discharge, demotion suspension, threat, harassment or, in any manner, discrimination against such person in terms and conditions of employment.

14. Waivers and Amendments.

Any waiver or an implicit waiver from a provision of this Code for a director, the Company's principal executive officer, principal financial officer, principal accounting officer or controller, and persons performing similar functions, or any amendment to this Code shall be disclosed as required by the SEC and NASDAQ rules.

A "waiver" means the approval by the entire Board of a material departure from a provision of the Code. An "implicit waiver" means the Company's failure to take action within a reasonable period of time regarding a material departure from a provision of the Code that has been made known to a director or an executive officer of the Company. An "amendment" means any amendment to this Code other than minor technical, administrative or other non-substantive amendments hereto.

All persons should note that it is not the Company's intention to grant or to permit waivers from the requirements of this Code. The Company expects full compliance with this Code.

15. Other Policies and Procedures.

Any other policy or procedure set out by the Company in writing or made generally known to employees, officers or directors of the Company prior to the date hereof or hereafter are separate requirements and remain in full force and effect.

16. Inquiries.

All inquiries and questions in relation to this Code or its applicability to particular people or situations should be addressed to the Company's Chief Financial officer.

17. Annual Certification.

Directors, officers and employees are required to annually sign a confirmation that they have read and will comply with this Code.

**STELLAR BIOTECHNOLOGIES, INC.
CODE OF ETHICS AND BUSINESS CONDUCT**

ACKNOWLEDGEMENT OF RECEIPT AND REVIEW

I acknowledge that I have received and read a copy of the Code of Ethics and Business Conduct (the "Code") of **Stellar Biotechnologies, Inc.** I understand the contents of the Code and I agree to comply with the policies and procedures set out in the Code.

I understand that I should approach the Chief Financial Officer if I have any questions about the Code generally or any questions about reporting a suspected conflict of interest or other violation of the Code.

By signing this acknowledgement I am indicating that I have read and will abide by the Code of **Stellar Biotechnologies, Inc.**

DATED this _____ day of _____, 2014.

Signature

Name (Please Print)

STELLAR BIOTECHNOLOGIES, INC.

INSIDER TRADING POLICY

As Adopted by the Board on June 3, 2014

The following Insider Trading Policy (“**Policy**”) has been approved by the Board of Directors (the “**Board**”) of STELLAR BIOTECHNOLOGIES, INC. (together with its subsidiaries, the “**Company**”).

1. PURPOSE OF THE POLICY.

This Policy provides guidelines with respect to transactions in the Company’s securities and the handling of confidential information about the Company and the companies with which the Company does business. The Company’s Board has adopted this Policy to promote compliance with federal, state and foreign securities laws that prohibit certain persons who are aware of material nonpublic information about a company from: (i) trading in securities of that company; or (ii) providing material nonpublic information to other persons who may trade on the basis of that information.

2. TRANSACTIONS SUBJECT TO THE POLICY.

This Policy applies to transactions in the Company’s securities (collectively referred to in this Policy as “**Company Securities**”), including the Company’s common stock, options to purchase common stock, or any other type of securities that the Company may issue, including (but not limited to) preferred stock, convertible debentures and warrants, as well as derivative securities that are not issued by the Company, such as exchange-traded put or call options or swaps relating to the Company’s Securities.

Definition of Material Information. U.S. and Canadian securities laws prohibit “**insider trading**” and impose restrictions on the trading of shares or other securities issued by the Company by individuals who are in possession of undisclosed “**Material Information**” relating to the Company. Information is considered “material” if a reasonable investor would consider that information important in making a decision to buy, hold or sell securities. Any information that could be expected to affect the Company’s stock price, whether it is positive or negative, should be considered material. Material Information is any “**Material Fact**” and/or “**Material Change**” in respect of the Company. A “**Material Change**” in relation to the Company means a change in the business, operations or capital of the Company that would reasonably be expected to have a significant effect on the market price of the Company’s shares or a decision to implement such a change having been made by the Board or by senior management who believe that confirmation of such by the Board is probable. A “**Material Fact**” in relation to the Company means a fact that would reasonably be expected to have a significant effect on the market price of the Company’s shares. There is no bright-line standard for assessing materiality; rather, materiality is based on an assessment of all of the facts and circumstances, and is often evaluated by enforcement authorities with the benefit of hindsight. While it is not possible to define all categories of material information, some examples of information that ordinarily would be regarded as material are:

- Projections of future earnings or losses, or other earnings guidance;
 - Changes to previously announced earnings guidance, or the decision to suspend earnings guidance;
 - A pending or proposed merger, acquisition or tender offer;
-

