



SEPTEMBER 4, 2015

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

RE: PROSPECTUS

Please see attached disclosure document prepared in accordance with Section 708A(11) of the Corporations Act for the purpose of cleansing secondary sales of any Shares that may be issued by the Company prior to the Closing Date under that disclosure document.

Kind regards

Bronwyn Le Grice

Joint Company Secretary

[ASX:ADR](#)

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

Joint Company Secretaries

Mr Rob Turnbull
Ms Bronwyn Le Grice

Registered Office

L12, 15 William Street
Melbourne VIC 3000
Australia

NZ Office

Suite 205, 8 Commerce Street
Auckland 1010
New Zealand

Investor Relations Contact

Ms Bronwyn Le Grice
+61 424 862 600

Email

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Prospectus



Adherium Limited

ACN 605 352 510

ASX Code: ADR

An offer by the Company of up to 100 New Shares at an issue price of \$1.25 per New Share to raise up to \$125.

This Prospectus is prepared in accordance with Section 708A(11) of the Corporations Act for the purpose of removing trading restrictions on the secondary sale of any Shares that may be issued by the Company prior to the Closing Date.

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

**AN INVESTMENT IN THE COMPANY'S SECURITIES SHOULD BE CONSIDERED
SPECULATIVE**

This Prospectus is an important document and should be read in its entirety. It is a prospectus issued pursuant to Section 712 of the Corporations Act. It does not, itself, contain all the information that is generally required to be set out in a full prospectus, but refers to other documents, the information of which is deemed to be incorporated into this prospectus. The securities offered by this Prospectus should be considered speculative.

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IMPORTANT INFORMATION

This Prospectus is dated 4 September 2015 and was lodged with ASIC on that date. Neither ASIC nor ASX or any of their officers, take any responsibility for the contents of this Prospectus.

No securities will be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

In preparing this Prospectus, regard has been had to the fact that ASX maintains a database of publically disclosed information about the Company, that the Company is a disclosing entity for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to professional advisors with whom potential investors may consult.

This Prospectus is a short form prospectus issued in accordance with section 712 of the Corporations Act. This means this Prospectus alone does not contain all the information that is generally required to satisfy the disclosure requirements of the Corporations Act. Rather, it incorporates all other necessary information by reference to information contained in the IPO Prospectus and the items listed in sections 2.2 and 2.3 of this Prospectus.

In referring to the IPO Prospectus, the Company:

- (a) identifies the IPO Prospectus as being relevant to the offer of New Shares under this Prospectus and containing information that will provide investors and their professional advisers with information to assist them in making an informed assessment of:
 - (i) the rights and liabilities attaching to the New Shares;
 - (ii) the capacity of the Company to issue the New Shares; and
 - (iii) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company;
- (b) refers investors and their professional advisers to section 2.2 of this Prospectus which summarises the information in the IPO Prospectus deemed to be incorporated in this Prospectus;
- (c) informs investors and their professional advisers that they are able to obtain, free of charge, a copy of the IPO Prospectus by contacting the Company at its registered office during normal business hours during the Offer Period; and
- (d) advises that the information in the IPO Prospectus will be primarily of interest to investors and their professional advisers or analysts.

Various statements in this Prospectus constitute statements relating to intentions, future acts and events. Such statements are generally classified as forward looking statements and involve known and unknown risks, uncertainties and other important factors that could cause those future acts, events and circumstances to differ from the way or manner in which they are expressly or implicitly portrayed in this Prospectus.

The Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this document under the laws applicable in that jurisdiction.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and any person into whose possession this Prospectus comes should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

No person is authorised to give any information or to make any representation in connection with the Offer that is not contained in this Prospectus. Any information or representation not contained in this Prospectus may not be relied upon as having been authorised by the Company in connection with the Offer. Neither the Company nor any other person warrants the future performance of the Company or any return on any investment made under this Prospectus except as required by law and then only to the extent so required.

