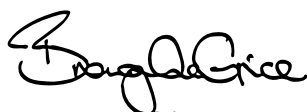


ASX Market Announcements
ASX Limited
Level 4
North Tower, Rialto
525 Collins Street
Melbourne VIC 3000

INTERIM CONSOLIDATED FINANCIAL REPORT – INVESTOR PRESENTATION

Attached is an investor presentation prepared to accompany Adherium's Interim Report for the period ended 31 December 2015. The presentation will be used in meetings with Shareholders over the coming days.

Yours faithfully



Bronwyn Le Grice

Joint Company Secretary

ASX: ADR**ABN**

24 605 352 510

Company Overview

Adherium is a global leader in digital health technologies which address sub optimal medication use in chronic disease.

Directors

Dr J Doug Wilson (Chair)
Mr Garth Sutherland (Group CEO)
Prof. John Mills
Mr Jeremy Curnock Cook
Mr Bruce McHarrie
Mr Bryan Mogridge
Dr Bill Hunter

Joint Company Secretaries

Mr Rob Turnbull
Ms Bronwyn Le Grice

Registered Office

Level 12, 15 William Street
Melbourne VIC 3000
Australia

NZ Office

Level 2, 204 Quay Street
Auckland 1010
New Zealand

Investor Relations Contact

Ms Bronwyn Le Grice
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Websites

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www.adherium.com



Adherium®

Investor Presentation

March 2016



Forward Looking Statement



The following material is of a general nature and has only been prepared as a presentation aid. This presentation does NOT contain all of the information that may be required for evaluating Adherium Limited ACN 605 352 510 (**Adherium®**), its assets, prospects or potential opportunities.

This presentation may contain budget information, forecasts and forward looking statements in respect of which there is NO guarantee of future performance and which of themselves involve significant risks (both known and unknown). Actual results and future outcomes will in all likelihood differ from those outlined herein.

Forward-looking statements are statements that are not historical facts. Words such as “expect(s)”, “feel(s)”, “believe(s)”, “will”, “may”, “anticipate(s)” and similar expressions are intended to identify forward-looking statements. These statements include, but are not limited to, statements regarding future results, regulatory approvals, production targets, sales, staffing levels etc. All of such statements are subject to risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Company, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements.

