

Replacement Notice of Annual General Meeting and Proxy Form

Melbourne, Australia – 9 October 2024: Adherium Limited (“Adherium” or “the Company”; ASX: ADR) gives notice to Shareholders that the attached Replacement Notice of Meeting, including the explanatory memorandum and proxy form, supersedes the Notice of Meeting released to the ASX on 8 October 2024.

The Company confirms that the time, date, and location of the Meeting remain **unchanged**.

The replacement Notice introduces a **new conditional resolution**, Resolution 5 (titled “Board Spill Meeting”), which will only be considered if at least 25% of valid votes are cast against the adoption of the Remuneration Report (Resolution 1).

All capitalised terms in this notice have the same meaning as defined in the Replacement Notice of Annual General Meeting.

- ENDS -

This ASX announcement was approved and authorised for release by the Company Secretary of Adherium.

Investor Enquiries

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About Adherium (ASX: ADR)

Adherium is a provider of integrated digital health solutions and a worldwide leader in connected respiratory medical devices, with more than 180,000 sold globally. Adherium’s Hailie® platform solution provides clinicians, healthcare providers and patients access to remotely monitor medication usage parameters and adherence, supporting reimbursement for qualifying patient management.

The Hailie® solution includes a suite of integration tools to enable the capture and sharing of health data via mobile and desktop apps, Software Development Kit (SDK) and Application Programming Interface (API) integration tools, and Adherium’s own broad range of sensors connected to respiratory medications.



ASX Release

Adherium's Hailie® solution is designed to provide visibility to healthcare providers of medication use history to better understand patterns in patient respiratory disease.

Learn more at www.adherium.com

Notice of Annual General Meeting

Notice is given that the 2024 Annual General Meeting (**AGM or the Meeting**) of Shareholders of Adherium Limited ACN 605 352 510 (**Adherium or the Company**) will be held as a hybrid meeting at which Shareholders may participate in person or virtually via the Computershare Meeting Platform at the following date and time:

Date: **15 November 2024**
Time: **11.00am (AEDT)**
Venue: **Offices of K&L Gates
Level 25, Rialto South Tower,
525 Collins Street
Melbourne, VIC 3000**

Participating in the Meeting Online: Shareholders must use the Computershare Meeting Platform to attend and participate in the meeting. To participate in the meeting, you can log in by entering the following URL <https://meetnow.global/M2DJ6ZQ> in your computer, tablet or smartphone. Online registration will open 30 minutes before the meeting. To make the registration process quicker, please have your SRN/HIN and registered postcode or country code ready. Proxyholders will need to contact Computershare prior to the meeting to obtain their login details.

To participate in the meeting online follow the instructions below.

1. Click on 'Join Meeting Now'.
2. Enter your SRN/HIN. Proxyholders will need to contact Computershare on +61 3 9415 4024 prior to the meetings to obtain their login details.
3. Enter your postcode registered to your holding if you are an Australian securityholder. If you are an overseas securityholder select the country of your registered holding from the drop down list.
4. Accept the Terms and Conditions and 'Click Continue'.

You can view the meeting live, ask questions verbally or via a live text facility and cast votes at the appropriate times while the meeting is in progress.

The business of the Annual General Meeting affects your shareholding, and your vote is important.

Distribution of Notice of Meeting: In accordance with section 110D(1) of the Corporations Act 2001 the Company will not be sending through hard copies of this Notice of Meeting to shareholders unless a shareholder has requested a hard copy of this Notice or made an election for the purposes of Section 110E of the Corporations Act to receive documents from the Company in physical form. This Notice can be viewed and downloaded from the Company's website at www.adherium.com or the ASX at www.asx.com.au.

This Notice of Annual General Meeting and Explanatory Memorandum should be read in its entirety. If you are in doubt as to how to vote on any of the Resolutions, you should seek advice from your accountant, solicitor or other professional adviser without delay.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary, Ms Emily Austin by emailing emily.austin@automicgroup.com.au.

All Resolutions by Poll: All votes will be taken on a poll. **Voting in Person:** To vote in person, attend the AGM on the date and at the place set out above.

Voting using the Online Platform during the Meeting:

Being a hybrid meeting, Computershare will facilitate voting during the meeting from your smartphone, tablet or computer. If you wish to cast your vote during the meeting, please ensure you have the latest versions of Chrome, Safari, Internet Explorer 11, Edge or Firefox, and follow the steps below to register your interest as soon as possible:

Step 1: Visit <https://meetnow.global/M2DJ6ZQ> on your computer or mobile device

Step 2: Enter username (SRN or HIN) and Password (Postcode or Country Code)

Proxyholders will need to contact Computershare Investor Services on +61 3 9415 4024 to request your unique email invitation link prior to the meeting day

Step 3: When the poll is open, the vote icon will be accessible by selecting the voting icon at the top of your screen.

