



**Chairman's Address**  
**2017 Annual General Meeting**  
**Sydney, Tuesday 24<sup>th</sup> October 2017**

---

The 2017 financial year was a tumultuous one for the Company.

Andrew will address you shortly on the what's been happening in the business. However, I want to touch on some of the bigger picture matters that the board dealt with during the year. Briefly, they are: our R&D write-off and restructure; the class action; the ASIC matter; the departure of our former CEO; and progress with our corporate governance and board renewal initiatives.

Let me start with the R&D write-off and restructure.

As you'll all be aware, a number of major clinical studies concluded in FY17. Unfortunately, none met their primary endpoints. Accordingly, we faced the difficult decision of writing-off the value associated with those studies. That decision materially impacted our reported financial results.

A majority of the non-core R&D was also discontinued, and a pull-back in discretionary marketing spend was also implemented. There was a consequential reduction in global headcount.

Through these measures, the business was reset to reflect the lower dose sales growth that had been achieved, and the sub-optimal clinical study results. The board believes that this has, however, re-established a strong foundation for the Company's future. Andrew will talk more about that in a moment.

I would now like to briefly touch on the class action.

In February this year, a class action was commenced against the Company in the Federal Court of Australia. The statement of claim alleged breaches by the Company of its continuous disclosure obligations, and alleged misleading and deceptive conduct.

---

**Head Office**  
Level 33, 101 Miller Street  
North Sydney, NSW 2060  
Australia

**Americas**  
300 Unicorn Park Drive  
Woburn, MA 01801  
United States

**Europe, Middle East & Africa**  
Josef-Schumpeter-Allee 33  
53227 Bonn  
Germany

**Asia Pacific**  
50 Science Park Road, #01-01  
The Kendall Science Park II  
Singapore 117406

For personal use only

The class action arises out of the announcements made by the Company on 24 August, and 25 October, that we expected our double-digit growth in dose sales to continue in FY17. That guidance was updated (together with news of other developments) in a market announcement on 9 December. The Company's share price dropped significantly.

Sirtex is vigorously defending the proceedings. The Court has ordered a mediation by the end of August next year, once the evidence has been served. The matter is then set down for a 3-week trial commencing in late October 2018.

Off the back of all this, ASIC commenced an investigation into Sirtex's compliance with its continuous disclosure obligations. That investigation concluded after year-end. An infringement notice was then issued by ASIC imposing a fine, that the Company paid. That brings the ASIC matter to an end. Importantly, the issue of the infringement notice by ASIC, and the payment of the fine by the Company, involves no admission of liability whatsoever.

As you will all know, our former CEO, Gilman Wong, was terminated in January. This followed the Board's investigation into certain share trading which Gilman carried out in October, immediately after our last AGM. It was, understandably, a very difficult decision for many of us on the Board to make, at a personal level – having worked closely with Gilman over the past 12 years – however, it was a decision that had to be made, and we made it. Andrew has now been appointed as our CEO, and our first impressions are that he's doing an excellent job.

Finally, I wish to assure you that your Board is committed to achieving the highest standards of corporate governance. Sirtex's Codes and Policies are a key element of our corporate responsibility and govern the way that our Directors and employees work. We were particularly pleased to formally launch The Sirtex Code during the year, which clearly summarises our many corporate level policies into an easy-to-read format and communicates our commitment to integrity, and the highest ethical standards, in everything we do.

Many of you who were present at our 2015 AGM will recall my comments on the importance of Board renewal and refreshment. Kathryn Woodthorpe was appointed just before that meeting, and since the last AGM we have appointed a further three new Directors, all of whom are standing for re-election at today's AGM, namely Andrew McLean (our CEO), Neville Mitchell, and Helen Kurincic. We are also currently in the process of appointing a new Chairman of the Board to replace me.

In conclusion, I would like to thank shareholders for the privilege of serving you as the Chairman of Sirtex Medical for the past 13 years, and I look forward to closely monitoring progress of this great Company following my retirement on the 28<sup>th</sup> of October.

Thank you.

Richard Hill

Chairman

Sirtex Medical Limited

24<sup>th</sup> October 2017

**- ENDS -**

### **About SIR-Spheres® Y-90 Resin Microspheres**

SIR-Spheres Y-90 resin microspheres are a medical device used in interventional oncology and delivered via Selective Internal Radiation Therapy (SIRT), also known as radioembolisation, directly to liver tumours. SIR-Spheres Y-90 resin microspheres are approved for supply in key markets, such as the United States, European Union and Australia.

### **About Sirtex Medical, [www.sirtex.com](http://www.sirtex.com)**

Sirtex Medical Limited (ASX:SRX) is an Australian based medical device company with global market coverage. Its core revenue producing technology, which has regulatory approvals, is a selective internal radiation therapy (SIRT), with clinically proven applications for liver cancer with approximately 80,000 doses supplied and administered over 1,090 medical centres in more than 40 countries.

For further information, please contact:

#### **Investor/Media Enquiries:**

Dr Tom Duthy  
Global Head of Investor Relations  
Sirtex Medical Limited  
Phone: +61 (0) 2 9964 8427  
Email: [tduthy@sirtex.com](mailto:tduthy@sirtex.com)

To subscribe to our email alert service for ASX Announcements, please visit:  
<http://www.sirtex.com/au/investors/email-alerts/>

Follow us on Twitter: **@sirtexmedical**  
Visit us on LinkedIn: **Sirtex Medical Limited**

SIR-Spheres® is a registered trademark of Sirtex SIR-Spheres Pty Ltd