



ASX Announcement

26 September 2018

EQUAL ACCESS ON MARKET (10/12) SHARE BUY-BACK AND SMALL PARCEL SHARE BUY-BACK

IDT Australia Limited (ASX: IDT) is pleased to announce that it intends to undertake an Equal Access On-Market Share Buy-back of up to 10% of IDT's share capital (**On-Market Share Buy-back**) and a small parcel buyback for shareholders who hold less than A\$500 worth of fully paid ordinary shares (**Small Parcels**) in the Company (**Small Parcel Buy-back**).

Following conclusion of the divestment of IDT's CMAX and ANDA assets during the 2018 financial year, the proceeds of these asset sales were retained whilst the Company undertook a strategic and operational review of its business operations. As at 30 June 2018 the Company's cash position exceeded \$14.0m; and as a consequence of the improved financial performance over the recent period, the Company's forward projections indicate that a portion of this cash balance is now considered to be surplus to the Company's current requirements. The Directors therefore are proposing to undertake an On Market Share Buy-back and Small Parcel Buy-back on the terms outlined below.

These buy-back programs reflect IDT's renewed commitment to efficient capital management and delivering improved returns to shareholders.

On-Market Share Buy-back

Directors have approved the implementation of an equal access on market share buy-back of up to 10% of IDT's issued capital for a period of up to 12 months commencing on 10 October 2018. The On-Market Share Buy-back will be conducted by Bell Potter Securities Limited within the "10/12 limit" as defined in the *Corporations Act 2001 (Cth)* (**Corporations Act**) and therefore does not require shareholder approval.

Based on the Company's closing share price of \$0.155 on 20 September 2018, 10% of the smallest number of voting shares in IDT which were on issue within the previous 12 months would represent a total consideration of approximately \$3.79 million. The number of shares and timing of purchase under the On Market Share Buy-back will be dependent on IDT's share price and market conditions at the relevant date. The Company reserves the right to vary, suspend or terminate the On-Market Share Buy-back program.

All shares bought back will be cancelled immediately.

An Appendix 3C in respect of the On-Market Share Buy-back program is attached to this announcement.

Small Parcel Buy-back

In order to reduce the Company's future administration costs, Directors have approved the appointment of the Company's share registrar Link Market Services Limited to facilitate a buy-back of Small Parcels from shareholders. Under the ASX Listing Rules any shareholding valued at less than \$500 is considered to be a "less than marketable parcel" of shares. This means that any shareholder who holds 3,225 or less Shares in IDT (**Eligible Shareholders**), which on 20 September 2018 the

(**Record Date**) had a closing price of \$0.155 per Share (**Small Holdings Buy-back Price**), is regarded as holding a small parcel of shares as at that date.

In accordance with the Corporations Act, the Company does not require shareholder approval for the Small Parcel Buy-back. Eligible Shareholders are entitled to opt out of the Small Parcel Buy-back by 5.00 pm (Melbourne time) on 9 November 2018 (**Closing Date**).

Based on the Small Holdings Buy-back Price and the register of members of the Company as at the Record Date:

- 818 out of 2009 shareholders hold a Small Parcel; and
- the total value of all of the Small Parcels is A\$138,770.

A letter including further details of the Small Parcel Buy-back will be despatched to the Eligible Shareholders today.

Shareholders who are not Eligible Shareholders will not be entitled to participate in the Small Parcel Buy-back - however those shareholders can participate in the On-Market Share Buy-back.

The proposed key dates* for the Buy-back of Small Parcels are:

Record Date for Small Parcel Buy-back	7.00 pm (AEST) on 20 September 2018
Announcement of Record Date for Small Parcel Buy-back.	26 September 2018
Small Parcel Buy-back offers are despatched by the Company to all shareholders holding a small parcel of shares in the Company.	26 September 2018
Closing Date for acceptances of Small Parcel Buy-back Retention Forms.	9 November 2018
Estimated date proceeds despatched by the Company to shareholders under the terms of the Small Parcel Buy-back offer.	19 November 2018

** IDT reserves the right to change any of the dates, terms and conditions referred to in this letter by notice to the ASX (other than reducing the period during which the Small Parcel Buy-back offer is open to a period of less than 6 weeks).*

Holders of Small Parcels at the Record Date will receive a Shareholder Letter of Offer and a Share Retention Form (copies of which have been attached to this announcement) from the Company inviting them to dispose of their shares without brokerage costs. If no action is taken by the Eligible Shareholders before the Closing Date, the shares will be bought back by the Company from those Shareholders at the price of \$0.155 per share.

