

ABN 24 605 352 510

Notice of Annual General Meeting

Notice is given that the Annual General Meeting (**AGM** or **the Meeting**) of Shareholders of Adherium Limited (**Adherium** or **the Company**) will be held as follows:

Date: **Wednesday 29 November 2017**

Time: **11:00am (AEDT)**

Venue: **Offices of K&L Gates
Level 31
1 O'Connell Street
Sydney, NSW 2000**

This Notice of Annual General Meeting and Explanatory Memorandum should be read in its entirety. If you are in doubt as to how to vote on any of the resolutions, you should seek advice from your accountant, solicitor or other professional adviser without delay.

Business

Financial Statements and Reports

To receive and consider the Company's annual financial report, including the directors' report and audit report for the period ended 30 June 2017.

1. Adoption of Remuneration Report

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

"That the Company adopt the remuneration report for the year period ended 30 June 2017 in accordance with Section 250R(2) of the Corporations Act."

Notes:

The vote on this resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution 1 by or on behalf of a member of the Company's Key Management Personnel (KMP) whose remuneration details are disclosed in the Remuneration Report, or by or on behalf of a closely related party of a member of the KMP, in any capacity unless the vote is cast:

- by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

The Chairman will vote all undirected proxies in favour of this resolution.

2. Election of Mr Arik Anderson as a Director

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

"That Arik Anderson, in accordance with the Company's Constitution, be elected as a Director of the Company."

3. Re-election of Mr Jeremy Curnock Cook as a Director

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

"That Jeremy Curnock Cook, who retires in accordance with the Company's constitution and, being eligible and having submitted himself for re-election, be appointed as a Director of the Company."

4. Special Resolution - Approval of additional 10% Placement Facility

To consider and if thought fit, pass the following resolution as a **special resolution**:

“That, for the purpose of ASX Listing Rule 7.1A and for all other purposes, shareholders approve the issue of equity securities of up to 10% of the total issued capital of the Company (at the time of the issue), calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 over a 12 month period and on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution 4 by a person who may participate in the proposed issue of equity securities under the 10% Placement Facility, and any person who might obtain a benefit (except a benefit solely in the capacity of a shareholder), if this resolution is passed; and any associate of such a person, unless the vote is cast:

- (a) by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

At the date of this Notice of Meeting, the Company has not approached any particular existing shareholder or security holder or an identifiable class of existing security holder to participate in an issue of equity securities under the 10% Placement Facility. Therefore, no existing shareholder's votes will be excluded under the above voting exclusion.

The Chairman will vote all undirected proxies in favour of this resolution.

Other business

To consider any other business that may lawfully be brought forward in accordance with the constitution of the Company or the law.

Other information

An Explanatory Memorandum accompanies and forms part of this Notice of Annual General Meeting.

All Shareholders should read the Explanatory Memorandum carefully and in its entirety. Shareholders who are in doubt regarding any part of the business of the Meeting should consult their financial or legal adviser for assistance.

Voting by proxy

Any Shareholder entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote instead of that Shareholder.

The proxy does not need to be a Shareholder of the Company.

A Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half of the Shareholder's votes.

With respect to Resolutions 1, if a Shareholder appoints the Chairman of the Meeting as proxy and does not direct the Chairman how to vote on either of those resolutions, the Shareholder authorises the Chairman to vote in accordance with his voting intention as stated in this Notice of Meeting, namely in favour of each of those resolutions, even if he is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Proxies must be:

- (a) lodged at the Company's share registry, Computershare Investor Services Pty Limited; or
- (b) faxed to the fax number specified below.

not later than 11.00am (AEDT) on Monday 27 November 2017.

Address (hand deliveries): Computershare Investor Services Pty Limited
 Yarra Falls, 452 Johnson Street,
 Abbotsford, Victoria, 3067

Address (postal deliveries): C/- Computershare Investor Services Pty Limited, GPO Box 242,
 Melbourne VIC 3001, Australia

Fax number for lodgement: (within Australia) 1800 783 447
 (outside Australia) +61 3 9473 2555

The proxy form has been enclosed. Please read all instructions carefully before completing the proxy form.

