

idt
GOOD MEDICINE

MAR15

SAFE HARBOUR

This presentation contains forward-looking statements that are subject to risks and uncertainties. Such statements involve known and unknown risks that may cause the actual results, performance or achievements of IDT Australia Ltd to be materially different from the statements in this presentation.

Actual results could differ materially depending on factors such as the availability of resources, the action of commercial partners, the timing and effects of regulatory actions, the strength of competition and the effectiveness of the Company's commercial strategy.

IDT AUSTRALIA LTD INVESTMENT PROPOSITION

The Business

- ◉ Portfolio of 23 US FDA approved generic drugs
- ◉ In-house proprietary & generic drug development
- ◉ Contract drug manufacturing
- ◉ Drug development services (incl. CMAX, Aust's biggest clinical trial provider)

High tech 12,000m² facility in Boronia VIC. Replacement value ~\$75m

Low capacity utilisation. As generic drug manufacture ramps up, expect extreme operational leverage with rapid expansion of volumes & margins

Further pipeline expansion planned

IDT: We make good medicine.

IDT PORTFOLIO

23 US GENERIC DRUGS

- Purchased Nov2014, now being moved into IDT facility
- Therapeutic areas incl.
 - Neurology
 - Infectious diseases
 - Cardiovascular
 - Respiratory
- Addressable market of \$US460m (IMS*)
- Rapid path to revenues (12-18 months) for initial cohort of products
- Minimal CAPEX

* Independent industry sales data

NEW PRODUCTS

Product	Dose Form	Indication	Class
Aminophylline	Tablet	Asthma	Respiratory
Carbidopa & Levodopa	Tablet	Parkinson's Disease	Neurology
Ciprofloxacin	Tablet	Bacterial Infections	Infectious Disease
Clarithromycin	ER Tablet	Bacterial Infections	Infectious Disease
Dexamethasone	Tablet	Anti-Inflammatory	Steroid
Diffunisal	Tablet	Osteoarthritis	NSAID
Dipyridamole	Tablet	Post Surgical Clots	Cardiovascular
Doxazosin	Tablet	Prostatic Hyperplasia	Urology
Etodolac	Capsule	Rheumatoid Arthritis	Immune
Etodolac ER	ER Tablet	Rheumatoid Arthritis	Immune

NEW PRODUCTS cont.

Product	Dose Form	Indication	Class
Flecainide	Tablet	Tachycardia	Cardiovascular
Fluconazole	Tablet	Infectious Disease	Infectious Disease
Leucovorin	Tablet	Methotrexate Antidote	Oncology
Methoxsalen	Capsule	Vitilago	Dermatology
Mexiletine	Capsule	Arrhythmia	Cardiovascular
Nefazodone	Tablet	Depression	Neurology
Nortriptyline	Capsule	Depression	Neurology
Pindolol	Tablet	Hypertension	Cardiovascular
Prazosin	Capsule	Hypertension	Cardiovascular
Procainamide	Capsule	Arrhythmia	Cardiovascular
Procainamide ER	ER Tablet	Arrhythmia	Cardiovascular
Tetracycline	Capsule	Bacterial Infections	Infectious Disease

US MARKET RE-ENTRY PROCESS, FIRST PRODUCTS

- Product dossiers transferred to IDT ► Tech transfer ► Manufacturing methods to IDT ► Manufacture of stability batches ► FDA notified
- Products all long genericized with established markets
 - predictable volumes & pricing, little risk of new competitors
- Initial revenues could be realised H2 FY15/16
- Gross margin shared with marketing/distribution partner
- Assumed conservative market share & modest discount to existing market prices to assist entry
- Peak revenues attainable 3 years from launch & sustainable
- In late stage discussions with multiple potential distribution partners

FIRST PRODUCT

DOXAZOSIN

- Materials in house and tablet dies received: entering IDT facility for manufacture Mar15
- Expect it to be generating revenues Jan-Jun16 onwards
- Used to treat hypertension (high blood pressure), or to improve urination in men with benign prostatic hyperplasia (enlarged prostate)
- 1mg, 2mg, 4mg and 8mg tablets
- US\$65m US market for these presentations
- Prescription pharmacy product
- Life-time therapy required