ENDS

For further information please contact:

IDT Australia Limited
(03) 9801 8888

About IDT

IDT (ASX:IDT) is a public Australian pharmaceutical manufacturing company based in Boronia, Victoria, Australia. It has extensive experience in the development and production of high potency and high containment pharmaceutical products for local and international clients. IDT's facilities are fully cGMP compliant and are regularly audited by the US FDA and Australian TGA. With an experienced team of specialists within world-class facilities, IDT provides a full-scale service for new drug development and scale-up, commercial active drug manufacture as well as a variety of oral and injectable finished drug dose forms.

Appendix 3C

Announcement of buy-back (except minimum holding buy-back)

Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/9/99. Origin: Appendix 7B. Amended 13/3/2000, 30/9/2001, 11/01/10

Name of entity	ABN/ARSN
IDT Australia Ltd	006 522 970

We (the entity) give ASX the following information.

Information about buy-back

1	Type of buy-back	On-market buy back, within 10/12 limit
2	*Class of shares/units which is the subject of the buy-back (eg, ordinary/preference)	Ordinary
3	Voting rights (eg, one for one)	One vote per ordinary share held
4	Fully paid/partly paid (and if partly paid, details of how much has been paid and how much is outstanding)	Fully Paid
5	Number of shares/units in the *class on issue	244,392,658
6	Whether shareholder/unitholder approval is required for buy-back	No
7	Reason for buy-back	To reduce surplus cash reserves following asset divestments and capital management

⁺ See chapter 19 for defined terms.

Appendix 3C
Announcement of buy-back

8 Any other information material to a shareholder's/unitholder's decision whether to accept the offer (eg, details of any proposed takeover bid) n/a

On-market buy-back

9 Name of broker who will act on the company's behalf Bell Potter Securities Ltd

10 Deleted 30/9/2001.

11 If the company/trust intends to buy back a maximum number of shares - that number
Note: This requires a figure to be included, not a percentage. 24,439,265

12 If the company/trust intends to buy back shares/units within a period of time - that period of time; if the company/trust intends that the buy-back be of unlimited duration - that intention Over a 12 month period, being 10 October 2018 to 9 October 2019

13 If the company/trust intends to buy back shares/units if conditions are met - those conditions At the discretion of the company

Employee share scheme buy-back

14 Number of shares proposed to be bought back n/a

15 Price to be offered for shares n/a

⁺ See chapter 19 for defined terms.

Selective buy-back

- 16 Name of person or description of class of person whose shares are proposed to be bought back n/a
- 17 Number of shares proposed to be bought back n/a
- 18 Price to be offered for shares n/a

Equal access scheme

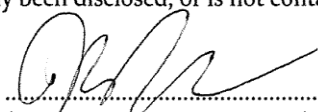
- 19 Percentage of shares proposed to be bought back n/a
- 20 Total number of shares proposed to be bought back if all offers are accepted n/a
- 21 Price to be offered for shares n/a
- 22 ⁺Record date for participation in offer n/a
Cross reference: Appendix 7A, clause 9.

Compliance statement

1. The company is in compliance with all Corporations Act requirements relevant to this buy-back.

or, for trusts only:

1. The trust is in compliance with all requirements of the Corporations Act as modified by Class Order 07/422, and of the trust's constitution, relevant to this buy-back.
2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.

Sign here:  Date: ..26 Sept 2018...
(Director/Company secretary)

Print name:Joanna Johnson.....

⁺ See chapter 19 for defined terms.



26 September 2018

Dear Shareholder

Small Parcel Buy-back

IDT Australia Limited (**IDT** or the **Company**) is undertaking a small parcel buy back. You are recorded on the share register of the Company as the holder of a small parcel of shares as at the record date of 20 September 2018 (**Record Date**).

Under the ASX Listing Rules, any shareholding valued at less than \$500 is considered to be a 'small shareholding' or 'small parcel'. This means that any shareholder who holds 3,225 or less Shares in IDT, which on the Record Date had a closing price of \$0.155 per Share, is regarded as holding a small parcel of shares as at that date.

In accordance with clause 10 of the Company's Constitution, the IDT Board has implemented a buy back offering of the small shareholdings at a price of \$0.155 per share (**Small Parcel Buy-back**). This Small Parcel Buy-back provides shareholders with small shareholdings the ability to dispose of their shares without brokerage costs. The IDT Board has resolved to implement an automatic buy back of the shares of those shareholders who do not inform IDT by 5.00 pm on 9 November 2018 (**Closing Date**) that they wish to retain their small shareholdings (by returning the enclosed Share Retention Form).