Step 4: Select your voting option (For/Against/Abstain) for each resolution. A message will appear at the top of the screen indicating the number of resolutions that you have voted on.

The Chair of the AGM will open the poll at the beginning of the AGM and the poll will remain open until declared closed at the end of the meeting. At the close of the Meeting, any votes you have placed will automatically be submitted to the Registry. For further instructions on how to participate online please view the online meeting user guide at www.computershare.com.au/virtualmeetingguide.

Voting by Proxy: To vote by proxy, please complete and sign the Proxy Form enclosed and either:

- send the Proxy Form by post to Computershare, GPO Box 242, Melbourne, Victoria 3001;
- send the Proxy Form by facsimile to Computershare on 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia); or
- lodge the Proxy Form online at www.investorvote.com.au by following the instructions provided on the website. You will need your HIN or SRN and postcode/country code to lodge your Proxy Form online.

For all of the above voting you must ensure your vote is received not later than 11.00am on 13 November 2024. **Proxy Forms received later than this time will be invalid.**

Bodies Corporate

A body corporate may appoint an individual as its representative to exercise any of the powers the body may exercise at meetings of the Company's Shareholders. The appointment may be a standing one. Unless the appointment states otherwise, the representative may exercise all of the powers that the appointing body could exercise at a meeting or in voting on a Resolution. The representative should bring to the meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.

Entitlement to vote

In accordance with Section 1074E(2)(g)(i) of the Corporations Act and Regulation 7.11.37 of the Corporations Regulations, the Company has determined that for the purposes of the meeting all shares will be taken to be held by the persons who held them as registered Shareholders at 7:00pm (AEDT) on 13 November 2024. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

All Enquiries

Call Computershare: (within Australia) 1300 850 505 (outside Australia) +61 3 9415 4000

Voting Intentions

Subject to any voting restrictions and exclusions, the Chairman intends to vote in favour of Resolutions 1 to 4, and if required against Resolution 5 on the agenda. In respect of undirected proxies, subject to any voting restrictions and exclusions, the Chairman intends to vote in favour of Resolutions 1 to 4, and if required against Resolution 5 on the agenda.

Questions – Shareholders are encouraged to submit questions in advance of the Meeting on any matter that may be relevant to the Meeting. You can do this by sending your question to the Company Secretary by email to emily.austin@automicgroup.com.au. To allow time to collate questions and prepare answers, you must submit any questions by no later than 5:00pm AEDT on 13 November 2024.

The business and formal resolutions proposed to be considered at the Meeting are as follows:

Business

Financial Statements and Reports

To receive and consider the Company's annual financial report, including the directors' report and audit report for the period ended 30 June 2024.

Note: There is no requirement for Shareholders to vote upon or approve these reports and financial statements.

Pursuant to the Corporations Act, Shareholders will be given a reasonable opportunity at the Meeting to ask questions about, or make comments in relation to, each of the aforementioned reports during consideration of these items.

Resolutions

1. Resolution 1 - Adoption of Remuneration Report

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

"That the Company adopt the Remuneration Report for the year period ended 30 June 2024 as set out in the Company's Annual Report in accordance with Section 250R(2) of the Corporations Act."

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion Statement: Corporations Act - A vote must not be cast (in any capacity) on this Resolution 1 by, or on behalf of, a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member (collectively, a **KMP**). However, a KMP may cast a vote on this Resolution 1 as a proxy if the vote is not cast on behalf of a KMP and either:

- (a) the KMP is acting as proxy and the proxy form specifies how the proxy is to vote; or
- (b) the KMP is the Chair of the meeting and the appointment as proxy (i) does not specify the way the proxy is to vote on the Resolution, and (ii) which expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

The Chairman will vote all undirected proxies in favour of this Resolution 1.

2. Resolution 2 - Re-Election of George Baran as a Director

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

"That George Baran, a Director who retires by rotation in accordance with the Company's Constitution and ASX Listing Rule 14.4 and, being eligible offers himself for re-election as a Director of the Company, effective immediately."

3. Resolution 3 - Approval of Additional 10% Placement Facility

To consider and if thought fit, pass the following resolution as a **special resolution**:

"That, for the purpose of ASX Listing Rule 7.1A and for all other purposes, the Shareholders approve the issue of equity securities of up to 10% of the issued capital of the Company (at the time of the issue), calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Memorandum which accompanies and forms part of this Notice of Meeting."

Voting Exclusion Statement: ASX Listing Rules - The Company will disregard any votes cast in favour of Resolution 3 if at the time the approval of Resolution 3 is sought the Company is proposing to make an issue of securities under rule 7.1A.2, by or on behalf of any person (or their associates) who is expected to participate, or will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of the Company's ordinary securities).

However, the Company need not disregard a vote on Resolution 3 if:

- (a) it is cast by a person as proxy or attorney for a person who is entitled to vote, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met -
 - (i) the beneficiary provides written confirmation to the shareholder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the shareholder votes on the resolution in accordance with directions given by the beneficiary to the shareholder to vote in that way.