This Prospectus does not take into account the investment objectives, financial situation and particular needs of any person. Professional advice should be sought before deciding to invest in any securities the subject of this Prospectus.

There are risks associated with an investment in the Company and the securities offered under this Prospectus should be regarded as a speculative investment. The securities offered under this Prospectus carry no guarantee with respect to return on capital investment, payment of dividends or the future value of the New Shares.

Certain abbreviations and other defined terms are used throughout this Prospectus. Details of the definitions and abbreviations used are set out in Section 5 of this Prospectus. All financial amounts shown in this Prospectus are expressed in Australian dollars unless otherwise stated.

This Prospectus may be viewed in electronic form online at the Company's website: www.adherium.com/investors. The information on the Company's website (outside the electronic Prospectus) does not form part of this Prospectus. Additional copies of the Prospectus are available at the registered office of the Company.

Any person may obtain a copy of this Prospectus or any of the documents referred to in Section 4.1 free of charge by contacting the Company.

1. Overview

1.1 Introduction

This Prospectus relates to the Offer to be made by the Company of up to 100 New Shares at an issue price of \$1.25 per New Share to raise up to \$125.

The purpose of the Offer is to remove the trading restrictions on the sale of any Shares that may be issued by the Company prior to the Closing Date, in accordance with Section 708A(11) of the Corporations Act. Such Shares may include Shares issued in accordance with any other capital raising opportunities that may present themselves to the Company prior to the Closing Date.

Section 708A(11) of the Corporations Act provides that a sale offer does not need disclosure to investors if:

- (a) the relevant securities are in a class of securities that are quoted securities of the body; and
- (b) either:
 - (i) a prospectus is lodged with ASIC on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or
 - (ii) a prospectus is lodged with ASIC before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and
- (c) the prospectus is for an offer of securities issued by the body that are in the same class of securities as the relevant securities.

The opening date of the Offer is 4 September 2015 (**Opening Date**) and the closing date of the Offer is 5.00 pm (AEDT) 31 December 2015 (**Closing Date**). The Company reserves the right to close the Offer early without notice.

The Offer is not underwritten and there is no sponsoring broker. Accordingly, no commissions are payable in connection with the Offer.

1.2 Applications

Applications for New Shares under the Offer must be made using an Application Form.

The Directors reserve the right to issue New Shares pursuant to the Offer at their absolute discretion. Accordingly, please do not submit an Application Form unless directed to do so by the Directors.

2. Information deemed to be incorporated in Prospectus

2.1 Short Form Prospectus

This Prospectus is a short form prospectus issued in accordance with section 712 of the Corporations Act. This means that this Prospectus does NOT contain all the information that is generally required to be set out in a document of this type, however, it incorporates by reference, information contained in the IPO Prospectus that was lodged with ASIC on 3 August 2015 as cross referenced in section 2.2 and the documents referred to in sections 2.3 and 4.1.

The information to be incorporated by reference into this Prospectus is summarised below in sections 2.2 and 2.3. These sections will primarily be of interest to investors and their professional advisers.

Investors and their professional advisers are able to obtain a copy of the IPO Prospectus and the documents listed in sections 2.2 and 2.3 below free of charge by contacting the Company at its registered office during normal business hours during the Offer Period. The documents will also be available by searching the ASIC's records in relation to the Company, or by visiting the Company's website at www.adherium.com/investors.

2.2 Summary of information deemed to be incorporated into this Prospectus

Set out below is a summary of the information contained in the IPO Prospectus that is deemed to be incorporated in this Prospectus to assist investors and their professional advisers to determine whether they need to obtain a copy of the IPO Prospectus for the purposes of making an informed investment decision in relation to the New Shares.

The sections referred to in this section 2.2 below are references to sections in the **IPO Prospectus**:

Section 5 – Market Overview

Section 5 details the market the Company operates in.

Section 6 – Company Overview

Section 6 contains information relating to the history of the Company, its products and the application of funds raised pursuant to the IPO Prospectus.