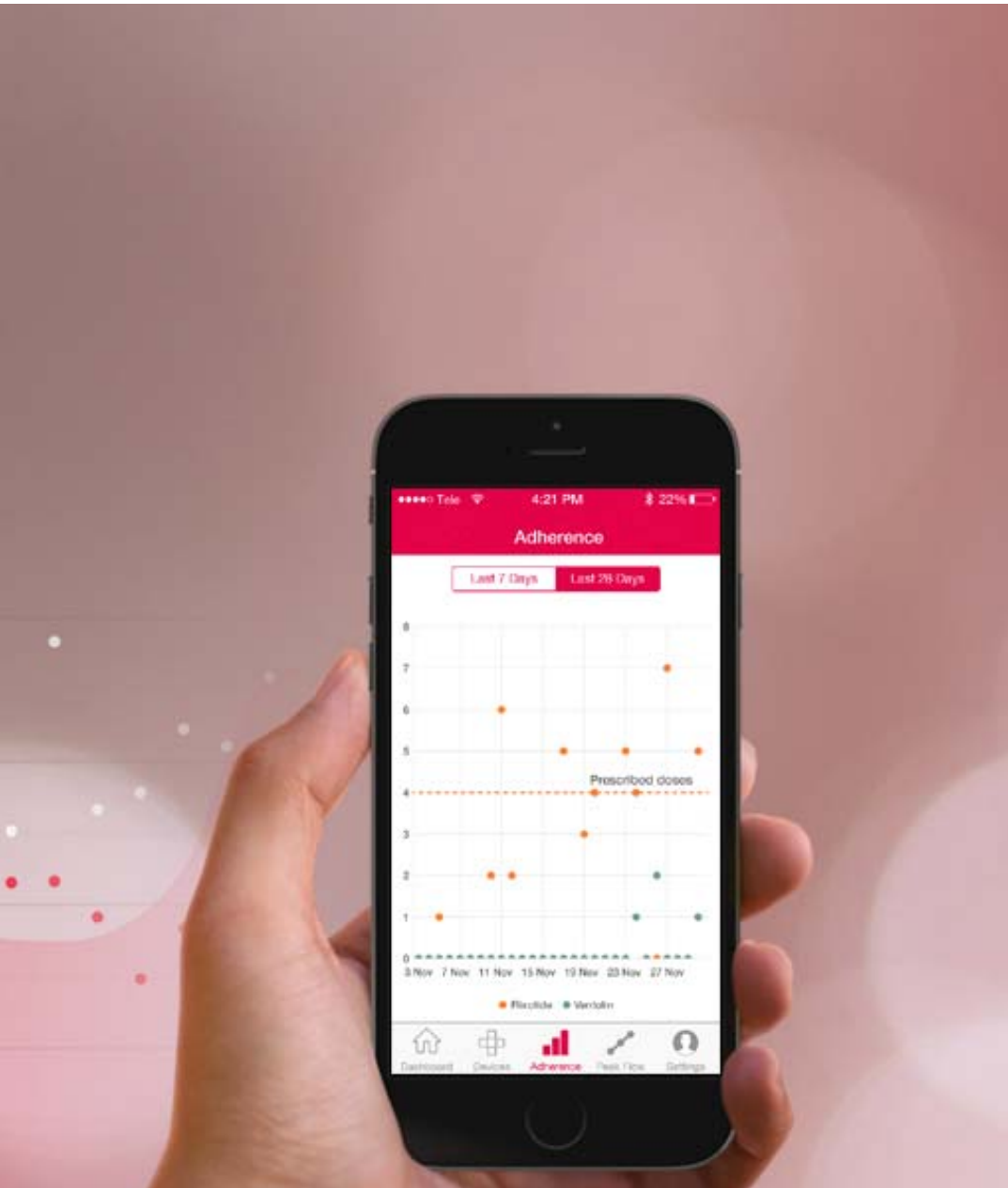
These risks and uncertainties include, but are not limited to: (i) the possible delays in and the outcome of product development, (ii) risks relating to possible partnering or other like arrangements, (iii) the potential for delays in regulatory approvals, (iv) the unknown uptake and market penetration of any potential commercial products and (vi) other risks and uncertainties related to the Company’s prospects, assets / products and business strategy. This is particularly the case with companies such as Adherium which operate in the field of developing and commercializing devices. You are cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof, and we do not undertake any obligation to revise and disseminate forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of or non-occurrence of any events.

Additionally there are a number of factors, both specific to Adherium and of a general nature, which may affect the future performance of Adherium. There is no guarantee that Adherium will achieve its stated objectives/milestones, that any of its forecasts will be met or that forward looking statements will be realized.

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About Adherium®

Transforming Chronic Disease Management

Adherium® designs, develops and manufactures digital health solutions which address sub-optimal medication use in chronic disease

Our Vision

Our vision is to be the largest global provider of medication use data, empowering patients, healthcare professionals, and payers in the effective management of chronic disease



The Solution: Adherium® Smartinhaler™

The leading range of medication sensors for inhaled medications globally

Disease Management Solutions

Smartinhaler™ provides a sophisticated disease management solution for the treatment of chronic respiratory diseases

Advanced Sensor Technologies

Advanced sensor technologies that provide the doctor and patient with objective data and interventions regarding patient medication usage and drug delivery technique

Pharmaceutical Brand Extension

Provides pharmaceutical companies with brand-extension for blockbuster drugs, including those drugs that are coming off patent





Leading Digital Health Solutions

Adherium's 1st solution, Smartinhaler™, is the leading digital health solution for inhaled medicines used in the treatment of chronic respiratory diseases

Proven in Clinical Trials

Smartinhaler™ technology has been supplied to more than 63 clinical projects in over 30 countries. There are currently 31 new clinical projects underway.

The Only Solution With Robust Clinical Outcomes Data

Adherium's Smartinhaler™ platform is the only product available for the digitisation of respiratory medication that can point to robust, independent clinical outcomes data, demonstrating a profound positive impact on patient health

Positioned for Growth

A\$31m Cash in hand, no debt and executing on plans for international expansion including AstraZeneca Supply & Development Agreement and increasing demand from clinical trial and commercial channels

Highlights of the Period

International Expansion Underway

REVIEW OF OPERATIONS

Transitioning to commercial supply, volume manufacturing and international expansion as the Company focuses on building out the necessary infrastructure to support its growth plans.

