

UK's NICE acknowledges Adherium's Smartinhaler[™] more effective than current practice in improving adherence to asthma medication

Melbourne, Australia – 12 January 2017 – Adherium Limited ('Adherium' or the 'Company', ASX: ADR), a global leader in digital health technologies that address sub-optimal medication use in chronic disease, notes that the UK's National Institute for Health and Care Excellence (NICE) has published a Medtech Innovation Briefing (MIB) on Adherium's Smartinhaler™ technology platform, recognising the role that it can play in improving adherence to asthma medication.

Smartinhaler[™] is Adherium's proprietary digital platform which monitors inhaler use by patients with chronic respiratory disease, especially asthma. Smartinhaler[™] devices attach to prescription inhalers, providing reminders and analysis of inhaler usage, giving patients and healthcare professionals real-time data on medication use, allowing better disease management.

NICE is an independent organisation providing national guidance and advice to the UK's NHS on medical treatments to improve healthcare. MIBs provide clinicians with an up-to-date summary of innovative technologies, their uses and potential role in the treatment pathway, with input from clinical experts and patient organisations.

Today's MIB states that Adherium's innovative Smartinhaler[™] technology platform allows real-time monitoring of adherence to asthma treatments, with valuable data being shared between patients and clinicians. It summarised key points observed from five randomised controlled trials in the UK, Australia and New Zealand, involving a total of 589 people with asthma (adults and children) using Smartinhaler[™] in a community setting. Each trial showed that Smartinhaler[™] devices were more effective than the current standard of care in improving adherence to asthma medication.

NICE also identified that use of Smartinhaler[™] could potentially lead to a change in the approach to routine review, with data used to identify patients who need more frequent review, or who do not need to be seen in person for an annual review. Aiding clinician's understanding of patient adherence is key to reducing exacerbations of respiratory conditions and the expensive additional treatment that they require.

Adherium's initial patient focus for Smartinhaler[™] is on poorly controlled asthma, particularly in children, and patients with severe persistent asthma. Asthma UK's Annual Asthma Survey Report, published last week, highlighted that two thirds of UK asthma sufferers are still not receiving the basic care they need to manage their asthma properly and that 82% of UK patients' asthma is poorly controlled.

Dr Louise Fleming, Clinical senior lecturer, National Heart and Lung Institute, Imperial College London, commented: "I have been using the Smartinhaler™ platform as standard practice for patients within my asthma clinic and have seen first-hand the benefits to patient care that this technology can make. Tracking and analysing a patient's inhaler trends online and in real-time means that we can address and improve adherence, reducing asthma attacks and hospitalisations. This not only saves time and money, but also by putting the monitoring app directly in the hands of the patient, enables them to manage their condition more effectively, improving quality of life." Garth Sutherland, CEO of Adherium said: "NICE's briefing today is a key milestone in the adoption of digital health technologies by the NHS and other healthcare providers. Our trials have shown that Smartinhaler™ use results in a significant increase in medication adherence and a reduction in the days missed from school or work. With Asthma costing the UK economy over £1.1bn per year in medication costs and hospital admissions*, we look forward to bringing the benefits of our technology to as many patients as possible, improving their quality of life through better asthma management, as well as improving the effectiveness and cost-efficiency of treatment."

*Asthma UK, Annual Asthma Survey Report 2016

The NICE Medtech Innovation Briefing can be found here: <u>https://www.nice.org.uk/guidance/published</u>

ABOUT ADHERIUM

Adherium (ASX:ADR) is an Australian Securities Exchange listed company which develops, manufactures and supplies digital health technologies which address sub-optimal medication use and improve health outcomes in chronic disease. Adherium operates globally from bases in the USA, Europe and Australasia.

Adherium is a provider of digital health solutions to patients, pharmaceutical companies, healthcare providers and contract research organizations. The Company's proprietary Smartinhaler™ platform has been independently proven to improve medication adherence and health outcomes for patients with chronic respiratory disease. Adherium has the broadest range of "smart" medication sensors for respiratory medications globally.

The Smartinhaler[™] platform has so far been used in more than 65 projects (clinical, device validation or other) and has been referenced in 56 peer reviewed journal articles. Clinical outcomes data has proven that the Smartinhaler[™] platform can improve adherence by up to 59% in adults and 180% in children and reduce severe episodes by 60% in adults, leading to improved quality-of-life and demonstrating a substantial gain over current best practice treatment. The Company has received FDA 510(k) notifications for clearance to market and CE Marks for its devices and software, which allows it to sell these devices into international markets.

www.adherium.com www.smartinhaler.com

ABOUT NICE

The National Institute for Health and Care Excellence (NICE) provides national guidance and advice to improve health and social care. It was originally set up in 1999 as the National Institute for Clinical Excellence, a special health authority, to reduce variation in the availability and quality of NHS treatments and care. In 2005, after merging with the Health Development Agency, it began developing public health guidance to help prevent ill health and promote healthier lifestyles. Its name changed to the National Institute for Health and Clinical Excellence.

In April 2013 it was established in primary legislation, becoming a Non Departmental Public Body (NDPB) and placing it on a solid statutory footing as set out in the Health and Social Care Act 2012. As an NDPB, it is accountable to the Department of Health, but operationally independent of government. Guidance and other recommendations are made by independent committees. The NICE Board sets strategic priorities and policies, but the day to day decision-making is the responsibility of the Senior Management Team.

NICE guidance is officially England-only. However, it has agreements to provide certain NICE products and services to Wales, Scotland and Northern Ireland. Decisions on how guidance applies in these countries are made by the devolved administrations, who are often involved and consulted with in the development of NICE guidance.

ABOUT MEDTECH INNOVATION BRIEFINGS

MIBs are commissioned by the NHS and produced in support of the NHS 5-Year Forward View, specifically as one of a number of steps which will accelerate innovation in new treatments and diagnostics. According to the MIB frequently asked questions (FAQ) document, new technologies are selected by the NICE Medical Technologies Evaluation Programme (MTEP) for MIBs based on:

- Regulatory status, current availability, and degree of innovation
- The level of NHS interest in the technology
- The relevance to existing, in-development, or future NICE guidance
- The proposed patient or system benefits
- Whether there is sufficient evidence publicly available to summarize and critically appraise the technology

The MIB is intended to provide clinicians with an up-to-date summary of new innovative technologies, how they are used, and what their potential role is in the treatment pathway. A MIB also includes a review of relevant published evidence, opinions from clinical experts in the field, and the likely costs of using the technology. A MIB is not a treatment guidance document from NICE and does not constitute a guidance recommendation. MIBs are updated periodically, and are designed to be fast, flexible, and responsive to the needs of clinicians for information on promising technologies.

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