22 March 2018

Adherium Limited
Collins Square, Tower 4
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Mr D Litis
Principal Adviser
ASX Limited
Level 4
North Tower, Rialto
525 Collins Street
Melbourne VIC 3000

Dear Mr Litis

ASX QUERY LETTER DATED 19 MARCH 2018

Adherium Limited (ASX:ADR) in response to your letter of 19 March 2018 requesting information from the Company under Listing Rule 18.7 provides the following information:

1. Adherium does not consider that the information contained in the announcement lodged with ASX on 7 March 2018 to be information that a reasonable person would expect to have a material effect on the price or value of its securities. It is not uncommon and is in effect "business as usual" for Adherium to announce the results of adherence studies using the Company's technology. The announcement of similar previous studies' results has not historically had a material effect on the price of Adherium's shares.

   For example by way of an analogy, on 17 November 2016 the Company's announcement of the results of a study showing dramatic improvements in clinical outcomes and medication adherence in children caused no movement in the share price for the day (**Analogist Announcement**).

   The Company considers the announcement on 7 March 2018 to be consistent and of a similar nature to previous announcements (including the Analogist Announcement) made by the Company regarding results of studies.

   The information announced was contained in a presentation made by parties unrelated (other than as customers) to Adherium at the conference in Florida on 3 March 2018. Adherium also notes that the information contained in the presentation had been made publicly available on 1 March 2018, when the authors published the results of their study in the February 2018 edition of the Journal of Allergy and Clinical Immunology (http://www.jacionline.org/article/S0091-6749(17)32093-6/fulltext). As the Company's commercial focus is increasingly on the United States, it prepared a US press release in conjunction with the conference presentation and circulated this at 11.16 am, 5 March 2018 US Eastern Time (3.16 am, 6 March 2018 AEST) to increase its US profile. The press release was not made in any investment context. While the information was not considered to be material by the Company, Adherium believed the results presented would also be of interest to shareholders (but not material to share price) and announced the results via ASX announcements platform on 7 March 2018.

It is also Adherium's view that, with limited liquidity in the market for its shares, small trading volumes can have a large impact on the Adherium share price. It is the Company's opinion that the observed share price increases were directly attributable to the buying undertaken by the Directors as disclosed to the market on 12 March 2018. Adherium notes the larger volumes / buying demand after the Director share purchases were notified to the market on 12 March. As such, it is the Company's opinion that the increase in the share price was not correlated to the release of the study results on 7 March 2018 but largely due to the market reaction to the Directors' own share purchases.

2. Adherium first became aware of the final study results on which the conference presentation was based when they were published by A G Weinstein et al in the February 2018 edition of the Journal of Allergy and Clinical Immunology as noted above. As the information was not considered material from a continuous disclosure perspective, Adherium did not further publicise the information prior to the authors making their formal presentation to the Florida conference.

3. To ensure compliance with Listing Rule 15.7, Adherium has in place its Communications and Disclosure Policy in accordance with sections 6.4 and 6.5 of its Corporate Governance Policy (disclosed on its website investors.adherium.com).

4. Adherium's current arrangements to ensure compliance with Listing Rule 15.7 are enforced and are considered to be adequate.

5. Directors received approval by email on 27 February 2018 to buy shares on-market during the period 5 to 8 March 2018 (inclusive).

6. As noted above, the results presented at the conference and contained in the announcement were not considered to have a material effect on the share price or value of the Company. Additionally, such an announcement was considered to be business as usual and in line with Adherium's previous disclosure of similar studies.

7. Adherium confirms that these responses have been approved in accordance with its Communications and Disclosure Policy noted above.

Yours faithfully

Rob Turnbull
Joint Company Secretary

19 March 2018

Rob Turnbull
Joint Company Secretary &
Vice President of Finance & Business Services
Level 2
204 Quay Street
Auckland, New Zealand 1010

By email to mailto: robt@adherium.com

Re: Adherium Limited ("ADR")

Dear Mr Turnbull

ASX Limited ("ASX") refers to the following:

A. On 7 March 2018 at 11:32am AEDT, ADR lodged an announcement on ASX entitled *Asthma Adherence Management Findings Utilizing Adherium's Smartinhaler™ Technology Presented at AAAAI/WAO* ("Announcement").

B. The Announcement related to the *'presentation of new study results utilizing the Smartinhaler™ technology at the Joint Congress of the American Academy of Allergy Asthma and Immunology, and the World Allergy Organization, March 3rd in Orlando, Florida'* (the "Results Presentation").