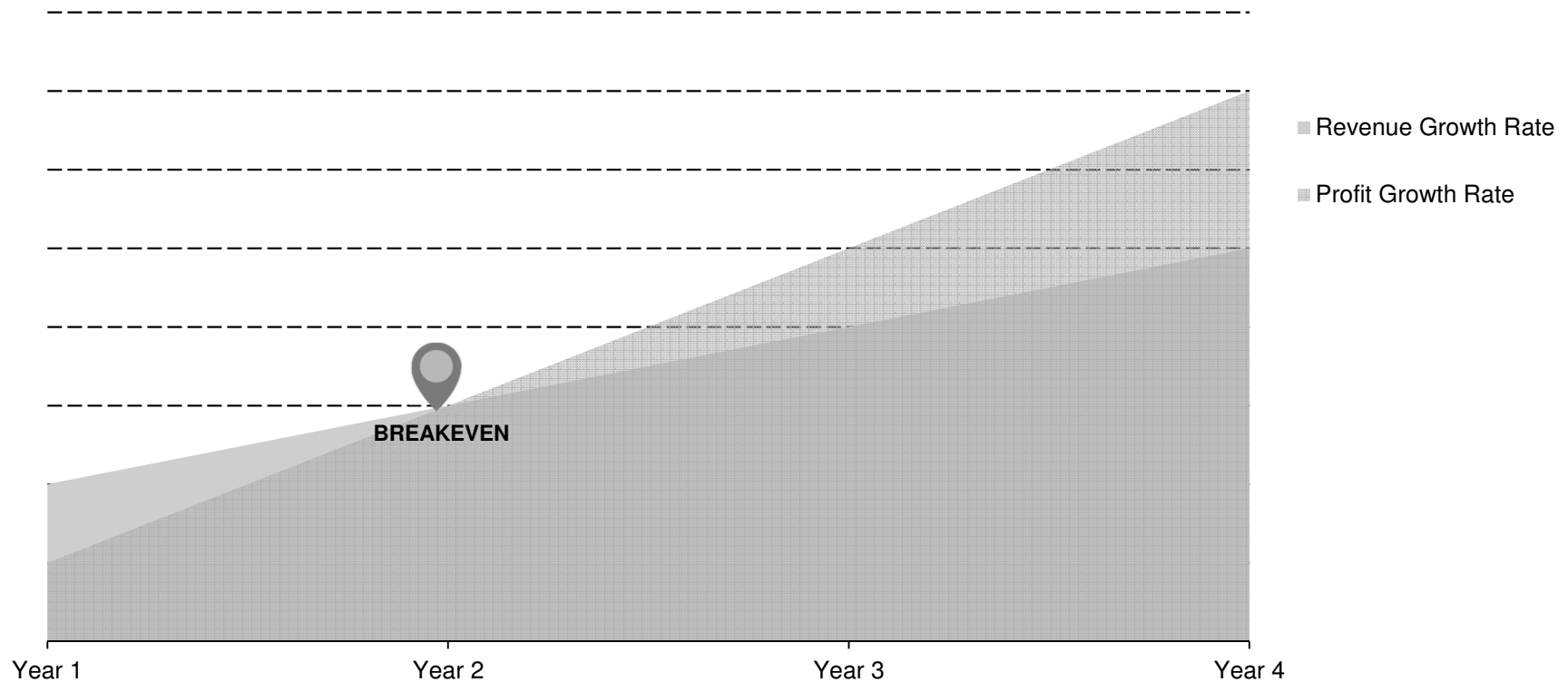
SECOND PRODUCT NORTRIPTYLINE

- Will enter IDT facility in next 6-8 weeks, capsules and raw materials ordered
- Nortriptyline is a tricyclic antidepressant used for the relief of symptoms of depression
- 10mg, 25mg, 50mg and 75mg capsules
- US\$27m US market for these presentations
- Prescription pharmacy product
- Acute/sub-acute use