REVIEW OF OPERATIONS

Key Metrics for the Period to 31 December 2015

48k

Devices Sold, primarily commercial supply under AstraZeneca Agreement (71% increase on comparative period 2014)

32%↓

Per Device Manufacturing Costs – as manufacturing shifts to commercial volumes & contract manufacturer

A\$1.6m

Revenue from sales of devices and associated software and services

48%

Gross Margin on devices sold



FINANCIAL SUMMARY

Nine Months to 31 December 2016

	AUD (31 Dec '15)
Revenue 48,000 devices, majority for commercial	\$1,602,000
Gross profit Transfer of volume manufacturing operations to our Asian-based contract manufacturer to achieve ~ 50% margin	\$769,000
Research and development - Product development costs written off - Increased IP and regulatory programme - Senior industry experience hired in software, hardware and regulatory	\$1,323,000
Sales and marketing - Focus on clinical transitioned to sales and BD - Increased level of international customer meetings	\$523,000
Administrative - Expenses associated with securing the AstraZeneca agreement, the ASX listing and establishment of the share register - Recruitment of senior R&D staff, and US/UK VP sales and marketing underway - Secured suitable office and production space in Auckland	\$2,260,000
Cash on hand	\$30,780,000



FINANCIAL SUMMARY

Normalised Loss After Tax

	AUD
Net loss after tax	\$3,840,000
Product development costs written off	\$166,000
Expenses associated with securing the AstraZeneca agreement, the ASX listing and establishment of the share register	\$784,000
Non-cash fair value/interest on Convertible Notes	\$378,000
Normalised net loss after tax	\$2,472,000



