

Allens
101 Collins Street
Melbourne VIC 3000 Australia

GPO Box 1776
Melbourne VIC 3001 Australia
DX 30999 Melbourne

T +61 3 9614 1011
F +61 3 9614 4661
www.allens.com.au

ABN 47 702 595 758

Allens > < Linklaters

Date 26 August 2015 Confidential Fax
Page 1 of 11 Fax enquiries ring +61 3 9613 8970
From Robert Pick / Annie Zheng, Allens
To **The Manager**, Company Announcement, Australian
Securities Exchange, Sydney
Fax 1300135638

Dear Sir/Madam

Notice of initial substantial holder of shares in Adherium Limited

Please see attached.

Our Ref AYZM:120536791:120536791

ayzm A0134154573v2 120536791 26.8.2015

Allens is an independent partnership operating in alliance with Linklaters LLP

This document and any following pages may contain personal information and is intended solely for the named addressee. It is confidential and may be subject to legal or other professional privilege. Any confidentiality or privilege is not waived or lost because this document has been sent to you by mistake. The copying or distribution of this document or any information in it by anyone other than the addressee is prohibited. If you have received this document in error, please let us know by telephone, and then return it by mail to the address above. We will refund your costs of doing so. Any personal information in this document must be handled in accordance with the Privacy Act 1988 (Cth). We may collect personal information about you in the course of our dealings with you. Our privacy statement (www.allens.com.au/general/privacy.htm) tells you how we usually collect and use your personal information and how you can access it.

For personal use only

Allens
101 Collins Street
Melbourne VIC 3000 Australia

GPO Box 1776
Melbourne VIC 3001 Australia
DX 30999 Melbourne

T +61 3 9614 1011
F +61 3 9614 4661
www.allens.com.au

ABN 47 702 595 758

Allens > < Linklaters

26 August 2015

The Manager
Company Announcements
Australian Securities Exchange Limited
20 Bridge Street
Sydney NSW 2000

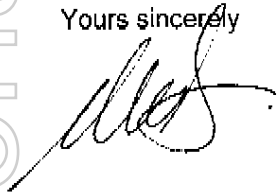
Dear Sir/Madam

Notice of initial substantial holder of shares in Adherium Limited

We act on behalf of AstraZeneca PLC and its related bodies corporate. In accordance with section 671B(1)(a) of the *Corporations Act 2001* (Cth), we attach a Form 603 – Notice of Initial Substantial Holder in relation to the acquisition of a relevant interest in the fully paid ordinary shares of Adherium Limited ACN 605 352 510.

A copy of this Form 603 has also been provided to Adherium Limited.

Yours sincerely



Robert Pick
Partner
Allens
Robert.Pick@allens.com.au
T +61 3 9613 8721

Our Ref 120536791:120536791
ayzm A0133963831v1 120536791 26.8.2015

Allens is an independent partnership operating in alliance with Linklaters LLP.

For personal use only

Form 603
Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme Adherium Limited

ACN/ARSN 605 352 510

1. Details of substantial holder (1)

Name AstraZeneca PLC (a company incorporated in England and Wales) and its related bodies corporate

ACN/ARSN (if applicable) N/A

The holder became a substantial holder on 26/08/2015

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Fully paid ordinary shares	8,079,720	8,079,720	5.77%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
AstraZeneca AB	AstraZeneca AB has a relevant interest under section 608(1) of the Corporations Act 2001 (Cth) as the registered holder of the relevant shares, acquired pursuant to the Confirmation of Allocation Letter dated 16 July 2015 (a copy of which is annexed to this notice as Annexure A)	8,079,720 fully paid ordinary shares
AstraZeneca PLC	AstraZeneca PLC, as the ultimate parent company of AstraZeneca AB, has a relevant interest under section 608(3) of the Corporations Act 2001 (Cth)	8,079,720 fully paid ordinary shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Each of the persons in item 3	AstraZeneca AB	AstraZeneca AB	8,079,720 fully paid ordinary shares

For personal use only

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
Each of the persons in item 3	26 August 2015	AUD\$4,039,859.95		8,079,720 ordinary fully paid shares

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
AstraZeneca PLC and its related bodies corporate	AstraZeneca PLC and its related bodies corporate are associates of AstraZeneca AB, and of each other, under section 12(2)(a) of the Corporations Act 2001 (Cth)

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
AstraZeneca PLC and its related bodies corporate	2 Kingdom Street, London W1 8BD, United Kingdom

Signature

Signed on behalf of AstraZeneca PLC and its related bodies corporate

print name	A.C.N. KEMP	capacity	Authorised Signatory
sign here	AKK	date	26/08/2015

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown."