At the date of this Notice of Meeting, the Company has not approached any particular existing Shareholder to participate in an issue of equity securities under the 10% Placement Facility (as defined in the Explanatory Memorandum). Therefore, the Company does not expect to be excluding any existing Shareholder's votes under the above voting exclusion.

The Chairman will vote all undirected proxies in favour of this Resolution 3.

4. Resolution 4 – Amendment to the Constitution

To consider, and if thought fit, to pass the following resolution as a **special resolution**:

“That, for the purposes of section 136(2) of the Corporations Act and for all other purposes, approval is given for the Company to amend its Constitution in the manner set out in the Explanatory Memorandum with effect from the passing of this resolution.”

5. Resolution 5 – Board Spill Meeting (Conditional Item)

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

“That subject to and conditional on at least 25% of the votes cast on Resolution 1 being cast against the adoption of the Remuneration Report:

- 1) an extraordinary general meeting of the Company (the Spill Meeting) be held within 90 days of the passing of this resolution;*
- 2) all of the Directors in office when the resolution to make the Directors’ Report for the financial year ended 30 June 2024 was passed and who remain in office at the time of the Spill Meeting, cease to hold office immediately before the end of the Spill Meeting; and*
- 3) resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting be put to the vote of Shareholders at the Section 250V meeting.*

In accordance with Section 250V(2) of the Corporations Act 2001 (Cth), Resolution 7 will only be put to the 2024 Annual General Meeting if at least 25% of the votes cast on Resolution 1 are cast against it.”

Voting Exclusion Statement: In accordance with the Corporations Act, the Company will disregard any votes cast on Resolution 7 by or on behalf of a member of the Company’s key management personnel (including the Directors), whose remuneration details are included in the Remuneration Report (KMP), or any of that person’s Closely Related Parties (such as close family members and any controlled companies of those persons) (collectively referred to as Restricted Voter).

However, the Company need not disregard a vote on Resolution 5 if:

- (d) it is cast by a person as proxy or attorney for a person who is entitled to vote, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or
- (e) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (f) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met -
 - (i) the beneficiary provides written confirmation to the shareholder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the shareholder votes on the resolution in accordance with directions given by the beneficiary to the shareholder to vote in that way.

Other business

To consider any other business that may lawfully be brought forward in accordance with the Constitution of the Company or the law.

Other information

An Explanatory Memorandum accompanies and forms part of this Notice of Annual General Meeting.

All Shareholders should read the Explanatory Memorandum carefully and in its entirety. Shareholders who are in doubt regarding any part of the business of the Meeting should consult their financial or legal adviser for assistance.

By order of the Board



Ms Emily Austin
Company Secretary
9 October 2024

This Explanatory Memorandum sets out further information regarding the proposed Resolutions to be considered by Shareholders of Adherium Limited (**Adherium or the Company**) at the 2024 Annual General Meeting to be held as a hybrid meeting pursuant to which Shareholders may attend in person, commencing at 11.00am (AEDT) on 15 November 2024 at Offices of K&L Gates; Level 25, Rialto South Tower, 525 Collins Street, Melbourne, VIC 3000 or online at <https://loghic.eventsair.com/adherium-ltd-2024-agm/register/Site/Register>.

The Directors recommend that Shareholders read this Explanatory Memorandum before determining whether or not to support the Resolutions.

Financial statements and reports

Under Section 317 of the Corporations Act, Adherium is required to lay its Annual Report, Directors' Report and Remuneration Report before its Shareholders at its Annual General Meeting. The Annual Report is submitted for Shareholders' consideration and discussion at the Annual General Meeting as required. Meeting attendees are invited to direct questions to the Chairman in respect of any aspect of the report they wish to discuss.

Representatives of Adherium's auditor, RSM Australia Partners, will be present for discussion purposes on matters of relevance to the audit.

1. Resolution 1 – Adoption of Remuneration Report

Board recommendation and undirected proxies. The Board recommends that Shareholders vote in **FAVOUR** of Resolution 1. The Chairman of the meeting intends to vote undirected proxies in **FAVOUR** of Resolution 1.

Resolution 1 provides Shareholders the opportunity to vote on Adherium's Remuneration Report. The Remuneration Report is contained within the Directors' Report in the Annual Report. Under Section 250R(2) of the Corporations Act, the Company must put the adoption of its remuneration report to a vote at its Annual General Meeting.