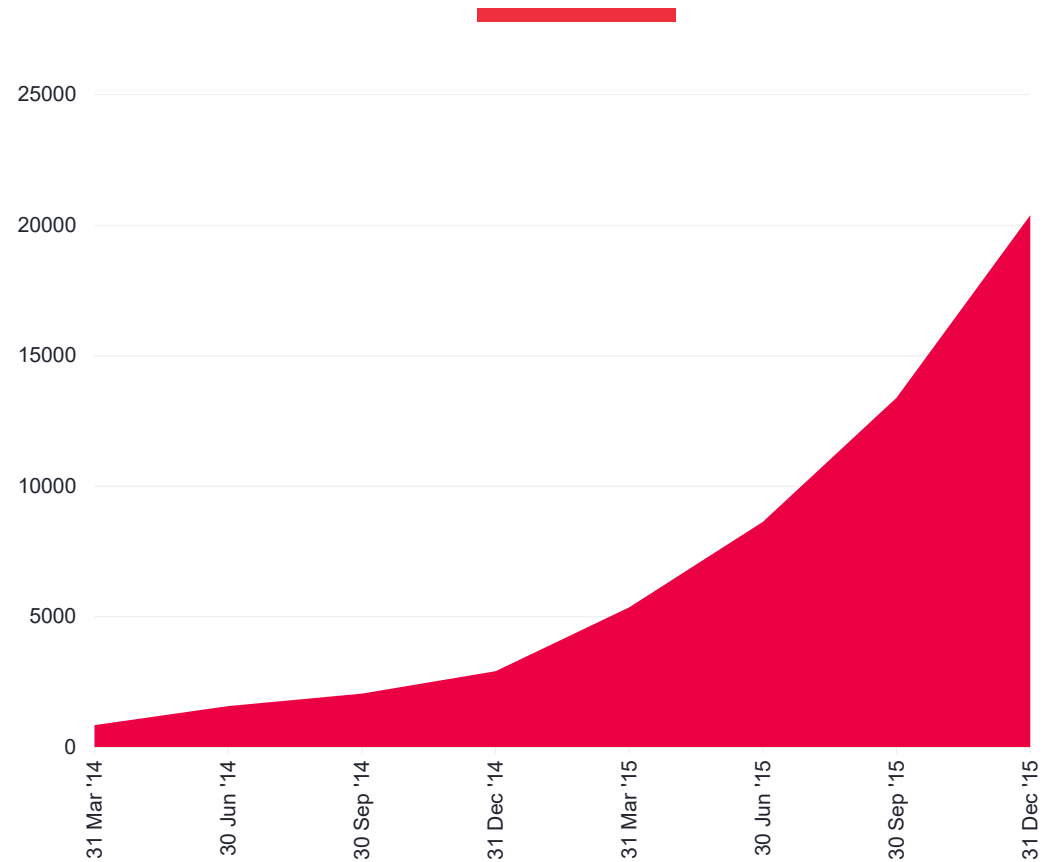
Outlook

International Growth & Expansion



The Expanding Reach of the Smartinhaler™ Platform

Cumulative Activated Devices (Average Quarterly Growth 59%)



OUTLOOK Clinical Outcomes

Adherium is the **only** company active in the digitisation of inhaled medications for respiratory disease that can point to robust, independent clinical outcomes data from studies of end users utilising the technology in a real world setting.

Our Clinical Outcomes Data Sets us Apart

Improved Adherence, Reduced Exacerbations, Reduced use of Steroids & Reliever Medications all point to Healthier Patients



Adherence
59% Adults
180% Children



67% Severe exacerbations (Adults)
45% Reliever Medication Use (Children)
37% Prescribed Oral Steroids (Children)



Patient Health & Quality of Life



New Data to become available in 2016



OUTLOOK

AstraZeneca Agreement

01

Expansion of Commercial Programme

Into Major Pharmaceutical Markets

- Europe
- North America
- Asia

02

Multiple Projects Spanning Entire Operations

Product Development

Regulatory Approvals

Supply Chain & Logistics

Clinical Operations

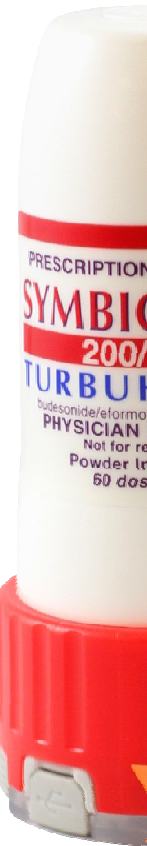
Product Internationalisation

03

Projects Include

Embedded and external devices for both new & existing inhalers

Major new clinical studies in major markets



OUTLOOK

Product Development & Sales Cycle

The pathway to another commercial supply agreement with a large pharma co is well understood:



Development – Research, development, prototyping, testing and validation

Clearance to Market – Regulatory approvals and certifications

Clinical Trial – Initial deployment in a clinical trial setting as a platform for electronic capture of accurate medication use data

Soft Commercial Launch – Initiate commercial roll out in one country to identify and assess the best methods for scaling up

Expansion into Major Markets – Launch in major pharmaceutical markets such as Europe, North America and China

Global Deployment – The product becomes embedded into the product suite of the customer and is deployed globally.



OUTLOOK

Market Leaders Through Innovation and Product Development

01 **Innovation & Development under AstraZeneca Agreement**

New devices for AstraZeneca
including seeking required regulatory
approvals for international markets

03 **Smaller, Sleeker, Faster, Better**

Next generation devices in flagship
product ranges

02 **Smartinhaler™ inside**

Embedded solution for blockbuster
treatments in beta testing within the
year

04 **New Devices for New Inhalers**

Retain market leadership by
developing new devices for new
inhalers

OUTLOOK Clinical Trials Market

> US\$30 billion is spent each year on clinical trials

Adherium is the global leader in the supply of digital technologies for monitoring medication use in respiratory clinical trials

Adherium Smartinhaler™ Platform

The most widely used platform for monitoring medication use in the clinical trials market

31

Clinical Projects Underway

89k

Devices to be deployed over the life of these projects

>30

Countries around the world

63

Clinical projects completed

33

Peer reviewed journal Articles



OUTLOOK

Clinical Trials Market

The Clinical Trials Segment offers access to potential commercial clients as well as key opinion leaders in both research & industry

Clinical trial sales are a higher price, higher margin market opportunity

Adherium Smartinhaler™ Platform

Current trial sponsors include leaders of research and industry

AstraZeneca (Global)

GSK (USA)