Annexure A

This is Annexure "A" of 5 pages referred to in the accompanying Form 603 in relation to Adherium Limited (ACN 605 352 510)

Signature on behalf of AstraZeneca PLC and its related bodies corporate

print name	A. C. N. KEMP	capacity	Authorised Signatory
sign here	<i>AKG</i>	date	26/08/2015

Copy of the Confirmation of Allocation Letter between AstraZeneca AB and Adherium Limited dated 16 July 2015

For personal use only

- (9) Details of the consideration must include any and all benefits, moneys and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

For personal use only



Private and Confidential

16 July 2015

AstraZeneca AB

Attn: John Cantello, Ph.D Head of External Search & Evaluation Respiratory,
Inflammation & Autoimmune Therapy Area
Email: john.cantello@astrazeneca.com

And to:

Tyrell Rivers Ph.D, Executive Director, Corporate Development and Ventures
Email: RiversT@MedImmune.com

Copy to:

Daniel Woubishet - WoubishetD@MedImmune.com
Judy Yun - Judy.Yun@astrazeneca.com

Dear Sir / Madam,

**ADHERIUM LIMITED INITIAL PUBLIC OFFER
60 MILLION SHARES AT \$0.60 PER SHARE
CONFIRMATION OF ALLOCATION LETTER**

1. Introduction

Adherium Limited ("Adherium" or the "Company") is pleased to accept your offer to take a firm allocation of fully paid ordinary shares in the Company ("Shares") in the institutional component of the initial public offering of Shares ("Offer") on the terms set out in this letter.

The Offer consists of the issue of up to 60.0 million new Shares by the Company. The offer price for all Shares under the Offer is \$0.50. The Company reserves the right to increase the size of the Offer to 70.0 million new Shares.

The acceptance of your offer to take a firm allocation of Shares in the institutional component of the Offer, gives rise to a binding agreement by you to subscribe for the number of Shares specified in the table below on the terms set out in this letter (including, without limitation, subject to the satisfaction of the conditions in section 4 of this letter)

Please note that the existence and contents of this letter must remain strictly confidential. Under no circumstances should you communicate this information to any party external to your organisation (except to the extent that disclosure of such information (1) is required by law or the rules of any stock exchange, (2) is made in connection with any legal proceedings, investigation or inquiry in connection with this letter, the Offer or your participation in the Offer, or (3) is made to a person who in the ordinary course of your business has access to your papers and records (including your affiliates and any of your, or any of your affiliate's, officers, directors, employees, contractors, legal advisers and auditors), and all communications of this information within your organisation must only be on a 'need to know' basis.

2. Allocation

The Company is pleased to confirm the following firm allocation to you of Shares under the Offer ("Allocation"), subject to the terms and conditions set out in this letter*:

	<u>No. Shares</u>	<u>Total \$Amount</u>
Allocation at A\$0.50 per Share	8,079,720	AUD4,039,859.95

* The number of Shares and the Total \$Amount to be subscribed is to be calculated on a base of US\$3 million divided by the US\$/AU\$ exchange rate as published by the Reserve Bank of Australia at 4pm on the date

For personal use only

that is 2 business days prior to the date of execution of this letter (as published on the RBA website at <http://www.rba.gov.au/statistics/frequency/exchange-rates.html>)

3. Prospectus

The Company intends to lodge a copy of the prospectus for the Offer ("Prospectus") with the Australian Securities and Investments Commission ("ASIC") in accordance with the indicative timetable detailed in section 4 ("Lodgement Date"). A pathfinder prospectus for the Offer ("Pathfinder Prospectus") has been provided to you. This confirmation of your Allocation means you are committed to subscribe (or procure your settlement nominee to subscribe) for the number of Shares in your Allocation under the Prospectus.

Capitalised terms used but not defined in this letter have the meaning given to them in the Pathfinder Prospectus.

4. Indicative Timetable

The proposed settlement timetable is as follows:

Allocation Confirmation Advice to be returned to the Company	6PM AEST on signing the Supply Agreement
Settlement date for AstraZeneca to deposit funds into Offer trust account with Computershare Limited	At least 2 business days prior to the close of the Offer
Anticipated lodgement of the Offer prospectus with ASIC	The period 2 July to around 15 July 2015
Retail offer period under the Offer prospectus	Commencing 2 weeks after lodgement with ASIC and for a period of 2 weeks

Please note that the above timetable may change, at the complete discretion of the Company and the Lead Manager, without consultation with you, and subject to the terms of this letter you are bound by your commitment to subscribe for your Allocation notwithstanding any such changes to the timetable, subject to your liability ceasing immediately if:

- the Prospectus is not lodged by the Company with ASIC by 31 July 2015; or
- the Company has not received binding commitments from investors to subscribe for at least 40,000,000 Shares (including your Allocation), with Settlement of that subscription to occur on or before 31 August 2015, by 25 August 2015; or
- either:
 - the Company lodges the prospectus with ASIC in a form that is materially different to the Pathfinder Prospectus; or
 - after lodgement of the Prospectus with ASIC, the Company lodges a supplementary or replacement prospectus in relation to the Prospectus (a "Supplementary Prospectus"), where the information disclosed in the Prospectus or Supplementary Prospectus (as applicable) discloses any matter which you reasonably consider constitutes a material change to the nature of the Company's business from that disclosed in the Pathfinder Prospectus.