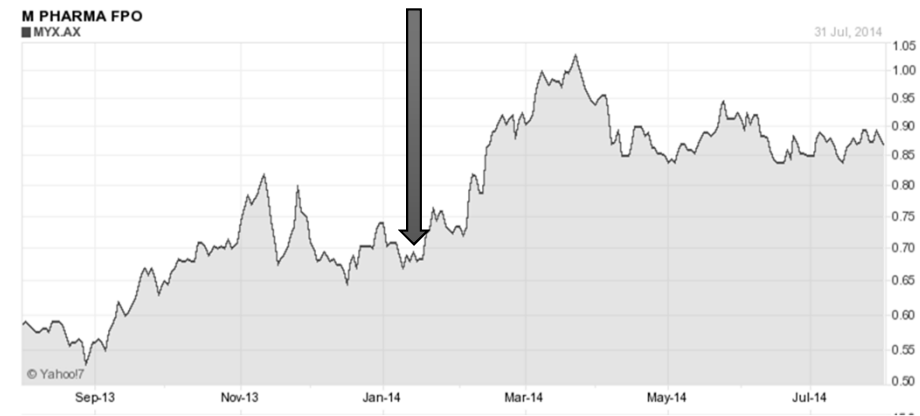
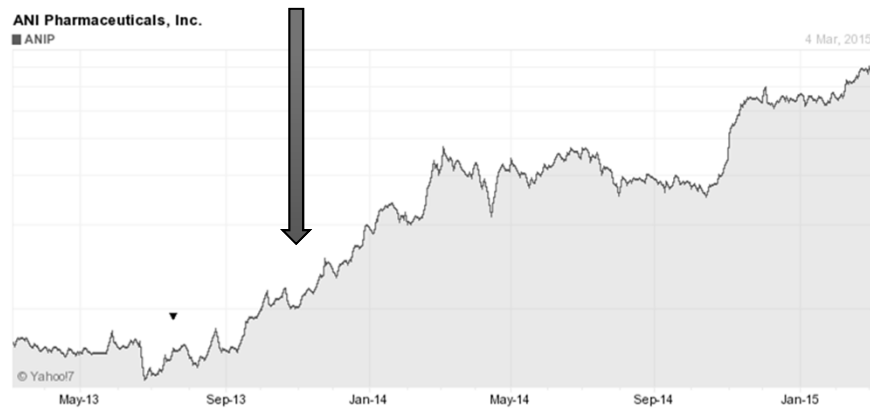
EFFECT OF OPERATIONAL LEVERAGE