Philips (UK, USA)

University of Western Australia (Australia)

The Royal Brompton Hospital (UK)

University of Calgary (Canada)

Cincinnati Children's Hospital (USA)

Canton Hospital (Switzerland)

University of Auckland (New Zealand)

Medical Research Institute of New Zealand (New Zealand)



OUTLOOK

Sales & Marketing | Channels to Market

01

Appointment of Industry Leaders in Sales & Marketing

Executive search & recruitment
process underway for experienced
EU & US Sales & Marketing
personnel

02

Progress Pipeline Opportunities

Market evaluation study in progress
with multinational client

Distribution to Hospital, Physicians,
Pharmacies and Patients

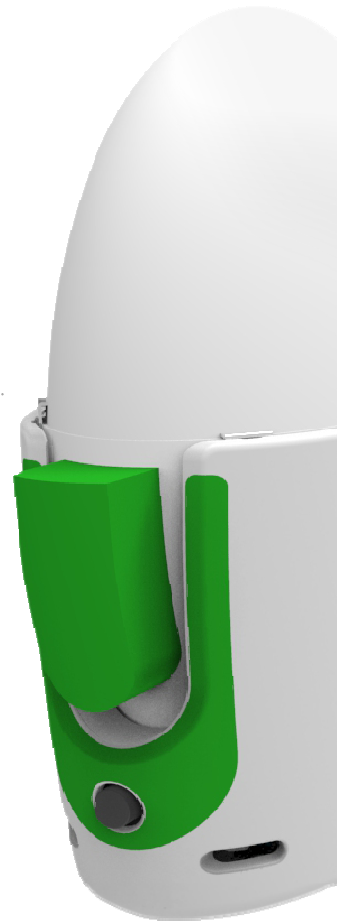
03

Expand Sales Channels

Payers/ Insurers

Disease Management Organizations

Governments



A Brave New World

The Digitisation of Respiratory Medicine



Compelling Clinical Need

In chronic respiratory disease, adherence is poor leading to poor health outcomes for patients, and to impaired commercial outcomes for pharma

¹ Horne, R. (2006). Compliance, adherence, and concordance: implications for asthma treatment. *CHEST Journal*, 130(1_suppl), 65S-72S

² Royal College of Physicians. (2014). *Why asthma still kills: the National Review of Asthma Deaths (NRAD) Confidential Enquiry Report*. London: RCP

³ Williams et al. (2004). Relationship between adherence to inhaled corticosteroids and poor outcomes among adults with asthma. *Journal of Allergy and Clinical Immunology*, 114(6), 1288-1293.

The Market Need

Medication Adherence is a key issue facing healthcare providers & pharmaceutical companies

<50%

Children adhere to prescribed treatment plans¹

34%

Asthma deaths linked to sub-optimal adherence²

60%

Reduction in hospitalizations from increased adherence³



THE DIGITISATION OF RESPIRATORY MEDICATIONS

Fast moving M&A and partnering activities



01

Astra Zeneca & **Adherium**

Master Supply and Development
Agreement July 2015

**Currently the only commercial
supply agreement in the public
domain**

02

Teva & Gecko

Teva acquired Gecko Health
September 2015.