This vote is advisory only and does not bind the Directors or the Company. However, under the Corporations Act, if at least 25% of the votes cast at any annual general meeting (**AGM**) on a resolution to adopt the remuneration report are cast against the adoption of the remuneration report (**First Strike**):

- (a) the Company's remuneration report for the following year (**Following AGM**) must include an explanation of the Board's proposed action in response to the "no vote" or an explanation of why no action has been taken; and
- (b) if at the Following AGM the Company's remuneration report also receives a "no vote" of at least 25% of the votes cast (**Second Strike**), then Shareholders will be asked to vote at that Following AGM on whether or not the Company is to hold another general Shareholder's meeting (within 90 days after the Following AGM) to vote on a "spill resolution" under section 250V of the Corporations Act.

The Company received a First Strike at the 2023 AGM and so it will be asking Shareholders at this 2024 AGM to vote on a spill resolution.

As set out in the Notice of Meeting, Key Management Personnel (including Directors) and their closely related parties must not cast a vote on the Remuneration Report, unless as holders of directed proxies for Shareholders eligible to vote on Resolution 1.

2. Resolution 2 – Re-Election of Mr George Baran as a Director

Board recommendation and undirected proxies. The Board (with the exception of Mr Baran due to his interest in the outcome) recommends that Shareholders vote in **FAVOUR** of Resolution 2. The Chairman of the Meeting intends to vote undirected proxies in **FAVOUR** of Resolution 2.

In accordance with clause 13.3(a) of the Company's Constitution and ASX Listing Rule 14.4, Mr Baran who was last elected as a Director on 27 October 2021 is due to retire by rotation, and being eligible, seeks re-election as a Director of the Company at this AGM.

Mr Baran has over 35 years of experience in the medical device industry and serves as Executive Chair of the Trudell Medical Limited Board of Directors as well as being a significant shareholder. In addition to his role at Trudell, Mr Baran is an active investor in and Director of several medical device and ehealth / connected care companies including Sensory Technologies, Mozzaz Corporation, and Sky Medical Technology Inc. He was also a lead investor and a former Director of Vanrx Phamasytems, which was recently acquired by Cytiva Life Sciences. Mr Baran has been responsible for the marketing of new drug delivery technologies to medical opinion leaders and major pharmaceutical companies. This has included collaboration with business and clinical partners in the design and co-ordination of clinical studies. He has also been granted several US and international patents for medical devices for drug delivery and minimally invasive surgery.

Mr Baran holds an MBA from the Richard Ivey School of Business, Western University, London (ON) where he currently serves on the Advisory Board of the Lawrence National Centre for Policy and Management.

Mr Baran has not held any other Australian public company directorships in the last three years.

The Company believes Mr Baran's experience noted above is particularly relevant to its current strategy and the markets it operates in, and accordingly the Directors (excluding Mr Baran) unanimously recommend that Shareholders vote in favour of Resolution 2.

3. Resolution 3 – Approval of additional 10% Placement Facility

Board recommendation and undirected proxies. The Board recommends that Shareholders vote in **FAVOUR** of Resolution 3. The Chairman of the Meeting intends to vote undirected proxies in **FAVOUR** of Resolution 3.

The purpose of this Resolution 3 is to authorise the Company to issue up to a further 10% of its issued share capital (**Placement Securities**) through one or more placements under ASX Listing Rule 7.1A during the 10% Placement Period (as defined below) (**10% Placement Facility**) in addition to, and without using, the Company's 15% placement capacity under ASX Listing Rule 7.1.

This would effectively provide the Company with a total placement capacity of 25% (less that part of its placement capacity already utilised and not available under ASX Listing Rule 7.1) for a period of up to 12 months from the date of the Company's 2024 AGM meeting (subject to possible earlier cessation described below).

If Resolution 3 is not approved, the Company will not be able to utilise the further 10% capacity which may otherwise be available to it under ASX Listing Rule 7.1A. In those circumstances the Company would be limited in new capital raising to its then capacity under ASX Listing Rule 7.1; any exceptions to that capacity limit under ASX Listing Rule 7.2 or otherwise subject to prior shareholder approval.

An "eligible entity" for the purposes of ASX Listing Rule 7.1A is an entity that (as at the date of the annual general meeting):

- is not included in the S&P / ASX 300 Index; and
- has a market capitalisation of \$300 million or less.

As at the date of this Notice of Meeting, the Company is an "eligible entity" for the purposes of ASX Listing Rule 7.1A.

Placement Securities issued must be in the same class as an existing quoted class of equity securities of the Company. The Company, as at the date of this Notice of Meeting has on issue one quoted class of equity securities, namely fully paid ordinary shares (ASX Code: ADR).

The Company is seeking Shareholder approval by this special resolution to have the ability to issue Placement Securities. The exact number of Placement Securities that could be issued under the 10%

Placement Facility will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and described below.