SCENARIO: Organic growth + product registrations



RECENT COMPARABLE TRANSACTIONS

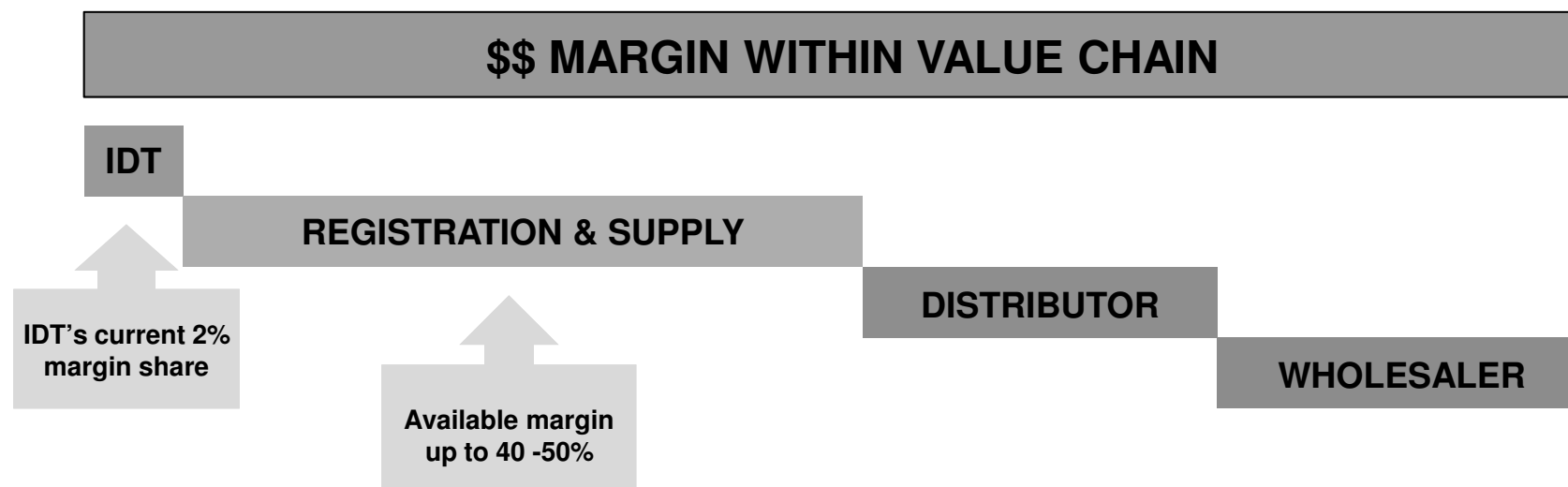
- ANI Pharma purchase of 31 generic assets Nov 2013
 - Was toll manufacturer with underutilised assets, now a speciality generic pharma
 - Market cap \$60m to \$760m since transaction
- Mayne Pharma purchase of Forest Pharma assets Feb 2014
 - Expansion of existing specialty generic pharma strategy via acquisition



OTHER STRATEGIC IDT PROGRAMS

- Temozolomide (US\$300m US sales)
 - ANDA filed Nov 2013
 - Mayne distribution
 - Launch due 2017
- Project Teton (US\$80m global sales)
 - Feasibility studies for manufacture complete
 - Manufacturing partner selection ongoing
 - Targeting greater market share from FY17/18

DEVELOPING OUR OWN SPECIALITY GENERICS



Example: PROJECT TETON:

- 🎯 IDT currently the dominant supplier of active pharmaceutical ingredients for a significant oncology product, yet capturing only **2% of the VALUE** as the API supplier.
- 🎯 Registration and supply of injectable **Finished Dose Form** could increase IDT's share of the gross profit to **40-50%**