- A pending or proposed acquisition or disposition of a significant asset;
- A pending or proposed joint venture;
- Determination of significant research or clinical results
- A Company restructuring;
- Significant related party transactions;
- A change in dividend policy, the declaration of a stock split, or an offering of additional securities;
- Bank borrowings or other financing transactions out of the ordinary course;
- The establishment of a repurchase program for the Company Securities;
- A change in the Company's pricing or cost structure;
- Major marketing changes;
- A change in management;
- A change in auditors or notification that the auditor's reports may no longer be relied upon;
- Development of a significant new product, process, or service;
- Pending or threatened significant litigation, or the resolution of such litigation;
- Impending bankruptcy or the existence of severe liquidity problems;
- The gain or loss of a significant customer or supplier;
- The imposition of a ban on trading in Company Securities or the securities of another company.

When Information is Considered Public. Information that has not been disclosed to the public is generally considered to be nonpublic information. In order to establish that the information has been disclosed to the public, it may be necessary to demonstrate that the information has been widely disseminated. Information generally would be considered widely disseminated if it has been disclosed through the Dow Jones "broad tape," newswire services, a broadcast on widely-available radio or television programs, publication in a widely-available newspaper, magazine or news website, or public disclosure documents filed with the appropriate regulatory body that are available on the SEC or SEDAR website. By contrast, information would likely not be considered widely disseminated if it is available only to the Company's employees, or if it is only available to a select group of analysts, brokers and institutional investors. Once information is widely disseminated, it is still necessary to afford the investing public with sufficient time to absorb the information. As a general rule, information should not be considered fully absorbed by the marketplace until after the second business day after the day on which the information is released. If, for example, the Company were to make an announcement on a Monday, insiders should not effect trades in Company Securities until Thursday. Depending on the particular circumstances, the Company may determine that a longer or shorter period should apply to the release of specific Material Information.

The purpose of this Policy is to ensure that persons having knowledge of Material Information not generally disclosed to the public do not take advantage of such information through trading in Company Securities or in the securities of other corporations whose price would be affected by such undisclosed Material Information. This Policy is also intended to ensure that the Company's directors, officers and employees act, and are perceived to act, in accordance with applicable laws and the highest standards of ethical and professional behavior.

This Policy is not intended to provide an in-depth legal analysis of insider trading rules but rather to serve as a guideline for the purpose of limiting the possibility of illegal or inappropriate use of undisclosed Material Information regarding the Company. The onus of complying with this Policy and the relevant insider trading and other securities legislation lies with each individual director, officer and employee of the Company and its subsidiaries, each of whom is expected to be familiar with this Policy and applicable securities legislation and to comply fully with them. An employee who violates this Policy may face disciplinary action up to and including termination of his or her employment. A breach of this Policy may also violate certain securities laws.

3. PERSONS SUBJECT TO THE POLICY.

This Policy applies to all directors, officers and employees of the Company and of its affiliates (including subsidiaries) or associates of such persons, and to any other person who may be in possession of, or have access to confidential Material Information regarding the Company. For the purposes of this Policy, the term "**employee**" includes all permanent, contract, secondment and temporary agency employees who are on long-term assignments with the Company, as well as to consultants to the Company. This Policy also applies to family members, other members of a person's household and entities controlled by a person covered by this Policy, as described below.

An associate of a person includes any company of which such person beneficially owns greater than 10% of the issued voting shares, any partner of the person and any relative of the person who resides in the same home as that person.

4. ADMINISTRATION OF THE POLICY.

The Chief Financial Officer shall serve as the Compliance Officer for the purposes of this Policy. All determinations and interpretations by the Compliance Officer shall be final and not subject to further review.

5. STATEMENT OF POLICY.

It is the policy of the Company that no director, officer or employee of the Company (or any other person designated by this Policy or by the Compliance Officer as subject to this Policy) who is aware of Material Information relating to the Company may, directly, or indirectly through family members or other persons or entities:

1. Engage in transactions in Company Securities, except as otherwise specified in this Policy;
2. Recommend the purchase or sale of any of the Company Securities;
3. Disclose Material Information to persons within the Company whose jobs do not require them to have that information, or outside of the Company to other persons, including, but not limited to, family, friends, business associates, investors and expert consulting firms, unless any such disclosure is made in accordance with the Company's policies regarding the protection or authorized external disclosure of information regarding the Company;
or

4. Assist anyone engaged in the above activities.

In addition, it is the policy of the Company that no director, officer or employee of the Company (or any other person designated as subject to this Policy) who, in the course of working for the Company, learns of Material Information about a company with which the Company does business, including a customer or supplier of the Company, may trade in that company's securities until the information becomes public or is no longer material.