ASX Listing Rule 7.1A.2 provides that eligible entities that have obtained Shareholder approval at an annual general meeting under ASX Listing Rule 7.1A may issue, or agree to issue, during the 12-month period after the date of the annual general meeting, up to the number of equity securities (i.e. Placement Securities) calculated in accordance with the following formula:

$$(A \times D) - E$$

A = The number of fully paid shares on issue 12 months before the date of issue or agreement to issue:

- plus the number of fully paid shares issued in the 12 months under an exception in ASX Listing Rule 7.2 other than exception 9, 16 or 17;
- plus the number of fully paid ordinary securities issued in the relevant period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
 - the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
 - the issue of, or agreement to issue, the convertible securities was approved, or taken under these rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4,
- plus the number of fully paid ordinary securities issued in the relevant period under an agreement to issue securities within Listing Rule 7.2 exception 16 where:
 - the agreement was entered into before the commencement of the relevant period; or
 - the agreement or issue was approved, or taken under these rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4,
- plus the number of partly paid shares that became fully paid in the 12 months;
- plus the number of fully paid shares issued in the 12 months with approval of shareholders under ASX Listing Rules 7.1 or 7.4; and
- less the number of fully paid shares cancelled in the 12 months.

D = 10%.

E = The number of equity securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue, that are not issued with the approval of shareholders under ASX Listing Rules 7.1 or 7.4.

3.1 Specific disclosures required by ASX Listing Rule 7.3A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the below information is provided in relation to the approval of the 10% Placement Facility:

a. Issue Price: In accordance with the ASX Listing Rule 7.1A.3, Placement Securities (if any) will be issued for *cash* at an issue price per security of not less than 75% of the volume weighted average market price of the Company's equity securities in that class over the 15 trading days on which trades in that class were recorded immediately before:

- i. the date on which the price at which the securities are to be issued is agreed; or
- ii. if the securities are not issued within 10 trading days of the date mentioned in paragraph (i) above, the date on which the securities are issued.

b. Risk of Economic and Voting Dilution: If Resolution 4 is approved by Shareholders and the Company issues Shares under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted.

Shareholders should be aware that there is a risk that:

- the market price for the Company's equity securities in that class may be significantly lower on the date of the issue of the Placement Securities than on the date of the approval under Listing Rule 7.1A (being the date of the Annual General Meeting); and
- the Placement Securities may be issued at a price that is at a discount to the market price for the Company's equity securities on the issue date, which may have an effect on the amount of funds raised by the issue of the Placement Securities.

The table below is included for illustrative purposes only and shows the dilution of existing Shareholders on the basis of the current market price of shares as at 24 September 2024 and the current number of ordinary securities for variable "A" calculated in accordance with the formula in ASX Listing Rule 7.1A.2 as at the date of this Notice of Meeting.

The table also shows the voting dilution impact where the number of shares on issue (variable A in the formula) changes and the economic dilution where there are changes in the issue price of shares issued under the 10% Placement Capacity.

Number of Shares on issue*	Number of Shares that may be issued under 10% Placement Facility	Dilution		
		Funds raised based on issue price of \$0.0065 (50% decrease in issue price of \$0.013)	Funds raised based on issue price of \$0.013 (issue price)	Funds raised based on issue price of \$0.0195 (50% increase in issue price of \$0.013)
758,579,962	75,857,996	\$493,077	\$986,154	\$1,479,231
1,137,869,943 (50% increase)	113,786,994	\$739,615	\$1,479,231	\$2,218,846
1,517,159,924 (100% increase)	151,715,992	\$986,154	\$1,972,308	\$2,958,462

* The number of shares on issue (variable "A" in the formula) could increase as a result of the issue of shares that do not require Shareholder approval under ASX Listing Rule 7.1 or that are issued with Shareholder approval under ASX Listing Rule 7.1.

Table 1 has been prepared on the following assumptions:

- the current shares on issue are the shares on issue as at the date of this Explanatory Memorandum;
- the current issue price set out above is the closing price of the shares on the ASX on 24 September 2024;
- the Company issues the maximum number of Placement Securities available under the 10% Placement Facility; and
- no options are exercised into shares before the date of the issue of the Placement Securities under the 10% Placement Facility.

c. Issue date

The Company will only issue Placement Securities during the 10% Placement Period (as defined below).

Shareholder approval under ASX Listing Rule 7.1A is valid from the date of Shareholder approval until the earliest of:

- the time and date of the Company's 2025 AGM;
- the date that is 12 months after the date of approval of this Resolution under ASX Listing Rule 7.1A; or
- the date the Company obtains Shareholder approval for a transaction under ASX Listing Rule 11.1.2 (significant change to nature or scale of activities) or ASX Listing Rule 11.2 (disposal of main undertaking),

("10% Placement Period").

d. Purpose of Issue

The Company may use the funds raised (without limitation):

- to advance initiatives in the commercialisation of the Company's technology in accordance with its business plan; or
- for general working capital purposes.