WHO WE MANUFACTURE FOR

OUR CUSTOMERS ARE WORLD LEADERS



CREATING WORLD LEADING PRODUCTS



SENSITIZING DRUGS



ANTI-CANCER DRUGS



HORMONES



CARBOHYDRATE DRUGS

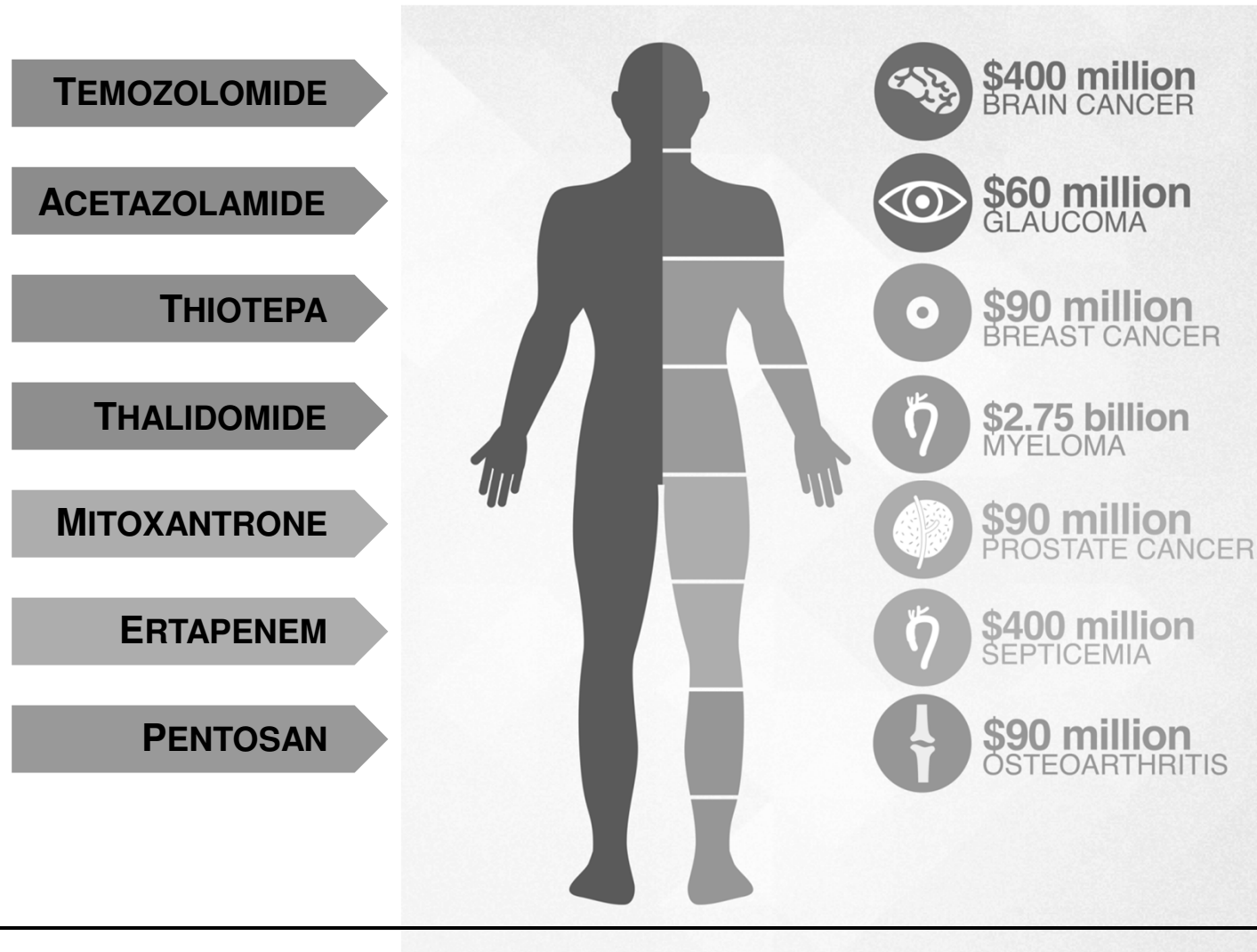


HIGH CONTAINMENT TABS/CAPS



HIGH CONTAINMENT TAB COATING

THAT WE MAKE INTO MEDICINES FOR A GLOBAL MARKET



MEDICINES MADE IN OUR MELBOURNE FACILITY



- 🎯 \$75m advanced manufacturing facility
- 🎯 12,000m² state-of-the-art
- 🎯 Current 10-15% capacity utilisation
- 🎯 Large scope for growth without need for
 - 🔧 major CAPEX or
 - 🔧 additional site support costs

Ability to manufacture from gram to tonnage scale + advanced tableting & capsuling capabilities