Section 7- Board and Management

Section 7 contains information relating to each of the directors, the company secretary and the senior executives of the Company.

Section 8 – Financial Statements

Section 8 sets out historical financial information of Adherium (NZ) Limited and the pro forma Historical Statement of Financial Position as at 31 March 2015.

Section 10 – Intellectual Property

Section 10 contains an Intellectual Property Report outlining the intellectual property of the Company and Adherium (NZ) Limited.

Section 11- Risk Factors

Section 11 details a number of matters that may impact on the future operating performance of the Company. The factors referred to include economic activity, changes in exchange rates, market forces, future revenues, sufficiency of funding, reliance on key personnel, product liability, dependence on service providers, changes in research funding, difficulties or delays in receiving regulatory approval or certification, competition for the products and processes, patent litigation and manufacturing and production risks.

Section 13 - Additional Information

Section 13 sets out additional information required to be disclosed in the Prospectus including:

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- (a) details of the capital structure of the Company;
 - (b) rights and liabilities attaching to Shares under the Company Constitution;
 - (c) summaries of material contracts;
 - (d) interests of Directors, including remuneration and share holdings;
 - (e) interests of persons named in the IPO Prospectus;
 - (f) details of the consents of persons named in the IPO Prospectus;
 - (g) expenses of the offer; and
 - (h) a statement that the Company is not involved in any litigation at that time.

2.3 Changes since the IPO Prospectus

In addition to the information contained in the IPO Prospectus (as outlined in section 2.2) the following information has been released to the ASX and is incorporated by reference:

- (a) issue of Employee Share Option Plan options (**ESOP Options**) as detailed on page 101 of the IPO Prospectus being:
 - (i) 5,389,313 options issued at an exercise price of A\$0.075268; and
 - (ii) 4,115,069 options issued at an exercise price of A\$0.134039;
- (b) issue of options to Bell Potter Securities Limited as detailed on page 102 of the IPO Prospectus;
- (c) listing of the Company on the ASX on 26 August 2015. The Company announced that its Shares were listed on the ASX under the code ADR;
- (d) appointment of Rob Turnbull as Joint Company Secretary;
- (e) the exercise of 1,039,428 options by Dr Doug Wilson (Non-Executive Chairman);
- (f) the exercise concurrent with this Prospectus of 844,353 ESOP Options and the resulting issue of 844,353 Shares upon the exercise of those ESOP Options; and
- (g) the revised Director's interests as outlined in section 4.3.

3. Effect of the Offer on the Company

3.1 Effect on financial position of the Company

The effect on the financial position of the Company by a full subscription for all the New Shares pursuant to the Offer (**Fully Subscribed**) will be to increase the Company's cash reserves by up to \$125 (net of the expenses of this Offer).

3.2 Effect on the capital structure of the Company

The issue of all the New Shares pursuant to this Offer will increase the number of fully paid ordinary shares by 100.

3.3 Potential effect on control of the Company

If Fully Subscribed, the Offer will not have a material effect on the control of the Company.

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4. Additional information

4.1 Continuous disclosure and documents available for inspection

The Company is a "disclosing entity" for the purposes of the Corporations Act. As such, it is subject to regular reporting and disclosure obligations, which require it to disclose to ASX any information of which it is or becomes aware concerning the Company and which a reasonable person would expect to have a material effect on the price or value of securities of the Company.

Copies of documents lodged with ASIC (including the Constitution) in relation to the Company may be obtained from or inspected at, an office of ASIC. This includes the IPO Prospectus referred to in section 2 of this Prospectus.

4.2 Information excluded from continuous disclosure notices

As at the date of this Prospectus, there is no information that has not been disclosed under the continuous disclosure requirements of the Listing Rules and which the Board considers would reasonably be required in order to assess the Company's assets and liabilities, financial position and prospects and the rights and liabilities attaching to Shares in the Company.