There are no current proposals to utilise the 10% Placement Facility. Should any specific proposals be approved by the Board, the Company will announce same to ASX as required by its continuous disclosure obligations.

e. Allocation Policy

The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A.4 and 3.10.5A upon issue of any Placement Securities using the 10% Placement Facility. The Company's allocation policy will be dependent on the prevailing market conditions at the time of any proposed issue. The identity of the allottees of Placement Securities will be determined on a case-by-case basis having regard to a range of factors, including but not limited to, the following:

- the methods for raising funds that are available to the Company, including but not limited to, a rights issue and other fundraising structures in which existing security holders can participate;
- the effect of the issue of the Shares on the control of the Company;
- the financial situation and solvency of the Company; and
- advice from corporate, financial and broking advisers (if applicable).

Any proposed allottees under the 10% Placement Facility have not been determined as at the date of this Notice of Meeting and so the Company will not be excluding any shareholders from voting with respect to this Resolution 4.

f. Previous Approval under ASX Listing Rule 7.1A

There were no equity securities issued under Listing Rule 7.1A.2 in the 12 months preceding the date of this Meeting.

4. Resolution 4 – Amendments to Constitution

Board recommendation and undirected proxies. The Board recommends that Shareholders vote in **FAVOUR** of Resolution 4. The Chairman of the Meeting intends to vote undirected proxies in **FAVOUR** of Resolution 4.

A company may modify or repeal its constitution or a provision of its constitution by special resolution of Shareholders. The Board and Company Secretary of the Company have reviewed the Company's constitution to consider necessary amendments addressing recent and future changes in the provision of the Corporations Act and ASX Listing Rules., as well as aligning with industry standards and practices.

As a result of the review, the Board of the Company wishes to amend its existing Constitution.

Resolution 4 is a special resolution which will enable the Company to modify its existing Constitution (**New Constitution**) by making the following key amendments:

Clause	Amended clause
12.3	<p>12.3 Annual General Meetings</p> <p>Annual general meetings of the Company must be held in accordance with the Act and the Listing Rules. The business of an annual general meeting is to:</p> <p>(a) consider the annual report, Directors' report and the auditor's report;</p> <p>(b) elect/re-elect Directors;</p> <p>(c) (where relevant) appoint the auditor;</p> <p>(d) fix the remuneration of the auditors; and</p> <p>(de) transact any other business that may be properly brought before the meeting.</p>
12.4	<p>12.4 Quorum</p> <p>(a) No business may be transacted at any general meeting unless a quorum of Members is present at the time when the meeting proceeds to business.</p> <p>(b) Except as otherwise provided in this Constitution, a quorum constitutes:</p> <p>(i) 5-2 Members Present; or</p> <p>(ii) where the total number of Members is less than <u>25</u>, all those Members being the Members Present.</p>
12.6	<p>12.6 Chairing Meetings</p> <p>(a) If the directors have elected one of their number as chair of their meetings, that person is entitled to preside as chair at each general meeting.</p> <p>(b) Subject to rule 12.6(c), if at a general meeting:</p> <p>(i) a chair has not been elected by the directors; or</p> <p>(ii) the elected chair of directors is not present within 15 minutes after the time appointed for the meeting or is unable or unwilling to act as chair for all or part of the meeting, the following may preside as acting chair for all or the relevant part of the meeting (in order of precedence):</p> <p>(A) any deputy chair;</p> <p>(B) a director chosen by a majority of the directors present;</p> <p>(C) the only director present;</p> <p>(D) a member chosen by a majority of the members present in person or by proxy, attorney or Representative.</p> <p>(c) The chair of a general meeting may, for any item of business or discrete part of the meeting, vacate the chair in favour of another person nominated by him or her.</p> <p>(d) Where an instrument of proxy appoints the chair of a general meeting as proxy for all or part of the proceedings for which an acting chair has been nominated, the instrument of proxy is taken to be in favour of that acting chair for all or the relevant part of the proceedings.</p> <p>(e) Wherever the term 'chair' is used in this clause, it is to be read as a reference to the chair of the general meeting, unless the context indicates otherwise.</p> <p>(a) Subject to clause 12.6(b), the Chairman must chair every general meeting.</p> <p>(b) Where a general meeting is held and:</p> <p>(i) there is no Chairman; or</p> <p>(ii) the Chairman is not present within 15 minutes after the time appointed for the meeting or is unwilling to act as chair,</p>
15.3	<p>15.3 Quorum at meetings</p> <p>At a meeting of Directors, the number of Directors whose presence is necessary to constitute a quorum is the number determined by the Directors and, if not so determined, is <u>23</u> Directors entitled to vote.</p>
15.7	<p>15.7 Alternate Directors and attendance by proxy</p> <p>(a) A director may, with the approval of a majority of the other directors, appoint a person to be the director's alternate director for a period which the director thinks fit, provided that person has consented to act.</p> <p>(b) An alternate director may be a member or a director of the Company but need not be a member or a director.</p> <p>(c) One person may act as alternate director to more than one director.</p> <p>A Director may:</p> <p>(i) with the approval of a majority of the other Directors, appoint a person (whether a Member of the Company or not); or</p> <p>(ii) without the need for the approval of the other Directors, appoint another Director,</p>
15.10	<p>15.10 Written Resolution</p> <p>(a) If a document:</p> <p>(i) states that the signatories to it are in favour of a resolution;</p> <p>(ii) sufficiently identifies the terms of the resolution; and</p>

(iii)	is signed by all the majority of Directors entitled to vote on that resolution.
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Accordingly, the Company has prepared an updated Constitution (**New Constitution**) which incorporates the above key amendments.