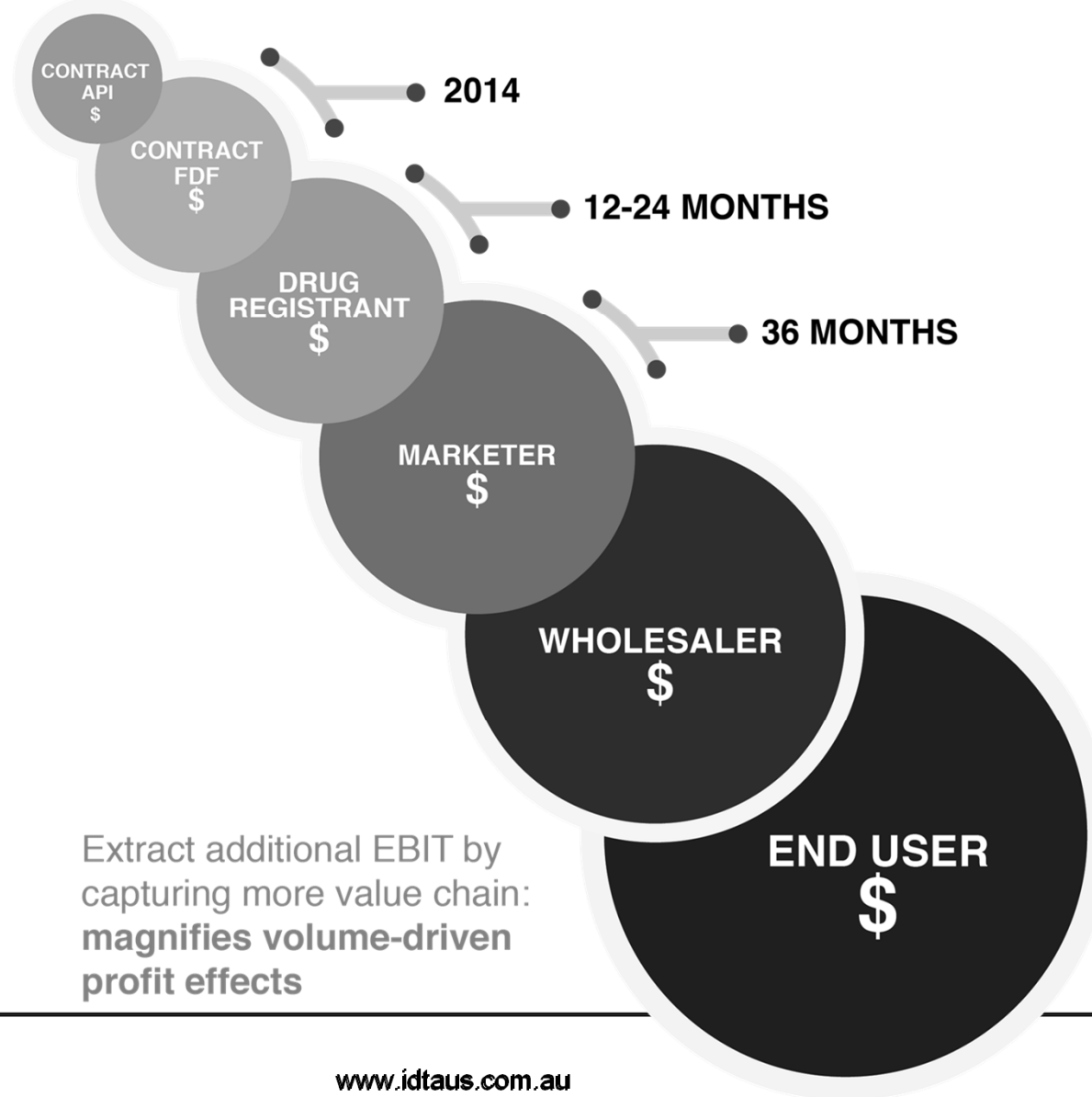
Low capacity utilisation & high fixed costs deliver extreme **operational leverage**

TRIALED IN OUR CLINICAL UNIT

- 🎯 **CMAX** clinical trials facility
- 🎯 **Established** 1993
- 🎯 **Australia's** oldest, largest, most experienced clinical trials unit
- 🎯 **50** bed clinical unit located at Royal Adelaide Hospital
- 🎯 **Uses** services of RAH – Ethics Committee, medical specialists & services
- 🎯 **FDA** inspected
- 🎯 **Delivered** 500+ clinical trial programs for 60+ pharma & biotech companies from 21+ countries

A PRESCRIPTION FOR GROWTH

MOVE FROM MAKING TO MARKETING



GOOD MEDICINE & HIGHER RETURNS FOR IDT



SELL MORE EXISTING PRODUCTS

- High fixed costs = operational leverage.
- As a result, profits will rise faster than revenues past breakeven point.



EXTRACT MORE PROFITS

- Extract more profits from those products to improve our share of the value chain.