Accordingly, IDT gives you formal notice pursuant to clause 10 of the IDT Constitution that if your IDT shareholding constitutes a small shareholding as at the Closing Date, IDT intends to purchase your IDT shares (along with the IDT shares of other shareholders also with a small shareholding who have not given notice to IDT by that date that they wish to retain their shares) at the price of \$0.155 per share.

If you wish to retain your IDT shares, you must complete and return the enclosed Share Retention Form indicating that you do NOT wish to sell your Shares, so that it is received by the Company (at the address specified on the Share Retention Form) by 5.00 pm (Melbourne time) on 9 November 2018. A reply paid envelope for such a return is enclosed for your convenience - the postage will be paid by IDT upon receipt of the Share Retention Form by IDT. If you do not take any action before the Closing Date your shares will be sold.

Shares purchased by the Company under the Small Parcel Buy-back will be cancelled in accordance with the *Corporations Act 2001 (Cth)*.

The proposed key dates* are:

Record Date for Small Parcel Buy-back	7.00 pm (AEST) on 20 September 2018
Announcement of Record Date for Small Parcel Buy-back.	26 September 2018
Small Parcel Buy-back offers are despatched by the Company to all shareholders holding a small parcel of shares in the Company.	26 September 2018
Closing Date for acceptances of Small Parcel Buy-back Retention Forms.	9 November 2018
Estimated date proceeds despatched by the Company to shareholders under the terms of the Small Parcel Buy-back offer.	19 November 2018

** IDT reserves the right to change any of the dates, terms and conditions referred to in this letter by notice to the ASX (other than reducing the period during which the Small Parcel Buy-back offer is open to a period of less than 6 weeks).*

Alternatives in dealing with your IDT shares

Your choices are to:

- (a) do nothing and thereby sell your IDT shares to IDT at no cost to you; or
- (b) return the enclosed Share Retention Form and retain your current holding.

Please note the fact that your holding is less than a "marketable parcel" for the purposes of the ASX Listing Rules does not mean that your holding is not capable of otherwise being sold by you.

You may sell your holding:

You may take advantage of the Small Parcel Buy-back and sell your shares to IDT at \$0.155 per Share without paying brokerage costs. You do not need to take any action to take advantage of this buy back offer. Further details are available by contacting the IDT Australia Limited Information Line (details provided below). Unless you complete and return the enclosed Share Retention Form (to the address specified on the Share Retention Form) by 5.00 pm (Melbourne time) on 9 November 2018, if you still hold less than \$500 worth of IDT shares on the Closing Date, those shares will be purchased by IDT and the proceeds paid to you. You can also decide to sell some or all of your holding outside of this Small Parcel Buy-back prior to 9 November 2018, but in that case you will be responsible for all selling costs (including brokerage).

You may retain your holding:

You may elect to retain your holding. If you wish to do this, please complete and return the enclosed Share Retention Form, so that it is received by 5.00 pm (Melbourne time) on 9 November 2018. A reply paid envelope for such a return is enclosed for your convenience - the postage will be paid by IDT upon receipt of the Share Retention Form by IDT.

Additional important information:

It is important to note that the market price of IDT shares may change from time to time. The Small Parcel Buy-back price may be more or less than the actual market price at the time of the Small Parcel Buy-back or the price payable pursuant to the On-Market Share Buy-back announced by the Company on 26 September 2018 and accordingly may not be the best price obtainable on the day at which the small holdings are bought back. Information on the price of the Company's shares can be obtained through the ASX website (www.asx.com.au) using the Company's ASX code, which is "IDT".

The Company makes no recommendation as to whether you should participate in the Small Parcel Buy-back. I encourage you to read all the materials in relation to these arrangements before deciding whether to retain your holding or to sell your small shareholdings to IDT. If you have any questions, you should consult your stockbroker, accountant or other licensed financial adviser.

While the Company will pay for all costs associated with the Small Parcel Buy-back, any taxation consequences arising from the sale of a small holding under the Small Parcel Buy-back will be your responsibility. Please consult your legal, financial or taxation advisor if you require information regarding possible taxation implications of the sale of small holdings under the Small Parcel Buy-back.

Should you require further assistance, please do not hesitate to contact the IDT Australia Limited Information Line on (03) 9801 8888 (within Australia) or +61 3 9801 8888 (outside Australia).