There are no exceptions to this Policy, except as specifically noted herein. Transactions that may be necessary or justifiable for independent reasons (such as the need to raise money for an emergency expenditure), or small transactions, are not excepted from this Policy. The securities laws do not recognize any mitigating circumstances, and, in any event, even the appearance of an improper transaction must be avoided to preserve the Company's reputation for adhering to the highest standards of conduct.

6. TRADING PROCEDURES FOR DIRECTORS, OFFICERS AND EMPLOYEES.

In order to prevent insider trading violations, the following procedures must be followed by all directors, officers and employees of the Company or any of its affiliates (including subsidiaries) or associates:

(a) General Prohibition Against Using Undisclosed Material Information: All directors, officers and employees of the Company who have knowledge of undisclosed Material Information relating to the Company or its business are expressly prohibited from buying or selling, exercising options to buy or sell or "tipping" someone else to buy or sell (or not to buy or sell), Company Securities unless and until such information has been publicly disclosed and disseminated. If this undisclosed Material Information relates to any other company with which the Company is negotiating or doing business, you may not trade in the securities of such company on the basis of such information, nor may you communicate such information to others.

(b) Family Members and Others: This prohibition applies to family members who reside with you (including a spouse, a child, a child away at college, stepchildren, grandchildren, parents, stepparents, grandparents, siblings and in-laws), anyone else who lives in your household and any family members who do not live in your household but whose transactions in Company Securities are directed by you or are subject to your influence or control, such as parents or children who consult with you before they trade in Company Securities (collectively referred to as "**Family Members**"). You are responsible for the transactions of these other persons and therefore should make them aware of the need to confer with you before they trade in Company Securities, and you should treat all such transactions for the purposes of this Policy and applicable securities laws as if the transactions were for your own account. This Policy does not, however, apply to personal securities transactions of Family Members where the purchase or sale decision is made by a third party not controlled by, influenced by or related to you or your Family Members.

(c) Transactions by Entities that You Influence or Control: This Policy applies to any entities that you influence or control, including any corporations, partnerships or trusts (collectively referred to as "**Controlled Entities**"), and transactions by these Controlled Entities should be treated for the purposes of this Policy and applicable securities laws as if they were for your own account.

(d) Pre-Clearance Procedures: The persons designated by the Compliance Officer as being subject to these procedures, as well as the Family Members and Controlled Entities of such persons, may not engage in any transaction in Company Securities without first obtaining pre-clearance of the transaction from the Compliance Officer. A request for pre-clearance should be submitted to the Compliance Officer at least two business days in advance of the proposed transaction. The Compliance Officer is under no obligation to approve a transaction submitted for pre-clearance, and may determine not to permit the transaction. If a person seeks pre-clearance and permission to engage in the transaction is denied, then he or she should refrain from initiating any transaction in Company Securities, and should not inform any other person of the restriction.

When a request for pre-clearance is made, the requestor should carefully consider whether he or she may be aware of any Material Information about the Company, and should describe fully those circumstances to the Compliance Officer. The requestor should also indicate whether he or she has effected any non-exempt “opposite-way” transactions within the past six months, and should be prepared to report the proposed transaction on an appropriate Form 4 or Form 5 with the U.S. Securities and Exchange Commission. The requestor should also be prepared to comply with Rule 144 of the U.S. Securities and Exchange Commission and file Form 144, if necessary, at the time of any sale.

(e) Blackout Periods: Directors, officers and employees of the Company who have access to undisclosed Material Information relating to the Company or its business in the normal performance of their duties are subject to “**blackout periods**” during which they will be prohibited from trading in Company Securities. A blackout period will normally be instituted by the Chief Executive Officer, Chief Financial Officer, or other designated Company spokesperson through a communication, in most instances by email, to those affected. Once notified of the existence of a Blackout Period, except as noted above, you and your Family Members may not trade in the Company Securities until you have been notified that the Blackout Period has been terminated. All directors, officers and employees who are made aware of a “**blackout period**” are prohibited from communicating (“**tipping**”) internally or externally to anyone else that the Company is subject to a “**blackout period**.” Exceptions to the prohibition against trading during “**blackout periods**” may only be made with the prior approval of the Compliance Officer after consultation with legal counsel and such exceptions are not common.

(f) Quarterly Trading Restrictions: The persons designated by the Compliance Officer as subject to this restriction, as well as their Family Members or Controlled Entities, may not conduct any transactions involving the Company’s Securities (other than as specified by this Policy), during a “blackout period” beginning on a date that is three calendar weeks prior to the end of each fiscal quarter and ending on the third business day following the date of the public release of the Company’s earnings results for that quarter.

(g) Trading In General: No director, officer or employee of the Company, as well as their Family Members or Controlled Entities, shall trade in securities of the Company without first checking with the Chief Executive Officer or Chief Financial Officer to see if a blackout period is in effect.