4.3 Interests of Directors

Other than as set out below or elsewhere in this Prospectus, no Director:

- (a) has or had within 2 years before the lodgement of this Prospectus, any interest in:
 - (i) the formation or promotion of the Company;
 - (ii) any property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer under this Prospectus;
 - (iii) the Offer under this Prospectus, or
- (b) has been paid or has agreed to be paid or has received or has agreed to receive any benefits:
 - (i) for services rendered by them in connection with the formation or promotion of the Company, or
 - (ii) the Offer under this Prospectus.

A full disclosure of the interests of Directors, experts and promoters of and to the Company for the period commencing on incorporation of the Company and to the date of issue of the IPO Prospectus are set out in section 13 of the IPO Prospectus and that information and disclosure has been updated in the table below.

As at the date of this Prospectus, the Directors have relevant interests in securities in the Company as set out in the table below:

Director	Annual Remuneration	Number of existing Shares	Number of existing options
Garth Sutherland	NZ\$280,000 Plus 30% STI Plus 30% LTI	11,174,450*	1,212,666
Dr Doug Wilson	\$80,000	1,039,428	-
Jeremy Curnock Cook	\$40,000	80,000	-
John Mills	\$40,000	40,000	-
Bruce McHarrie	\$40,000	-	-
Bryan Mogridge	\$40,000	1,500,000	-

* This figure includes Garth Sutherland's relevant interest as a non-beneficial trustee of The Ross Sutherland & Val Sutherland Family Trust.

4.4 Offers outside Australia

This Prospectus does not, and is not intended to, constitute an offer of securities in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue / distribute this Prospectus. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

4.5 Taxation

The Directors do not consider that it is appropriate to provide investors with advice regarding the taxation consequences of accepting the Offer under this Prospectus. The Company, its advisers and officers, do not accept any responsibility or liability for any taxation consequences to investors in respect of any issue.

4.6 Privacy disclosure

By filling out the Application Form you are providing personal information to the Company through its Share Registry. The Corporations Act requires the Company to include information about each security holder (name, address and details of the securities held) in its public register. This information must remain in the register even if you cease to be a security holder in the Company. The Company, and the Registry on its behalf, may collect, hold and use that Information in order to process your Application, facilitate dividend payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its security holders) and compliance by the Company with legal and regulatory requirements. Your personal information may also be provided to the Company's members, agents and service providers on the basis that they deal with such information in accordance with the Company's privacy policy.

If you do not provide the information requested in the Application Form, the Company and the Registry may not be able to process or accept your Application.

4.7 Expenses of the Offer

The total expenses of the Offer are estimated to be approximately \$5,000 comprising ASIC lodgement fees, legal fees, accounting fees, share registry fees and printing and other administrative expenses.

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4.8 Legal proceedings

To the Director' knowledge, there is no litigation, arbitration or proceedings pending against or involving the Company as at the date of this Prospectus.

4.9 Material Contracts

The Company has not entered into any material contracts other than those which have been detailed in the IPO Prospectus or the subject of ASX announcements or referred to in this Prospectus.

4.10 Authority of Directors

The Directors have made all reasonable enquiries in the preparation of this Prospectus and on that basis have reasonable grounds to believe that any statements made by the Directors in this Prospectus are not misleading or deceptive and that in respect to any other statements made in this Prospectus by persons other than Directors, the Directors have made reasonable enquiries and on that basis have reasonable grounds to believe that persons making the statement or statements were competent to make such statements, those persons have given their consent to the statements being included in this Prospectus in the form and context in which they are included and have not withdrawn that consent before lodgement of this Prospectus with ASIC, or to the Directors knowledge, before any issue of New Shares pursuant to this Prospectus.

This Prospectus is prepared on the basis that certain matters may reasonably be expected to be known to likely investors or their professional advisors.

Each of the Directors of the Company has consented to the lodgement of this Prospectus in accordance with Section 720 of the Corporations Act and has not withdrawn that consent.