Online Voting

You can lodge your vote online at:

www.investorvote.com.au

Custodian Voting

Custodians who are subscribers of Intermediary Online, please submit your votes electronically via www.intermediaryonline.com

Entitlement to vote

In accordance with Section 1074E(2)(g)(i) of the Corporations Act and Regulation 7.11.37 of the Corporations Regulations, the Company has determined that for the purposes of the meeting all shares will be taken to be held by the persons who held them as registered Shareholders at 7.00 pm (AEDT) on Monday 27 November 2017. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

All Enquiries

Call: (within Australia) 1300 850 505 (outside Australia) +61 3 9415 4000

Voting Intentions

Subject to any voting restrictions and exclusions, the Chairman intends to vote in favour of all resolutions on the agenda.

In respect of undirected proxies, subject to any voting restrictions and exclusions, the Chairman intends to vote in favour of all resolutions on the agenda.

By order of the Board



Rob Turnbull

Joint Company Secretary

20 October 2017

This Explanatory Memorandum sets out further information regarding the proposed resolutions to be considered by Shareholders of Adherium Limited (**Adherium** or **the Company**) at the 2017 Annual General Meeting to be held commencing at 11.00am (AEDT) on Wednesday 29 November 2017 at the offices of K&L Gates, Level 31, 1 O'Connell Street, Sydney, NSW 2000.

The Directors recommend that Shareholders read this Explanatory Memorandum before determining whether or not to support the resolutions.

Financial statements and reports

Under Section 317 of the Corporations Act, Adherium is required to lay its annual financial report, directors' report and remuneration report before its Shareholders at its Annual General Meeting. The annual financial report is submitted for Shareholders' consideration and discussion at the Annual General Meeting as required. Meeting attendees are invited to direct questions to the Chairman in respect of any aspect of the report they wish to discuss.

Representatives of Adherium's auditor, PricewaterhouseCoopers (PwC), will be present for discussion purposes on matters of relevance to the audit.

1. Resolution 1 – Adoption of Remuneration Report

Board recommendation and undirected proxies. The Board recommends that Shareholders vote in **FAVOUR** of Resolution 1. The Chairman of the meeting intends to vote undirected proxies in **FAVOUR** of Resolution 1.

Resolution 1 provides Shareholders the opportunity to vote on Adherium's remuneration report. The remuneration report is contained within the directors' report in the Annual Report. Under Section 250R(2) of the Corporations Act, the Company must put the adoption of its remuneration report to a vote at its Annual General Meeting.

This vote is advisory only and does not bind the Directors or the Company.

The Board will consider the outcome of the vote and comments made by Shareholders on the remuneration report at this meeting when reviewing Adherium's remuneration policies. If 25% or more of the votes that are cast are voted against the adoption of the remuneration report at two consecutive annual general meetings Shareholders will be required to vote at the second of those annual general meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of Adherium's Directors other than the managing director must be offered up for election.

As set out in the Notice of Meeting, Key Management Personnel (including Directors) and their closely related parties must not cast a vote on the remuneration report, unless as holders of directed proxies for Shareholders eligible to vote on Resolution 1.

The Company encourages all Shareholders to cast their votes on this resolution. The Chairman will vote all undirected proxies in favour of this resolution. If you wish to vote "against" or "abstain" you should mark the relevant box in the attached proxy form.

2. Resolution 2 – Election of Mr Arik Anderson as a Director

Board recommendation and undirected proxies. The Board recommends that Shareholders vote in **FAVOUR** of Resolution 2. The Chairman of the meeting intends to vote undirected proxies in **FAVOUR** of Resolution 2.

Mr Sutherland has advised that he will be retiring as an Executive Director from the Board at the 2017 AGM. Accordingly, to maintain an Executive presence, the Board has invited Mr Anderson to stand for election by Shareholders to the Board. Resolution 2 provides for the election of Mr Anderson as Director of the Company in accordance with clause 13.1 of the Company's constitution.