DEVELOP & ACQUIRE MORE PRODUCTS

- Develop & acquire more products to leverage our facilities & capabilities.
- This growth will in turn finance further acquisitions.



NOV14 ACQUISITION

This transaction moves IDT rapidly towards profits:

- Purchased turnkey approved generic drug products;
- Reduced regulatory lag to get to market;
- Reduced technical development & spend in-house.

HIGHLIGHTS OF THE PAST YEAR

ACQUISITION OF GENERIC US DRUG PORTFOLIO

Transformative step for the company, rapid return to profitability

BUILD IN-HOUSE DRUG PORTFOLIO

Filed first IDT ANDA for temozolomide

Temozolomide US distribution deal with Mayne Pharma – milestones & profit split

Further projects in development

NEW MANAGEMENT TEAM

New management team and strengthen board

GROW EXISTING DRUG DEVELOPMENT SERVICES REVENUES

Significant increases in sales pipeline, manufacturing and clinical services









Beginning to see this flow through into revenue increases

REDUCTION IN COSTS






Head count, utilities, other overheads

BOARD & MANAGEMENT IN PLACE TO DELIVER

MANAGEMENT TEAM

-  Dr Paul D R MacLeman (CEO & MD)
-  Deb Cailles (Market Access)
-  Jane Kelly (Clinical)
-  Joanna Johnson (CFO)
-  Stéphane Redey (Manufacturing)
-  Mark Rowlands (Bus Dev)
-  Dr David Sparling (Corp Dev)
-  Alf Staffa (Quality)

BOARD

-  Graeme Kaufman (Chairman)
-  Dr Paul D R MacLeman (MD)
-  Geoff Lord (Vice Chairman)
-  Dr Graeme Blackman (NED)
-  Reo Shigeno (NED)
-  David Williams (NED)

FINANCIALLY POSITIONED TO DELIVER

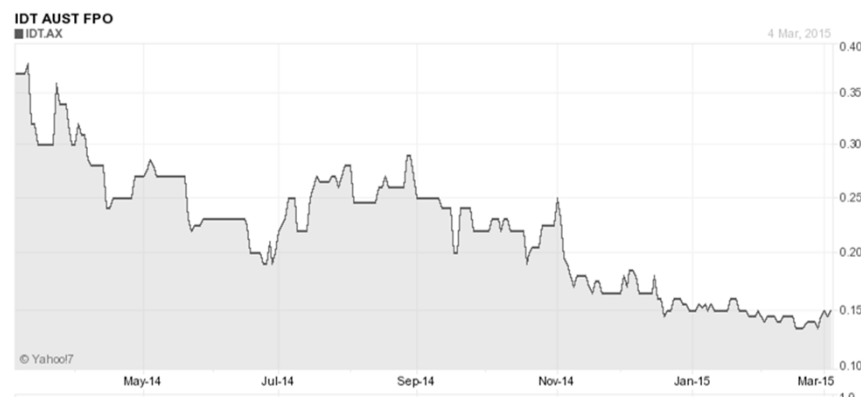
FINANCIALS

	2013	2014
REVENUE	\$13.4m	\$13.4m
EBIT*	(\$4.4m)	(\$6.0m)
CASH BALANCE	\$0.6m	\$2.4m
DEBT**	\$1.9m	\$0.1m

*After one-off charges

** \$3m unused debt facility available

MARKET CAP \$26.7m (05Mar15)



CAPITAL STRUCTURE

SHARES ON ISSUE	191.1M
UNLISTED OPTIONS	500,000
TOP 20 SHAREHOLDERS	60.5%

TARGET 2015 MILESTONES



INCREASED 2014/15 ORGANIC SALES GROWTH



MOVEMENT OF AN ADDITIONAL INTERNAL PRODUCT TOWARDS MARKET



PROGRESS WITH RE-COMMERCIALISATION OF ACQUIRED US PRODUCTS



**MOVE FROM SERVICE PROVIDER TOWARDS PROFITABLE SPECIALTY
GENERICS PHARMA COMPANY, GROWTH & PROFITS**

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QUESTIONS
AND ANSWERS