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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

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26 August 2015

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

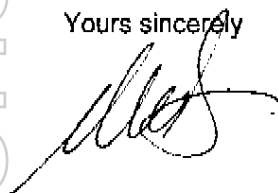
Dear Sir/Madam

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

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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 <i>Corporations Act 2001</i> (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 <i>Corporations Act 2001</i> (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

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>AKP</i>	date	26/08/2015

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

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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 \$0.50 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.

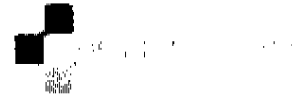
2.Allocation

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*

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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 6 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.

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