Mr Anderson has 25 years of experience in the medical technology and medical device manufacturing industries and has led significant growth for emerging technology companies. He was previously President, Perfusion and Surgical Devices Division for Terumo Cardiovascular since 2011. Prior to this Mr Anderson was Senior Vice President, R&D and Operations and General Manager for Somanetics from 2007 until the completion of the integration with Covidien in 2011. Mr Anderson has also served as Director of Product Development at Delphi Medical Systems, a provider of technology and products to the infusion, respiratory care, vital signs monitoring and power mobility medical device markets. In addition, he was President and Chief Executive Officer of Tasso Solutions, a product development and manufacturing consulting firm. Mr Anderson retains Board positions on the University of Michigan Medical School MTRAC Board, which oversees investment in medical technology, and the University of Michigan Ross School of Business Zell Lurie Healthcare Board which oversees student investment in emerging technology via the Zell Lurie Commercialization Fund.

Mr Anderson has not previously served as a Director of the Company. As an Executive Director, Mr Anderson will not be paid director fees in addition to his remuneration as the Group CEO.

The Directors unanimously recommend that Shareholders vote in favour of Resolution 2.

3. Resolution 3 – Re-election of Mr Jeremy Curnock Cook as a Director

Board recommendation and undirected proxies. The Board (with the exception of Mr Curnock Cook due to his interest in the outcome) recommends that shareholders vote in **FAVOUR** of Resolution 3. The Chairman of the meeting intends to vote undirected proxies in **FAVOUR** of Resolution 3.

In accordance with clause 13.3(b) of the Company's constitution, Mr Curnock Cook who is due to retire, is eligible for re-election and has submitted himself for re-election at this Meeting.

Resolution 3 provides for the re-election of Mr Curnock Cook as Director of the Company in accordance with the Company's constitution.

Mr Curnock Cook is a Non-executive Director, and a member of the Nomination and Remuneration Committee.

Mr Curnock Cook was formerly head of the life science private equity team at Rothschild Asset Management in the UK and an active investor in the Australian life science sector. At Rothschild, Mr Curnock Cook was responsible for the launch of the first dedicated biotechnology fund for the Australian market. Over his 40-year career, Mr Curnock Cook has specialised in creating value in emerging biotech enterprises, through active participation with management. He has served on over 40 boards in various roles, including chair of private and public biotechnology companies listed on NASDAQ, LSE, TSX and ASX. Mr Curnock Cook received his MA in Natural Sciences from Trinity College in Dublin, Ireland. He is currently Managing Director of BioScience Managers (manager of a major shareholder in Adherium), Chairperson of Avena Therapeutics and AmpliPhi Biosciences and sits on the board of Avita Medical, Rex Bionics Pty and acts as an alternative director for Sea Dragon Ltd.

Mr Curnock Cook was previously a director of Bioxyme Limited and Phylogica Limited.

The Directors (excluding Mr Curnock Cook) unanimously recommend that Shareholders vote in favour of Resolution 3.

4. Resolution 4 – Approval of additional 10% Placement Facility

Board recommendation and undirected proxies. The Board recommends that Shareholders vote in **FAVOUR** of resolution 4. The Chairman of the meeting intends to vote undirected proxies in **FAVOUR** of resolution 4.

The purpose of this resolution is to authorise the Company to issue a further 10% of its issued share capital through one or more placements under ASX Listing Rule 7.1A during the 10% Placement Period (as defined below) (**10% Placement Facility**) in addition to and without using the Company's 15% placement capacity under ASX Listing Rule 7.1. This would effectively provide the Company with a total placement capacity of 25% (less that part of its placement capacity not available under ASX Listing Rule 7.1).

An "eligible entity" for the purposes of ASX Listing Rule 7.1A is an entity that (as at the date of the annual general meeting):

- is not included in the S&P / ASX 300 Index; and
- has a market capitalisation of \$300 million or less.

As at the date of the Notice of Meeting, the Company is an "eligible entity" for the purposes of ASX Listing Rule 7.1A.

Any equity securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of equity securities of the Company. The Company, as at the date of this Notice of Meeting has on issue one class of equity securities, namely fully paid ordinary shares (ASX Code: ADR).

The Company is seeking shareholder approval by this special resolution to have the ability to issue equity securities under the 10% Placement Facility. The exact number of equity securities that could be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and described below.