All times above are references to Sydney, Australia time.

5. Quotation

The Company has undertaken to apply for listing on ASX Limited ("ASX") and is expecting quotation of the Shares on a normal settlement basis as outlined in the Pathfinder Prospectus. Please note that ASX Market Participants (as defined in the ASX Market Rules) cannot deal in Shares either as principal or agent until official quotation is granted.

6. Allocation Personal

Your Allocation and the agreement arising from your commitment to subscribe for Shares under the Prospectus is personal to you and you may not, prior to settlement, assign, transfer, or in any other manner, deal with your Shares, or your rights or obligations under this agreement without the prior written agreement of the Lead Manager (provided that you may procure that one or more of your affiliates or related bodies corporate subscribes for the Shares the subject of your Allocation).

7. Representations, Warranties and Agreements

By accepting your Allocation, you represent, warrant and agree for the benefit of the Company, and its respective related bodies corporate, and the directors, officers, employees, or agents of any of them ("affiliates") that:

- (a) You are a person to whom Shares may lawfully be offered and issued in compliance with applicable laws

- without lodgement, registration or other formality.
- (b) You are in compliance with the requirements of the Corporations Act, the Australian Foreign Acquisitions and Takeovers Act 1975 (Cth) and the constitution of the Company and you will not cease to be in compliance if you take up your Allocation.
- (c) The Offer and the Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction in the United States and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons, except in accordance with an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act, and any other applicable securities laws.
- (d) You understand that the Shares have not been, and will not be, registered under the US Securities Act 1933 or the securities law of any state of the United States and may not be offered, sold or resold in the United States, or to or for the account or benefit of US Persons, except in a transaction exempt from, or not subject to, registration under the US Securities Act 1933 and any other applicable securities laws.
- (e) You are not in the United States or a US Person, and is not acting for the account or benefit of a US Person;
- (f) You will not send the Prospectus or any other material relating to the Offer to any person in the United States or to any person that is, or is acting for the account or benefit of, a US Person; and it will not offer or sell the Shares in the United States or to, or for the account or benefit of, any US Person or in any other jurisdiction outside Australia except in transactions exempt from, or not subject to, registration under the US Securities Act 1933 and in compliance with all applicable laws in the jurisdiction in which Shares are offered or sold
- (g) You have received and read a copy of the Pathfinder Prospectus.
- (h) You have had access to all information that you believe is necessary or appropriate in connection with your acquisition of Shares. You acknowledge and agree that you will not hold Bell Potter Securities Limited, the Lead Manager to the Offer ("Lead Manager") or any of its affiliates responsible for any misstatements in, or omissions from, any publicly available information concerning the Shares or the Offer.
- (i) You have made and relied entirely upon your own assessment of the Company and have conducted your own investigation with respect to the Shares and the Company including, without limitation, the particular tax consequences in any relevant jurisdiction of purchasing, owning or disposing of the Shares in the light of your particular situation, as well as any consequences arising under the laws of any other taxing jurisdiction. You acknowledge there is a risk that the Shares could be classified as stock of a passive foreign investment company for U.S. federal income tax purposes which could increase the U.S. tax costs to U.S. holders of the Shares. The Lead Manager makes no representation to you with respect to such matters.
- (j) You have not relied on any investigation or research that the Lead Manager or any of their affiliates or any persons acting on behalf of them may have conducted with respect to the Shares. None of such persons has made any representation to you, express or implied, with respect to the Shares.
- (k) Neither your Allocation nor this agreement constitutes a securities recommendation and that the Lead Manager has not had regard to your particular objectives, financial situation and needs.
- (l) An investment in Shares involves a degree of risk.
- (m) The Pathfinder Prospectus has been and the Prospectus will be prepared by the Company. Except for any liability which cannot be excluded by law, the Lead Manager and their affiliates do not accept any responsibility or liability for the contents of the Pathfinder Prospectus or Prospectus (including any supplementary or replacement Prospectus) in relation to the Offer. You acknowledge and agree that the Lead Manager and its affiliates do not make any warranty or representation as to the accuracy of the information given to you and exclude and disclaim all liability, except as may not be capable of being excluded by law, for any expense, loss, damage or cost that may be incurred by you or any other person as a result of that information being inaccurate or incomplete in any way for any reason.
- (n) You will accept the decisions and actions of the Lead Manager in respect of the Underwriting Agreement relating to the Offer and your Allocation does not oblige the Lead Manager to consult with you as to any matter or qualify the exercise or non-exercise of the rights of the Lead Manager under the Underwriting Agreement in any way, including in particular the exercise of any right of termination.
- (o) If you fail to meet any obligation to apply for all or part of your Allocation by the time required by this agreement, the Lead Manager may without notice to you apply (or procure on terms that a third party applies) for those Shares and in addition to any other obligations under this agreement you indemnify the Lead Manager for any cost or loss associated with so doing (including any loss on sale of those Shares within 5 months of application)
- (p) Any issue of Shares to you pursuant to your Allocation is subject to the completion of the Offer.
- (q) You agree to accept any Shares issued to you on the terms set out in this letter and under the Prospectus and subject to the constitution of the Company.