C. An article appearing on NASDAQ Globenewswire dated 5 March 2018 entitled *Asthma Adherence Management Findings Utilizing Adherium's Smartinhaler™ Technology Presented at AAAAI/WAO* (the "Globe Newswire Article") attached as Annexure 1.

D. A press release on the ADR website (adherium.com) dated 5 March 2018 entitled *Asthma Adherence Management Findings Utilizing Adherium's Smartinhaler™ Technology Presented at AAAAI/WAO* (the "ADR Press Article") attached as Annexure 2.

E. The information and wording contained in the Announcement, Globe Newswire and ADR Press Article are, for all intents and purposes, identical.

F. The ADR Director's Interest Notices released on ASX on 12 March 2018 and, in particular, the Director's Interest Notices for Mr Mogridge and Mr McHarrie which indicate that each acquired ADR shares on market on 5-7 March 2018 and on 5 March 2018, respectively ("Director Trades"). ASX also notes that on the face of it, subject to the provisions of the ADR Trading Charter referred to in paragraph G below, the Director Trades did not occur during a "closed period".

G. The ADR Trading Charter section 3.4 'Securities Trading Policy' paragraphs (a) and (b) which state as follows.

(a) General prohibition

Trading in the Securities by all directors, officers and employees of the Company is prohibited when the relevant person is aware of any Inside Information. Without limiting the application of this general prohibition, the Chairman of the Company may from time to time declare a "closed period" where there is the possibility of any person possessing Inside Information.

(b) Trading notice:

Where any employee of the Company (including its directors) proposes dealing at any time in the Securities, prior approval from the Chairman is required in order to determine whether such a transaction might be sensitive or infringe the general prohibition on Insider Trading (see paragraph 3.4(a) above). For this purpose, the relevant person must seek the written permission of the Chairman at least 7 days prior to the proposed trading in the Securities. This request may be a "standing notice" that the relevant person intends to buy or sell the Securities over a specified period (up to a maximum of 5 business days after expiry of the notice to the Chairman) after the initial 7 day period or may specify that the relevant person intends to buy or sell the Securities up to a maximum amount as specified in the request to the Chairman.

H. Listing Rule 3.1 which states:

"Once an entity is or becomes aware of any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities, the entity must immediately tell ASX that information."

I. The definition of "aware" in Chapter 19 of the Listing Rules, which states that:

"*an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity"*

and section 4.4 in Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B "When does an entity become aware of information"*.

J. Listing Rule 15.7 which states:

"An entity must not release information that is for release to the market to any person until it has given the information to ASX and has received an acknowledgement that ASX has released the information to the market."

K. Listing Rule 18.6 which states:

"On admission to the official list, an entity must comply with the listing rules."

Listing Rule 15.7 prohibits an entity from releasing information which is for release to the market to any person (including the media, even on an embargoed basis) until it has given the information to ASX and received an acknowledgment that ASX has released it to the market.

As the Globe Newswire and ADR Press Article are both dated 5 March 2018 and the Announcement was not released until 7 March 2018, it appears that ADR may be in breach of Listing Rules 3.1 and/or 15.7.

Having regard to the above, ASX asks ADR to respond separately to each of the following questions and requests for information:

1. Does ADR consider the Information contained in the Announcement to be information that a reasonable person would expect to have a material effect on the price or value of its securities?

2. When did ADR first become aware of the information contained in the Announcement? In answering this question, please specify the date and time when ADR first became aware of the information presented at the Results Presentation.

3. What arrangements does ADR have in place to ensure compliance with Listing Rule 15.7?

4. If the current arrangements are inadequate or not being enforced, what additional steps does ADR intend to take to ensure compliance with Listing Rule 15.7?

5. Notwithstanding that, on the face of it, the Director Trades did not occur during a "closed period", did the directors have approval for the Director Trades in accordance with section 3.4(b) of the ADR Trading Charter?

6. If the answer to question 5 is "yes", please explain why the Chairman did not form the view that the information contained in the Announcement was Inside Information (as defined in the ADR Trading Charter as *'any information that is not generally available but which, if it were, a reasonable person would expect that information to have a material effect of the price or value of the Company's Securities'*)?