ASX Listing Rule 7.1A.2 provides that eligible entities that have obtained shareholder approval at an annual general meeting under ASX Listing Rule 7.1A may issue, or agree to issue, during the 12 month period after the date of the annual general meeting, a number of equity securities calculated in accordance with the following formula:

$$(A \times D) - E$$

A = The number of fully paid shares on issue 12 months before the date of issue or agreement to issue:

- plus the number of fully paid shares issued in the 12 months under an exception in ASX Listing Rule 7.2;
- plus the number of partly paid shares that became fully paid in the 12 months;
- plus the number of fully paid shares issued in the 12 months with approval of shareholders under ASX Listing Rules 7.1 or 7.4; and
- less the number of fully paid shares cancelled in the 12 months.

D = 10%.

E = The number of equity securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue, that are not issued with the approval of shareholders under ASX Listing Rules 7.1 or 7.4.

Specific disclosures required by ASX Listing Rule 7.3A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the below information is provided in relation to the approval of the 10% Placement Facility:

a. Issue Price

In accordance with the ASX Listing Rule 7.1A.3, the equity securities (if any) will be issued at an issue price of not less than 75% of the volume weighted average price of the Company's equity securities in that class over the 15 trading days on which trades in that class were recorded immediately before:

- i. the date on which the price at which the securities are to be issued is agreed; or
- ii. if the securities are not issued within 5 trading days of the date mentioned in paragraph (i) above, the date on which the securities are issued.

b. Risk of Economic and Voting Dilution

If Resolution 4 is approved by shareholders and the Company issues shares under the 10% Placement Facility, the existing shareholders' voting power in the Company will be diluted.

Shareholders should be aware that there is a risk that:

- the market price for the Company's equity securities in that class may be significantly lower on the date of the issue of the equity securities than on the date of the approval under Listing Rule 7.1A; and
- the equity securities may be issued at a price that is at a discount to the market price for the Company's equity securities on the issue date or the equity securities are issued as part of consideration for the acquisition of a new asset, which may have an effect on the amount of funds raised by the issue of the equity securities.

The table below is included for illustrative purposes only and shows the dilution of existing shareholders on the basis of the current market price of shares as at 16 October 2017 and the current number of ordinary securities for variable "A" calculated in accordance with the formula in ASX Listing Rule 7.1A.2 as at the date of this Notice of Meeting. The table also shows the voting dilution impact where the number of shares on issue (variable A in the formula) changes and the economic dilution where there are changes in the issue price of shares issued under the 10% Placement Capacity.

Number of Shares on issue*	Number of Shares that may be issued under 10% Placement Facility	Dilution		
		Funds raised based on issue price of \$0.055 (50% decrease in issue price of \$0.11)	Funds raised based on issue price of \$0.11 (issue price)	Funds raised based on issue price of \$0.155 (50% increase in issue price of \$0.11)
171,849,192	17,184,919	\$954,171	\$1,890,341	\$2,835,512
257,773,788 (50% increase)	25,777,378	\$1,417,756	\$2,835,512	\$4,253,267
343,698,384 (100% increase)	34,369,838	\$1,890,341	\$3,780,682	\$5,671,023

* The number of shares on issue (variable "A" in the formula) could increase as a result of the issue of shares that do not require shareholder approval under ASX Listing Rule 7.1 or that are issued with shareholder approval under ASX Listing Rule 7.1.

Table 1 has been prepared on the following assumptions:

- the current shares on issue are the shares on issue as at the date of this Explanatory Memorandum;
- the current issue price set out above is the closing price of the shares on the ASX on 16 October 2017;
- the Company issues the maximum number of shares available under the 10% Placement Facility; and
- no options are exercised into shares before the date of the issue of the shares under the 10% Placement Facility.

c. Issue date

The Company will only issue equity securities under the 10% Placement Facility during the 10% Placement Period (as defined below).

Shareholder approval under ASX Listing Rule 7.1A is valid from the date of shareholder approval until the earlier of:

- the date that is 12 months after the date of approval under ASX Listing Rule 7.1A, that is any time up to 29 November 2018; or
- the date the Company obtains shareholder approval for a transaction under ASX Listing Rule 11.1.2 (significant change to nature or scale of activities) or ASX Listing Rule 11.2 (disposal of main undertaking),

("10% Placement Period").

d. Purpose of Issue

The Company may seek to issue the equity securities under the 10% Placement Facility for:

- cash consideration. The Company may use the funds raised (without limitation):
 - to advance initiatives in the commercialisation of the Company's technology in accordance with its business plan; or
 - for general working capital purposes.
- non-cash consideration. This may include (without limitation) an acquisition of new assets and other investments. If such circumstances arise, the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3.