Yours faithfully



Joanna Johnson
Company Secretary

Encl

Small Parcel Buy-back - Frequently Asked Questions (FAQ's)

1. What is a "small parcel" or "small holdings"?

A "small parcel" or "small holdings" is all shareholdings in IDT worth less than \$500, based on ASX market prices at the relevant time.

2. Does the Company have the right to buy back my IDT shares?

Yes. IDT is entitled, under clause 10 of its Constitution and ASX Listing Rule 15.13, to buy back the small parcels under the Small Parcel Buy-back unless the holders of those shares notify IDT in writing by the time specified in this notice that they wish to retain their shares.

3. What if I don't want my IDT shares to be sold?

If you wish to retain your IDT shares, you MUST complete the Share Retention Form and return it so that it is received by IDT's Share Registry no later than the Closing Date of 5:00pm (Melbourne time) on 9 November 2018.

If you do so, your shares will not be bought back.

4. What is the buy back price?

All shares bought back under the Small Parcel Buy-back will be bought at a fixed price of \$0.155 per share, being the closing price on the Record Date.

The market price of IDT shares may rise or fall during the period between the date of this letter and the Closing Date; however, this will not affect the price you will receive for your shares under the Small Parcel Buy-back.

If you are participating in the Company's On-Market Share Buy-back as announced on 26 September 2018, the price at which the shares may be bought back under the On-Market Share Buy-back may vary from the price the shares will be bought back under the Small Parcel Buy-back.

5. What are the costs of having my IDT shares bought back?

There are no brokerage or other transaction costs payable by shareholders from the sale of the small holdings under the Small Parcel Buy-back. These costs will be paid by IDT.

However, any taxation consequences arising from the sale of a small holding under the Small Parcel Buy-back will be your responsibility. Please consult your legal, financial or taxation advisor if you require information regarding possible taxation implications of the sale of small holdings under the Small Parcel Buy-back.

6. When will my IDT shares be bought back?

The buy-back of the shares is expected to occur as soon as practicable after the Closing Date on 9 November 2018, with an estimated date for despatch of proceeds to participating shareholders of 19 November 2018.



ABN 66 006 522 970

All Registry communications to:
Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia
Telephone: 1300 554 474
From outside Australia: +61 1300 554 474
Facsimile: +61 2 9287 0303
ASX Code: IDT
Website: www.linkmarketservices.com.au

SRN/HIN:

Number of Shares held as at
the Record Date, 7:00pm (AEST)
on 20 September 2018:

IMPORTANT NOTICE

Please return this slip if you do not wish your Shares in IDT Australia Limited to be sold. If you do not understand this notice you should immediately consult your financial adviser.

SHARE RETENTION FORM

If you wish to retain your Shareholding in IDT Australia Limited ("IDT") you must detach this slip and return it to IDT's Registry, so that it is received no later than 5:00pm (AEST), on 9 November 2018. A reply paid envelope is enclosed for your use. No postage stamp is required if it is posted in Australia. Alternatively, if you have lost the reply paid envelope, your completed Share Retention Form may be mailed to the postal address, or delivered by hand to the delivery address, set out below.

Mailing Address

IDT Australia Limited
C/- Link Market Services Limited
Locked Bag A14
SYDNEY SOUTH NSW 1235

or

Hand Delivery

IDT Australia Limited
C/- Link Market Services Limited
1A Homebush Bay Drive
RHODES NSW 2138
(Do not use this address for mailing purposes)

THIS FORM MUST BE RECEIVED BY LINK MARKET SERVICES LIMITED
BY NO LATER THAN 5:00PM (AEST) ON THE 9 NOVEMBER 2018

If you require further information regarding this form, please contact IDT Australia Limited Information Line on on +61 3 9801 8888 between 8:30am and 5:30pm (AEST) Monday to Friday.

THIS IS A PERSONALISED FORM FOR THE SOLE USE OF THE SHAREHOLDER AND HOLDING RECORDED ABOVE.



Please detach

SRN/HIN:



RETENTION SLIP

I/We the Shareholder(s) described above by returning this retention slip, hereby give notice that I/we wish to retain my/our Shareholding in IDT, pursuant to Clause 10 of the Company's Constitution.

Checkmark box

DO NOT SELL MY SHARES

CONTACT DETAILS - Telephone number

Telephone number input field

Telephone number - after hours

Telephone number input field

Contact name

Contact name input field