7. Please confirm that ADR's responses to the above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of ADR with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under, and in accordance with, Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than half an hour before the start of trading (ie before 9.30 a.m. AEDT) on Thursday 22 March 2018. If we do not have your response by then, ASX will have no choice but to consider suspending trading in ADR's securities under Listing Rule 17.3.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, ADR's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at dean.litis@asx.com.au . It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to ADR's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

It should be noted that ADR's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Kind regards

[Sent electronically, without signature]

Dean Litis
Principal Adviser
+61 3 9617 8625
dean.litis@asx.com.au

Asthma Adherence Management Findings Utilizing Adherium's Smartinhaler™ Technology Presented at AAAAI/WAO

March 05, 2018

SAN MATEO, Calif., March 05, 2018 (GLOBE NEWSWIRE) -- Adherium (ASX:ADR), announced the presentation of new study results utilizing the Smartinhaler™ technology at the Joint Congress of the American Academy of Allergy, Asthma and Immunology, and the World Allergy Organization, March 3rd in Orlando, Florida.

Dr. Andrew G. Weinstein of Asthma Management Systems, Rockland, Delaware presented Validation of The Asthma Adherence Management Model, finding that physicians implementing an Asthma Adherence Pathway were successful in promoting adherence to the recommended usage of a long-acting beta agonist and inhaled corticosteroid for a treatment group, at 81 percent, and improved the treatment group's asthma control compared to patients in a control group.

Co-authors included Dr. Deborah A. Gentile and Erica Butler of Pediatric Alliance, Pittsburgh; Dr. Anil Singh, Dr. Rihab Sharara, Dr. Kiet Ma, Dr. Tariq Cheema, Jennifer Maiolo and Allison Kong of Allegheny Health Network, Pittsburgh; and Dr. David P. Skoner of the West Virginia University School of Medicine, Pittsburgh.

The study was designed to examine how objective monitoring, identification of barriers, delivery of barrier-specific adherence strategies and enhanced communication skills can promote adherence to asthma treatments. Forty patients with asthma were randomly assigned to a treatment group, or a control group, and completed a three month prospective nested study of the Asthma Adherence Pathway WebApp. Physicians utilized a common long-acting beta agonist and inhaled corticosteroid following standard guidelines. Patients admitted to the study had poor asthma control defined by an Asthma Control Questionnaire. Patients in the treatment group utilized the Asthma Adherence Pathway WebApp to identify adherence barriers, and then monitored monthly for adherence with an Adherium Smartinhaler™ sensor. Treatment subjects were given feedback regarding adherence findings. Treatment adherence was determined by the mean of four measures over three months. Physicians in the group utilizing the Asthma Adherence Pathway WebApp and Smartinhaler™ sensor were trained in motivational interviewing, using strategies from the WebApp to promote adherence. Patients in the control group were not monitored for adherence.

Mean treatment adherence in the treatment group was 81 percent. Results showed the treatment group experienced greater improvement (0.75 ACQ units) than the control group (0.19 ACQ units). The treatment group had 13 subjects achieve Minimal Important Difference (defined as an improvement of greater than or equal to 0.5 units on the ACQ), compared to six patients in the control group.

"Our clinical track record continues to expand," said Arik Anderson, CEO of Adherium. "We have distributed more than 100,000 devices through commercial channels and clinical studies across more than 30 countries, including the US, UK, Singapore and Australia. In addition, our software and devices have been subject to studies and articles in more than 70 clinical publications. We believe the science is right, that technology – if correctly applied - can close the care gap in asthma and other chronic conditions."

About Adherium

Adherium is a provider of digital health solutions and a global leader in connected respiratory medical devices. The Company develops, manufactures and supplies patients, pharmaceutical companies, healthcare providers and contract research organizations with the broadest range of connected medical devices for respiratory medications to address sub-optimal medication use and improve health outcomes in chronic disease. Adherium operates globally from bases in the USA, Europe and Australasia. Learn more at Adherium.com.

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ANNEXURE 1

Asthma Adherence Management Findings Utilizing Adherium's Smartinhaler™ Technology Presented at AAAAI/WAO

March 05, 2018 11:16 ET | **Source:** Adherium North America Inc

SAN MATEO, Calif., March 05, 2018 (GLOBE NEWSWIRE) -- Adherium (ASX:ADR), announced the presentation of new study results utilizing the Smartinhaler^{TM} technology at the Joint Congress of the American Academy of Allergy, Asthma and Immunology, and the World Allergy Organization, March 3rd in Orlando, Florida.

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