- (r) You are not a Related Party (as defined in section 228 of the Corporations Act or treated as such for the purposes of ASX Listing Rule 10.11) of the Company.
- (s) If you are acquiring any Shares for or on account of one or more persons, you have full power to make the foregoing acknowledgments, representations, warranties and agreements on behalf of each such person and you will procure that each such person will comply with its obligations herein.
- (t) The Company, the Lead Manager and their respective affiliates are entitled to, and will, rely upon the truth and accuracy of the foregoing acknowledgments, representations, warranties and agreements.

8. Governing Law and Jurisdiction

The agreement between us arising out of your acceptance of the terms of your Allocation shall be governed by the laws of New South Wales, Australia and you are obliged to submit to the non-exclusive jurisdiction of the courts of that State.

9. Entire Agreement

Subject to this paragraph, the terms contained in this letter including, without limitation, your executed Allocation Confirmation Advice, constitute the entire agreement among the Company, the Lead Manager and you as to the Offer under the Prospectus and your participation in the Offer under the Prospectus to the exclusion of all prior representations, understandings and agreements among the Company, the Lead Manager and you. Any variation of the terms of this agreement must be in writing signed by the Lead Manager and you. However, the foregoing does not affect the enforceability of your commitment not to withdraw or amend your bid for Shares, and to be bound to subscribe under the Prospectus for the Shares allocated to your bid and to confirm your Allocation accordingly.

10. Notices

Any notice to be given relating to your Allocation or this letter may be sent by facsimile or email to the facsimile number or email address of the party to whom the notice is sent and will be deemed to have been given upon the successful transmission to that facsimile number or email address.

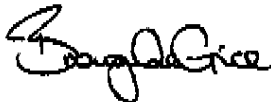
11. Settlement

You will be required to deposit cleared funds into the below IPO trust account by no later than 5.00pm (AEST) on the date on which is at least 2 business days prior to the Settlement Date for the Offer. Banking instructions will be forwarded to you by the Company in a separate letter in due course.

You may elect your preferred method of stock delivery. This can be held directly in AstraZeneca's name electronically at the share registry or can be arranged to be delivered to AstraZeneca's custodian or nominee of choice.

If you have any questions in regards to settlement please contact Bronwyn LeGrice.

Yours sincerely,



Bronwyn J Le Grice
Company Secretary
Adherium Limited

Ref: AstraZeneca

**ALLOCATION CONFIRMATION ADVICE
Adherium Limited – Initial Public Offering**

**ADHERIUM LIMITED INITIAL PUBLIC OFFER
60.0 MILLION SHARES AT A\$0.50 PER SHARE
ALLOCATION CONFIRMATION ADVICE**

We refer to the confirmation of allocation letter dated 16 July 2015 (the "Allocation Confirmation Letter"), regarding the Offer of shares in Adherium Limited (the "Company"). We confirm our agreement to apply under the Prospectus for the Allocation of Shares set forth in Section 2 of the Allocation Confirmation Letter on the terms and conditions set out in the Allocation Confirmation Letter:

In connection with our purchase of such Shares, the undersigned hereby confirms (for the benefit of the Company, its respective affiliates), the various representations, warranties and agreements contained in the Allocation Confirmation Letter, including those set out in Section 7.

Please note the following details:

Offeree (full name): AstraZeneca AB
 Contact Name: Tyrell Rivers, Ph.D.
 Address: 1 MedImmune Way, Gaithersburg, MD 20878
 Fax: (301) 398-8115
 Phone: (301) 398-2782

Details of Authorised Signatories

Signature: [Handwritten Signature]

Name: HATS BEHRENS

Title: VICE PRESIDENT PRODUCT DEVELOPMENT

Date: 16 July 2015

For personal use only