There are no current proposals to utilise the 10% Placement Facility. Should any specific proposals be approved by the Board, the Company will announce same to ASX as required by its continuous disclosure obligations.

e. Allocation Policy

The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A.4 and 3.10.5A upon issue of any equity securities using the 10% Placement Facility. The Company's allocation policy will be dependent on the prevailing market conditions at the time of any proposed issue. The identity of the allottees of equity securities will be determined on a case-by-case basis having regard to a range of factors, including but not limited to, the following:

- the methods for raising funds that are available to the Company, including but not limited to, a rights issue and other fundraising structures in which existing security holders can participate;
- the effect of the issue of the shares on the control of the Company;
- the financial situation and solvency of the Company; and
- advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice of Meeting but may include existing substantial shareholders and/or new shareholders who are not related parties or associates of a related party of the Company.

f. Previous Approval under ASX Listing Rule 7.1A

The Company has not previously obtained shareholder approval under ASX Listing Rule 7.1A and therefore is not required to disclose any details under Listing Rule 7.3A.6.

5. Questions and Comments by Shareholders at the Meeting

In accordance with the Corporations Act, a reasonable opportunity will be given to Shareholders - as a whole - to ask questions or make comments on the management of the Company at the Annual General Meeting.

Similarly, a reasonable opportunity will be given to Shareholders - as a whole - to ask questions to the Company's external Auditor, PricewaterhouseCoopers (**PwC**), relevant to:

- (a) the conduct of the audit;
- (b) the preparation and contents of the audit;
- (c) the accounting policies adopted by the Company in relation to the preparation of its financial statements; and
- (d) the independence of the Auditor in relation to the conduct of the audit.

Shareholders may also submit a written question to PwC if the question is relevant to the content of PwC's audit report or the conduct of its audit of the Company's financial report for the year ended 30 June 2017.

Relevant written questions to PwC must be received by no later than 5:00pm (AEDT) on 22 November 2017. A list of those questions will be made available to Shareholders attending the meeting. PwC will either answer questions at the meeting or table written answers to them at the meeting. If written answers are tabled at the meeting, they will be made available to Shareholders as soon as practicable after the meeting.

Please send written questions for PwC to:

By facsimile - +61 3 9602 4709;

Post to – C/- Mertons Corporate Services Pty Ltd – Level 7, 330 Collins Street, Melbourne VIC 3000

by no later than 5:00pm (AEDT) on 22 November 2017.

Glossary

In this Explanatory Memorandum, and the Notice of Meeting:

Board means the board of directors of the Company.

Company means Adherium Limited.

Constitution means the constitution of the Company.

Director means a director of the Company.

Explanatory Memorandum means this explanatory memorandum which forms part of the Notice of Meeting.

Key Management Personnel or **KMP** means the key personnel as disclosed in the Remuneration Report.

Listing Rules means the listing rules of the ASX Limited.

Meeting means the Annual General Meeting of the Company the subject of this Notice of Meeting scheduled to occur on Wednesday 29 November 2017.

Notice of Meeting or **Notice** means this notice of Annual General Meeting.


Remuneration Report means the remuneration report of the Company for the year ended 30 June 2017 as set out in the Company's Annual Report for the year ended 30 June 2017.


Shareholder means a holder of a Share.

Share means an ordinary share in the capital of the Company.

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Lodge your vote:

 **Online:**
www.investorvote.com.au

 **By Mail:**
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:
(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Proxy Form



Vote and view the annual report online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

Your access information that you will need to vote:

Control Number: 181209

SRN/HIN:

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

 **For your vote to be effective it must be received by 11:00am (AEDT) on Monday 27 November 2017**

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form** →

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Adherium Limited hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Adherium Limited to be held at the Offices of K&L Gates, Level 31, 1 O'Connell Street, Sydney, NSW 2000 on Wednesday 29 November 2017 at 11:00am (AEDT) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolution 1 by marking the appropriate box in step 2 below.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Election of Mr Arik Anderson as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Mr Jeremy Curnock Cook as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval of additional 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____

Date / / _____