Dated 4 September 2015



By: Bronwyn Le Grice.
Joint Company Secretary
For and on behalf of the Board of Adherium Limited

5. Definitions

\$ or A\$ or AUD means references to dollar amounts in Australian currency;

AEDT means Australian Eastern Daylight Time;

ASIC means the Australian Securities and Investments Commission;

Applicant means the person completing an Application Form;

Application Form means the form which is attached to this Prospectus;

ASX means ASX Limited ACN 008 624 691;

ASX Settlement means ASX Settlement Pty Ltd ACN 008 504 532;

ASX Settlement Operating Rules means the operates rules of ASX Settlement from time to time;

Business Day means a day that is not a Saturday, Sunday or a public holiday in Melbourne, Victoria;

Closing Date means 5.00 pm (AEDT) 31 December 2015.

Company means Adherium Limited ACN 605 352 510;

Constitution means the constitution of the Company;

Corporations Act means the *Corporations Act 2001*(Cth);

Directors or **Board** means the board of directors of the Company;

Issue Price means the issue price for New Shares of \$1.25 each;

IPO Prospectus means the IPO Replacement Prospectus lodged by the Company with ASIC on 3 August 2015 which replaced a Prospectus dated 20 July 2015;

Listing Rules means the listing rules of ASX;

New Share means a Share issued pursuant the Offer under this Prospectus;

Offer means the offer described in Section 1 of this Prospectus;

Opening Date means 4 September 2015;

Offer Period means the period between the Opening Date and Closing Date;

Prospectus means this prospectus as modified or varied by any supplementary prospectus made by the Company and lodged with ASIC from time to time;

Section means a section of this Prospectus; and

Share means a fully paid ordinary share in the issued capital of the Company.

Corporate Directory

Directors

Dr Doug Wilson, Non-Executive Chairman

Mr Garth Sutherland, Group Chief Executive Officer

Mr Jeremy Curnock Cook, Non-Executive Director

Mr Bruce McHarrie, Non-Executive Director

Professor John Mills, Independent Non-Executive Director

Mr Bryan Mogridge, Independent Non-Executive Director

Joint Company Secretaries

Ms Bronwyn Le Grice

Mr Rob Turnbull

Registered Office

Level 12, 15 William Street, Melbourne, Victoria 3000

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APPLICATION FORM

To:

The Directors

Adherium Limited ACN 605 352 510

Level 12, 15 William Street, Melbourne, Victoria 3000

Application

1. I (being the person named in item 1 of the Schedule) accept the offer of New Shares described in the prospectus dated 4 September 2015 lodged with ASIC (**Prospectus**) to which this Application forms part. The expiry date of the Prospectus is 31 December 2015.
2. I understand that the Company makes no representation or guarantee in respect of any investment in Shares.
3. I agree that any New Shares described in this Prospectus are issued subject to and bound by the terms of this Prospectus the Constitution of the Company (as amended from time to time) and the ASX Listing Rules.
4. I acknowledge that:
 - (a) the Prospectus (referred to above) has been lodged by the Company with ASIC in respect of the offer of the New Shares described in the Prospectus;
 - (b) I have read, understood and obtained independent legal and financial advice concerning the Prospectus and this investment in the New Shares;
 - (c) I make this application for New Shares pursuant to the terms of the Prospectus;
 - (d) by lodging this Application Form and a cheque for the Application Monies I apply for the number of New Shares specified in this Application Form or such lesser number as may be allocated by the Directors;
 - (e) an investment in the Company is speculative and there is no guarantee that there will be any return on New Shares (whether by way of dividends or return of capital or any other manner whatever);
 - (f) the Directors reserve the right to issue New Shares pursuant to the Offer at their absolute discretion; and
 - (g) there is no guarantee that there will be any market (whether official or unofficial) for trading of the Company shares generally.
5. This Application is irrevocable and unconditional.
6. The validity and construction of this Application and, where the Application is accepted, the terms on which New Shares are allotted to the Applicant is governed and construed in accordance with the laws of the State of Victoria.