7. MAINTAINING CONFIDENTIALITY.

Persons subject to this Policy have ethical and legal obligations to maintain the confidentiality of information about the Company and to not engage in transactions in Company Securities while in possession of Material Information. Each individual is responsible for making sure that he or she complies with this Policy, and that any Family Member, household member or Controlled Entity whose transactions are subject to this Policy also comply with this Policy. Any director, officer or employee privy to Material Information is prohibited from communicating such information to anyone else, unless it is necessary to do so in the course of business. Efforts will be made to limit access to such confidential information to only those who need to know the information and such persons will be advised that the information is to be kept confidential. In all cases, the responsibility for determining whether an individual is in possession of Material Information rests with that individual, and any action on the part of the Company, the Compliance Officer or any other employee or director pursuant to this Policy (or otherwise) does not in any way constitute legal advice or insulate an individual from liability under applicable securities laws. You could be subject to severe legal penalties and disciplinary action by the Company for any conduct prohibited by this Policy or applicable securities laws, as described below in more detail under the heading "Consequences of Violations."

Communication by e-mail leaves a physical track of its passage that may be subject to later decryption attempts. All confidential Material Information being transmitted over the Internet must be secured by the strongest encryption and validation methods reasonably available. When possible, efforts should be made to avoid using e-mail to transmit confidential Material Information.

Outside parties privy to undisclosed Material Information concerning the Company will be told that they must not divulge such information to anyone else, other than in the necessary course of business and that they may not trade in the Company Securities until the information is publicly disclosed. Such outside parties will confirm their commitment to non-disclosure in the form of a written confidentiality agreement.

In order to prevent the misuse or inadvertent disclosure of confidential Material Information, the procedures set forth below should be observed at all times:

(a) Documents and files containing confidential Material Information should be kept in a safe place to which access is restricted to individuals who "need to know" that information in the necessary course of business and code names should be used if necessary.

(b) Confidential matters should not be disclosed in places where the discussion may be overheard, such as elevators, hallways, restaurants, airplanes or taxis.

(c) Confidential documents should not be read or displayed in public places and should not be discarded in a manner that others can retrieve them.

(d) Directors, officers and employees must ensure they maintain the confidentiality of information in their possession outside of the office as well as inside the office.

(e) Transmission of documents by electronic means, such as by fax or directly from one computer to another, should be made only where it is reasonable to believe that the transmission can be made and received under secure conditions.

(f) Unnecessary copying of confidential documents should be avoided and documents containing confidential material Information should be promptly removed from conference rooms and work areas after meetings have concluded. Extra copies of confidential documents should be shredded or otherwise destroyed.

(g) Access to confidential electronic data should be restricted through the use of passwords.

8. CONSEQUENCES OF VIOLATIONS. The purchase or sale of Company Securities while aware of nonpublic Material Information, or the disclosure of Material Information to others who then trade in the Company's Securities, is prohibited by federal, state and foreign securities laws. Insider trading violations are pursued vigorously by federal, state, and foreign jurisdictions, including, notably, the U.S. Securities and Exchange Commission. Punishment for insider trading violations is severe, and could include significant fines and imprisonment. While the regulatory authorities concentrate their efforts on the individuals who trade, or who "tip" inside information to others who trade, the federal securities laws also impose potential liability on companies and other "controlling persons" if they fail to take reasonable steps to prevent insider trading by company personnel.

In addition, an individual's failure to comply with this Policy may subject the individual to Company-imposed sanctions, including dismissal for cause, whether or not the employee's failure to comply results in a violation of law. Needless to say, a violation of law, or even an investigation by a government regulatory body that does not result in prosecution, can tarnish a person's reputation and irreparably damage a career.

9. CERTIFICATION. All persons subject to this Policy must certify their understanding of, and intent to comply with, this Policy.

SCHEDULE "A"
INSIDER TRADING POLICY

ACKNOWLEDGEMENT

The undersigned acknowledges having read the Insider Trading Policy of **STELLAR BIOTECHNOLOGIES, INC.** dated _____, 2014 and agrees to comply with such Policy in all respects. The undersigned further acknowledges that all members of the undersigned's family, all other persons who live with the undersigned and all holding companies and other related entities of the undersigned and all persons or companies acting on behalf of or at the request of any of the foregoing are also expected to comply with such Policy.

The undersigned acknowledges that he or she will continue to comply with the Policy for as long as he or she is subject to the Policy, and that any violation of such Policy may constitute grounds for immediate suspension or dismissal.

DATED this _____ day of _____, 2014.

Signature

Name (Please Print)

Schedule A-1