



23 November 2015

**This is an important document that requires your attention**

Dear Shareholder,

**Share Purchase Plan – Eligible Members may purchase parcels of fully paid ordinary shares up to a value of \$15,000\***

On behalf of IDT Australia Limited (IDT or the Company), I am pleased to offer you the opportunity to increase your investment in IDT through a Share Purchase Plan (SPP).

This is a very exciting time for the Company as we enter the final stages of preparation to launch a portfolio of IDT's own generic drug products into the US and potentially other markets. On 3 November 2014 IDT announced that it had purchased 23 previously marketed US generic drug products. Whilst IDT retains its contract manufacturing and drug development services, this deal has re-defined the business of IDT as a manufacturer and supplier of a range of specialty generic drugs in its own right. The funds raised under this Share Purchase Plan will be used to accelerate the commercialisation of the 23 previously marketed US generic drug products, as well as fund capacity expansion for IDT's in-house proprietary drug development program and for working capital.

**Share Purchase Plan**

- The SPP is being offered to Australian and New Zealand Shareholders at the issue price of 35 cents (AU \$0.35) per share.
- The SPP has been structured to comply with ASIC Class Order CO 09/425, therefore the maximum amount which may be allotted under this SPP when combined with the Company's 2014 share purchase plan is \$15,000 per Eligible Member\*.
- The maximum amount to be raised under the Offer is \$2,000,000.
- The SPP is offered exclusively to all Eligible Members, being registered holders as at 7pm (Melbourne Time) on 18 November 2015 (Record Date).
- The SPP provides Eligible Members with an opportunity to buy a parcel of New Shares in IDT valued at \$2,000, \$5,000, \$10,000 or \$15,000.
- The SPP opens on 23 November 2015, and is expected to close at 5pm (Melbourne time) on 15 December 2015.
- Participation in the SPP is entirely voluntary. No brokerage costs apply to purchases under the SPP. The issue of New Shares is expected to occur on 21 December 2015.
- The Company also reserves the right (in its absolute discretion) to scale back applications on a pro rata basis, should aggregate demand exceed \$2,000,000 in subscriptions under the SPP.
- The SPP meets the criteria set out in Exception 15 of the ASX Listing Rule 7.2 and as such is not subject to shareholder approval. The SPP is fully underwritten by Wilson HTM Corporate Finance Ltd ACN 057 547 323 (**Underwriter**).
- Any shortfall from the SPP offer will be issued to the Underwriter utilising the Company's 15% placement capacity under ASX Listing Rule 7.1 (to the extent possible).

**How to accept this offer**

To apply for New Shares under the SPP, please follow the instructions on the enclosed personalised Application Form. I encourage you to read the enclosed material and seek your own financial advice in relation to the SPP, before you decide whether to participate.

This is an important moment in the Company's history as it commercialises its own suite of generic drug products. These products provide the base from which to transform our business to grow our revenue base and profits, and leverage our advanced manufacturing facilities and capabilities. The funds we raise from this Offer will be put towards the final phases of development and launch of these assets. With US distribution already in place, these assets will transform IDT into a specialty generic drug manufacturer and supplier in its own right; and as a result expand our share of the value chain and profitability. Please see IDT's latest Investor Presentation on our website [www.idtaus.com.au](http://www.idtaus.com.au) for more details regarding the products and the expected impact on the business.

I commend this Share Purchase Plan to you and look forward to your participation and support. On behalf of the Board, I invite you to consider participation in the SPP.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Paul D R MacLeman', with a stylized flourish at the end.

Dr Paul D R MacLeman  
Managing Director - IDT Australia Limited