03

Novartis & Qualcomm

Development agreement for an
embedded solution for the
Breezhaler™

Product not expected to hit the market
until 2019 or later

MARKET OPPORTUNITY – MANAGED CARE & DISEASE MANAGEMENT

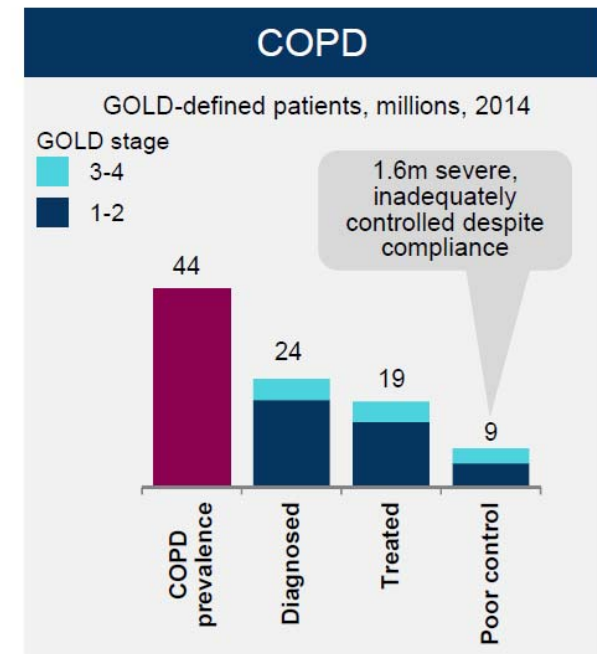
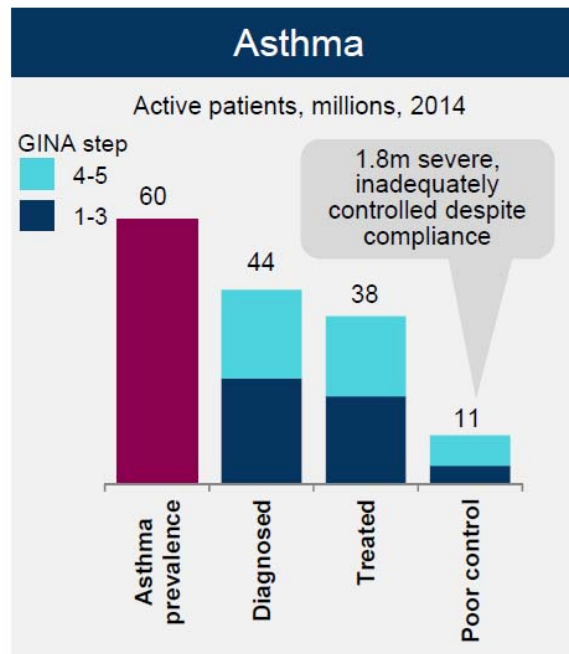
Substantial Unmet Needs in Asthma & COPD

Disease Management market opportunity is enormous

70 million active patients diagnosed

57 million active patients currently receiving treatment

20 million active patients poorly controlled.



Note: G7 markets = US, France, Germany, Italy, Spain, UK, Japan
Source: Decision Resources; Adelphi DSP 2012; other

Source: AstraZeneca Investor Relations Presentation, March 2015

Beyond the Inhaler

New Chronic Diseases | New Drug Delivery Modalities | Monetising Data



The Healthcare Internet of Things

Huge opportunity for a new class of healthcare company

8/10 healthcare dollars are spent on chronic disease

Total US Healthcare Savings from Digital Technologies estimated at **US\$300B+**

54% Americans 50-64 & 27% of Americans older than 65 use smartphones

The Healthcare Internet of Things can create a **\$30B+** market by 2025



Adherium® Threefold Approach

Three Business Verticals Addressing Major Unmet Market Needs

	RESPIRATORY	DATA	OTHER CHRONIC DISEASES
Description	Market Dominance in Chronic Respiratory Disease Management with Smartinhaler™	Monetise exponentially growing database (driven by proliferation of data generating devices in market)	Application of Adherium® technology to new chronic diseases and drug delivery modalities
Stage of development	Smartinhaler™ the key platform, rolling out internationally	Significant quantities of incoming data arriving daily	Smartinhaler™ Platform building blocks are directly transposable
	Global distribution channel agreement in place and expanding	Establishing a dedicated data team to mine and extract value from data	Experience in design, development, regulatory approvals, manufacturing, pricing and commercialization, all directly applicable
	EU & US sales & marketing hubs to be established	Existing commercial agreements enable monetization of data through value added reporting	Existing and new channel partnerships provide multiple opportunities
	Full pipeline of innovation that will generate more, new, valuable data	Control over sensor through to back end databases provide Adherium® with agility to add new sensor data	Target applications include precision and personalized medicine and chronic diseases costing > \$5K per patient p.a.
Market	Multinational Pharmaceutical & Medical Technology Companies Payers – Governments & Insurers Hospitals Disease Management Organizations Clinical Trials	Multinational Pharmaceutical & Medical Technology Companies Payers – Governments & Insurers Technology Companies	Multinational Pharmaceutical & Medical Technology Companies Payers – Governments & Insurers Hospitals Disease Management Organizations Clinical Trials

Data

Monetising an Exponentially Growing Data Asset

01 **Smartinhaler™ data ownership resides with Adherium®**

Tens of thousands of devices deployed globally report data back to our servers on a daily basis

03 **Develop & deploy new market leading devices into international markets**

Data generating devices contribute to the Adherium® Internet of Things, exponentially growing the data asset base of the company.

