

Adherium Appoints New CEO to Drive Global Growth

9 June 2017: Adherium Limited (ASX : ADR), a global leader in digital health technologies that address sub-optimal medication use in chronic disease, today announced the appointment of Arik Anderson as Group Chief Executive Officer (CEO). Founder and past Group CEO, Garth Sutherland, welcomed the appointment of Arik as a key step in the next and important phase of Adherium's global business growth, allowing him to focus on new areas of development while Mr Anderson focusses on the global business opportunities in front of the Company today. This transition of control at the top of the Company is a very considered step by the Board and as a key part of the transition Mr Sutherland, in the interim, will remain an Executive Director on the Adherium Board.

With over 25 years of experience in the medical technology and medical device manufacturing industries, Mr Anderson has led significant growth for emerging technology companies. Most recently, Mr Anderson was President of Perfusion and Surgical Devices at Terumo Cardiovascular Systems (TYO: 4543), responsible for a US\$300M portfolio of devices used in the surgical operating room which was sold in more than 170 countries. Previously, he was Senior Vice President, R&D and Operations, and General Manager at Somanetics (NASDAQ: SMTS) from 2007 until the company's integration with Covidien was completed in 2011.

Mr Anderson has also served as Director of Product Development at Delphi Medical Systems (NYSE: DLPH), 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 Sutherland, Adherium Founder said: "Adherium is very fortunate to attract someone of Arik's standing, he is ideally suited to lead the company into its commercial growth phase as we focus on expanding our global footprint. We welcome him to our team, his industry experience, combined with our award-winning Smartinhaler™ products and technology platform, will allow Adherium to further build upon its position as a market leader in the digital health space. His arrival will also allow me more time to focus on areas of new product development that I have been wanting to undertake for some time now."

Mr Anderson, Adherium's new CEO, said: "Adherium's digital health solutions are already having a positive impact on the health of people with respiratory disease globally. I look forward to leading the organization to bring the benefits of Smartinhaler™ to patients world-wide."

Tom Lynch, Adherium Chairman, said: "Arik will be a strong leader for our business arriving at a key time as our products and services experience significant and rising global demand."

Mr Anderson assumes the role of Group CEO immediately and will be based at Adherium's U.S. headquarters in San Mateo, CA. He holds a Bachelor of Science degree in Electrical and Computer Engineering from the University of Wisconsin, Madison.

ABOUT ADHERIUM

Adherium (ASX:ADR) is an Australian Securities Exchange listed company which develops, manufactures and supplies digital health technologies which address sub-optimal medication use and improve health outcomes in chronic disease.

Adherium operates globally from bases in the USA, Europe and Australasia.

Adherium is a provider of digital health solutions to patients, pharmaceutical companies, healthcare providers and contract research organizations. The Company's proprietary Smartinhaler™ platform has been independently proven to improve medication adherence and health outcomes for patients with chronic respiratory disease. Adherium has the broadest range of "smart" medication sensors for respiratory medications globally.

The Smartinhaler™ platform has so far been used in more than 65 projects (clinical, device validation or other) and has been referenced in 56 peer reviewed journal articles. Clinical outcomes data has proven that the Smartinhaler™ platform can improve adherence by up to 59% in adults and 180% in children and reduce severe episodes by 60% in adults, leading to improved quality-of-life and demonstrating a substantial gain over current best practice treatment. The Company has received FDA 510(k) notifications for clearance to market and CE Marks for its devices and software, which allows it to sell these devices into international markets.

www.adherium.com www.smartinhaler.com

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Summary of Mr Anderson's key contractual terms in accordance with Listing Rule 3.16.4

(all amounts are in US Dollars unless otherwise noted)

Item	Details
Role	Group Chief Executive Officer
Term	Ongoing (no fixed term)
Commencement	9 June 2017
Fixed Remuneration	<ul style="list-style-type: none"> • \$400,000 per annum (subject to annual review by the Board) • Plus associated benefits customary to a role of this nature in accordance with US employment practices and obligations – motor vehicle, health and life insurance, superannuation • Initial housing relocation allowance
Variable (at risk) Remuneration	<ul style="list-style-type: none"> • A short term incentive of up to \$200,000 per annum subject to the achievement of agreed Key Performance Indicators • A long term incentive under the Company's Employee Share Plan of up to 1,500,000 shares to be issued at a price of A\$0.50 per share subject to the rules of the plan including meeting vesting conditions over three years
Non-solicitation	<ul style="list-style-type: none"> • The Group CEO is restricted from approaching existing employees, customers, suppliers, agents and consultants of the Company within 24 months of the Group CEO ceasing to be employed by the Company
Notice, termination and termination payments	<ul style="list-style-type: none"> • Initial appointment subject to a performance review not less than six months from commencement, with either party having the right to terminate at no additional cost beyond statutory obligations • Thereafter, the Company may terminate employment at any time on six months' notice or at the discretion of the Board, payment in lieu of notice • The Group CEO may terminate his employment with the Company at any time on three months' notice or, at the Company's election, payment in lieu of notice • The Group CEO's employment may also be terminated by the Company without notice in circumstances of misconduct