Prior to the Meeting, a copy of the New Constitution is available for review by Shareholders at the Company's registered office during normal business hours. A copy of the New Constitution can also be sent to Shareholders of the Company upon a request being made to the Company Secretary on emily.austin@atomicgroup.com.au.

A complete signed copy of the New Constitution will be tabled at the Meeting.

Pursuant to section 136(2) of the Corporations Act, a modification to the Company's Constitution can only be effected by way of a Special Resolution passed by its Shareholders. Therefore, this Resolution is a Special Resolution that can only be passed if at least 75% of the total votes cast by Shareholders entitled to vote on this Resolution are voted in its favour.

If you have any doubt or do not understand this Resolution, it is strongly recommended that you seek advice from a solicitor or other professional advisor.

5. Resolution 5 – Board Spill Meeting (Conditional Item)

Background

At last year's Annual General Meeting, more than 25% of the votes cast on the resolution to adopt the Remuneration Report were against adopting the report and the Company received a "first strike".

Resolution 5 is a conditional resolution and will only be put to the 2024 Annual General Meeting if at least 25% of the votes cast on Resolution 1 are cast against the adoption of the Remuneration Report for the financial year ended 30 June 2024. If less than 25% of the votes are cast against adopting the Remuneration Report, then there will be no "second strike" and Resolution 5 will not be put to the 2024 Annual General Meeting.

If Resolution 5 is put, the Board Spill Meeting Resolution will be considered as an Ordinary Resolution. This Resolution is in accordance with section 250V of the Corporations Act. If the Spill Resolution is put to the 2024 Annual General Meeting and passed, an extraordinary meeting of shareholders (known as a 'Spill Meeting') will be held within 90 days of that resolution being passed at the Annual General Meeting in order to consider the composition of the Board. In the event a Spill Meeting is required, a separate notice of meeting will be distributed to Shareholders with details about those persons that will seek election as Directors of the Company at the Spill Meeting.

At the Spill Meeting, all of the Directors who were in office when the Board resolution to approve the Company's 2024 Directors' Report was passed, will cease to hold office at the conclusion of the Spill Meeting unless they are willing to stand for re-election and are re-elected at the Spill Meeting. The Directors who were in office when the Board resolution to approve the 2024 Directors' Report was passed and that would be required to stand for re-election at the Spill Meeting are Mr Lou Panaccio, Mr George Baran, Mr Jeremy Curnock Cook, Dr William Hunter and Mr Bruce McHarrie. Subject to Mr Baran being re-elected under Resolutions 2, he will still be required to vacate office and stand for re-election at the Spill Meeting if Resolution 5 is passed.

If any additional Directors were to be appointed before the Spill Meeting, they would not need to stand for election at the Spill Meeting to remain in office. The Company notes that the Corporations Act contains provision which will ensure that the Company has at least 3 directors following the Spill Meeting. The Directors listed above are those who held office on 29 September 2024 when the Directors' Report (including the Remuneration report) for the year ended 30 June 2024 was approved. The Board considers the following factors to be relevant to a Shareholder's decision on how to vote on this Item:

- The Board's response to the first strike received at the 2023 Annual General Meeting, which is set out in the 2023 Annual Report;

- Loss of Directors' leadership, skills and knowledge – the Company has benefited from the clear focus and leadership the Board has provided to the business. There is no assurance that the current Non-Executive Directors would stand for re-election or be re-elected at the Spill Meeting. This creates significant risk that the governance of the Company would be disrupted and creates a real challenge to engage new Directors with the skills and knowledge expected of members of the Board;
- Disruption to the Company – if the Spill Resolution is passed, this will create additional costs, instability in leadership and potentially negatively impact the Company's ability to implement its short term strategic objectives. The Board has been integral in overseeing this strategy.

Directors' Recommendation: The Board of Directors recommend Shareholders vote **AGAINST** this Resolution.

6. Questions and Comments by Shareholders at the Meeting

In accordance with the Corporations Act, a reasonable opportunity will be given to Shareholders - as a whole - to ask questions or make comments on the management of the Company at the Annual General Meeting.

Similarly, a reasonable opportunity will be given to Shareholders - as a whole - to ask questions to the Company's external Auditor, RSM Australia Partners, relevant to:

- (a) the conduct of the audit;
- (b) the preparation and contents of the audit;
- (c) the accounting policies adopted by the Company in relation to the preparation of its financial statements; and
- (d) the independence of the Auditor in relation to the conduct of the audit.