02 **Expand Smartinhaler™ databases through international commercialization**

Substantial and rapidly growing respiratory data sets

04 **Leverage data to realize value**

New commercial and scientific breakthroughs only achievable through a critical mass of data
Data Analytics and provision of large dataset reports to key channels to market

New Applications

Application of Adherium® Platform to Other Chronic Diseases

01

Targeting New Disease Areas

Target new disease areas where annual disease costs are >\$5k per patient per annum e.g. Cardiovascular disease, Diabetes

02

Leverage Whole-of-Platform Knowledge

Leverage whole-of-platform knowledge

Key skill sets in understanding of patient behavior

Sensors, design, validation

Software, applications and data analytics

03

Accelerate Commercialisation through Partnerships

Leverage existing and new commercial relationships beyond the inhaler

Identify and secure key development partners

Growth by acquisition



Financial & Shareholder Information

Adherium® Trading Summary

August 2015 Listing through to February 26, 2016

TICKER	ADR	IPO PRICE	A\$ 0.50
Price	A\$0.53	52-Week High	A\$0.72
A\$ Market Cap	A\$75.875m	52-Week Low	A\$0.475
US\$ Market Cap	US\$55.297m	Cash in Hand 31 Dec	A\$30.8m / US\$21.4m
Shares Outstanding	143,161,230	Fiscal Year End	30 June



Adherium® Leadership

Experienced Team and Board

01 Executive team

Garth Sutherland

Group Chief Executive Officer

Rob Turnbull

Chief Financial Officer

Bronwyn Le Grice

Head of Commercial Development

Nigel Devine

VP Production & Development

Maggie Scott

Head of Clinical Operations

Nancy She

Head of Procurement & Logistics

Chris Mander

Head of Regulatory & Quality

02 Board of Directors

Dr Doug Wilson MB, ChB, PhD, FRACP, FRCPA

Chairman

Jeremy Curnock Cook MA

Non Executive Director

Prof John Mills AO SB MD FACP FIDSA FRACP ARCPA

Independent Non Executive Director

Dr William (Bill) Hunter BSc, MSc, MD

Independent Non Executive Director

Bruce McHarrie BCom, FCA, GAICD

Independent Non Executive Director

Bryan Mogridge BSc, ONZM, FNZIOD

Independent Non Executive Director

Garth Sutherland MSc.

Group CEO, Executive Director

Our Shareholders

Top 20 Shareholders December 31, 2015

R A N K	N A M E	%
1.	ONE FUNDS MANAGEMENT LIMITED	16.64
2.	K ONE W ONE LTD	7.68
3.	CITICORP NOMINEES PTY LIMITED	7.63
4.	MR GARTH SUTHERLAND	7.06
5.	ASTRAZENECA AB	5.64
6.	NATIONAL NOMINEES LIMITED	5.60
7.	ICE ANGELS NOMINEES LTD	4.12
8.	NZVIF INVESTMENTS LIMITED	3.13
9.	UBS NOMINEES PTY LTD	2.96
10.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	2.81
11.	J P MORGAN NOMINEES AUSTRALIA LIMITED	2.58
12.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED-GSCO ECA	2.44
13.	CURE KIDS VENTURES LTD	2.42
14.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 3	1.99
15.	UBS NOMINEES PTY LTD	1.77
16.	NATIONAL NOMINEES LIMITED <DB A/C>	1.68
17.	BRISPOT NOMINEES PTY LTD <HOUSE HEAD NOMINEE NO 1 A/C>	1.50
18.	UBS WEALTH MANAGEMENT AUSTRALIA NOMINEES PTY LTD	1.10
19.	MOGRIDGE & ASSOCIATES LTD	1.05
20.	ROSS ALAN SUTHERLAND + VALERIE MARY SUTHERLAND + GARTH CAMPBELL SUTHERLAND	0.75

Thank You

<http://www.adherium.com/investors>

