

ASX Release

SUDA EXTENDS MATURITY OF CONVERTIBLE NOTES

PERTH, AUSTRALIA – 3 April 2017: SUDA LTD (ASX: SUD), a leader in oro-mucosal drug delivery, today announces that it has amended the terms of its Convertible Notes, including extending the maturity date, and has raised a net amount of \$0.27m in new Convertible Notes in an over-subscribed offering.

SUDA previously issued \$1.73m Convertible Notes that matured on 31 March 2017. Of these, \$0.47m has been redeemed. The balance of \$1.26m Convertible Notes has been rolled over for a further two years with a maturity date of 31 March 2019. In addition, the Company issued \$0.74m new Convertible Notes including \$0.45m to Related Parties which are subject to shareholder approval. Pending approval, the total of new convertible notes will be \$2.00m, an increase of \$0.27m from the previous convertible notes.

The conversion price of the Convertible Notes has been adjusted to \$0.024 per share, being a premium of 20% to the seven-day VWAP up to the 28 March 2017, when the terms were agreed. All other terms of the Convertible Notes remain the same.

The key terms of the amended Convertible Notes and the new Notes are:

Issue Price: \$1.00 per Convertible Note.

Subscription: Convertible Note in SUDA convertible into fully paid shares in SUDA (Convertible Note)

Conversion: Convertible at \$0.024 per share at the Noteholder's election.

Coupon: 8% paid semi-annually in arrears. At the Noteholder's election, interest is payable in cash or by the issue of fully paid shares in SUDA (Interest Shares). If the Noteholder does not make an election to receive its interest in Interest Shares, the interest payment will be made in cash. For this purpose, the Interest Shares will be issued at 90% of the VWAP of SUDA's share price over the five days on which trading occurred prior to the interest payment date.

Maturity: 31 March 2019.

Redemption: If not previously converted at expiry the Convertible Notes will be redeemed at 105% of the face value of the Convertible Notes.

Security: General security interest over SUDA and its subsidiary Westcoast Surgical and Medical Supplies Pty Ltd.

Unlisted: The Convertible Notes will be unlisted.

Reset Option: The conversion price will be adjusted for all future equity issues (where the issue price is less than \$0.024 per share), return of capital or capital consolidation.

Mr Stephen Carter, SUDA's CEO and Managing Director, commented: "We are pleased to have the continued support from the vast majority of our Convertible Noteholders and we welcome the new investors in the over-subscribed offering. The two-year extended maturity of the Convertible Notes reduces the Company's capital risk which is important for shareholders, corporate partners and other stakeholders in SUDA."



Further information:

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NOTES TO EDITORS:

About SUDA LTD

SUDA LTD (ASX: SUD) is a drug delivery company focused on oro-mucosal administration, headquartered in Perth, Western Australia. The Company is developing low-risk oral sprays using its OroMist® technology to reformulate existing pharmaceuticals. The many potential benefits of administering drugs through the oral mucosa (i.e.: cheeks, tongue, gums and palate) include ease of use, lower dosage, reduced side effects and faster response time. SUDA's product pipeline includes Zolpimist™, a first-in-class oral spray of zolpidem for insomnia. Zolpimist™ is marketed in the USA and SUDA has rights to the product outside of North America. SUDA's most advanced development-stage product, ArTiMist®, is a novel sublingual malaria treatment for children. In a Phase III trial, ArTiMist® was shown to be superior to intravenous quinine. Other products in development include oral sprays for the treatment of migraine headache, chemotherapy-induced nausea and vomiting, erectile dysfunction and pre-procedural anxiety. For more information, visit www.sudaltd.com.au