Shareholders may also submit a written question to RSM Australia Partners if the question is relevant to the content of RSM Australia Partners' audit report or the conduct of its audit of the Company's financial report for the year ended 30 June 2024.

Relevant written questions to RSM Australia Partners must be received by no later than 5:00pm (AEDT) on 13 November 2024. A list of those questions will be made available to Shareholders attending the meeting. RSM Australia Partners will either answer questions at the Meeting or table written answers to them at the meeting. If written answers are tabled at the Meeting, they will be made available to Shareholders as soon as practicable after the Meeting.

Please send any written questions for RSM Australia Partners in hard copy by post to – RSM Australia Partners, Level 27, 120 Collins Street, Melbourne VIC 3000 by no later than 5:00pm (AEDT) on 13 November 2024.

Glossary

In this Explanatory Memorandum, and the Notice of Meeting:

AEDT means Australian Eastern Daylight Time as observed in Melbourne, Victoria.

Annual General Meeting / AGM means the Annual General Meeting of the Company to be held at 11:00am AEDT on 15 November 2024 pursuant to the Notice of Meeting.

Annual Report means the Directors' Report (including Remuneration Report), the Financial Report and the Auditor's Report in respect to the financial year ended 30 June 2024.

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by the ASX.

ASX Listing Rules or **Listing Rules** means the Listing Rules of the ASX as amended from time to time.

Board means the board of directors of the Company.

Business Day means a day on which trading takes place on the stock market of ASX.

Chairman means the person chairing the Meeting.

Closely Related Party of a member of the KMP means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependant of the member or of the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the Company;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporation Regulations 2001 (Cth).

Company means **Adherium Limited** ACN 605 352 510.

Constitution or **New Constitution** means the Company's Constitution, which Shareholder approval is sought for the amendment of under Resolution 4.

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

Director means a current director of the Company.

Directors' Report means the annual Directors' Report prepared under chapter 2M of the Corporations Act for the Company and its controlled entity.

Dollar or "\$" means Australian dollars.

Explanatory Memorandum means this explanatory memorandum which forms part of the Notice of Meeting.

Equity Security has the same meaning as in the Listing Rules.

Key Management Personnel or **KMP** means the key personnel as disclosed in the Remuneration Report.

Meeting means the Annual General Meeting of the Company the subject of this Notice of Meeting scheduled to occur at 11.00am AEDT on 15 November 2024.

Replacement Notice of Meeting or Notice means this notice of the Annual General Meeting.

Ordinary Resolution means a resolution that can only be passed if at least 50% of the total votes cast by Shareholders entitled to vote on the resolution are voted in its favour at the meeting.

Proxy Form means the proxy form accompanying this Notice of Meeting.

Remuneration Report means the remuneration report of the Company for the year ended 30 June 2024 as set out in the Company's Director's Report for the year ended 30 June 2024.

Resolution means the resolutions referred to in the Notice of Meeting.

Share means an ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

Share Registry means Computershare.

Special Resolution means a resolution that can only be passed if at least 75% of the total votes cast by Shareholders entitled to vote on the resolution are voted in its favour at the meeting.

Spill Meeting means the meeting that will be convened within 90 days of the 2025 AGM if a threshold of votes is cast against the adoption of the Remuneration Report at the Meeting and the 2025 AGM.

Spill Resolution means the resolution required to be put to Shareholders at the 2025 AGM if a threshold of votes is cast against the adoption of the Remuneration Report at the Meeting and the 2025 AGM.

Trading Day has the meaning given to that term in ASX Listing Rule 19.12.

Voting power has the meaning provided in section 610 of the Corporation Act.




Adherium Limited
ABN 24 605 352 510

ADR

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Need assistance?

 **Phone:**
1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)

 **Online:**
www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **11:00am (AEDT) on Wednesday, 13 November 2024.**

Amended Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com/au and select "Printable Forms".

Lodge your Proxy Form:

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Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 999999
SRN/HIN: I9999999999
PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Adherium Limited hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Adherium Limited to be held at Offices of K&L Gates, Level 25, Rialto South Tower, 525 Collins Street, Melbourne, VIC 3000 and as a virtual meeting on Friday, 15 November 2024 at 11:00am (AEDT) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on resolutions 1 and 5 (except where I/we have indicated a different voting intention in step 2) even though resolutions 1 and 5 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business with the exception of resolution 5 where the Chairman of the Meeting intends to vote against.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on resolutions 1 and 5 by marking the appropriate box in step 2.

Step 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
Resolution 1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Re-Election of George Baran as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Approval of additional 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Amendments to Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 Board Spill Meeting (Conditional Item)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business with the exception of resolution 5 where the Chairman of the Meeting intends to vote against. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

Update your communication details (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

ADR

3 1 2 1 5 2 A



Computershare

