

ASX Release

SUDA AND TEVA ENTER LICENCE AND SUPPLY AGREEMENT FOR ZOLPIMIST™

PERTH, AUSTRALIA – 5 July 2017: SUDA LTD (ASX: SUD), a leader in oro-mucosal drug delivery, today announced that it has entered into an exclusive licence and supply agreement with **Teva Pharmaceuticals International GmbH**, an affiliate of Teva Pharmaceutical Industries Limited (“Teva”), for SUDA’s novel ZolpiMist™ oral spray of zolpidem tartrate to treat insomnia in multiple countries. Teva is a leading global pharmaceutical company and the world’s largest generic medicines producer. SUDA has granted Teva a licence to ZolpiMist in Brazil, Mexico and Chile, together with an 18-month option to license the product in Argentina, Israel and Australia.

Under the terms of the agreement, SUDA receives an upfront payment of US\$300,000 (approx. A\$400,000) and is entitled to receive further licence fees, registration milestone payments and commercial milestone payments of up to US\$1,750,000 (approx. A\$2,300,000). In addition, once ZolpiMist is registered for sale in the territory, SUDA will supply the product to Teva and receive a double-digit royalty on net sales less the supply price.

Under the terms of the agreement, Teva will assume responsibility for development, regulatory and commercialisation activities for ZolpiMist in the territory. SUDA will supply the product to Teva at cost plus an agreed handling fee. The parties will work together through a Joint Management Committee to maximise the commercial opportunity for ZolpiMist in the territory.

Mr Stephen Carter, CEO of SUDA, said: “SUDA is committed to its strategy of partnering with leading companies to commercialise its pipeline of novel oral sprays. We are proud to be partnering with Teva, a major pharmaceutical company, to bring ZolpiMist to market in Latin America, Israel and Australia. Teva has the commercial capabilities to take advantage of ZolpiMist’s unique profile within the insomnia market. This agreement is another step towards our goal of bringing this new treatment option to patients in countries beyond the US and Canada.”



Further information:**STEPHEN CARTER****CHIEF EXECUTIVE OFFICER / MANAGING DIRECTOR****SUDA LTD**

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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 the US and Canada. 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

About ZolpiMist™

ZolpiMist™ is a first-in-class, US-approved, cherry-flavoured, fast-acting oral spray of zolpidem tartrate (marketed under the brand name of Ambien® or Stilnox®), a non-benzodiazepine prescribed for the treatment of insomnia. It provides a convenient and easy-to-use alternative route of administration, by delivering a therapeutic dose with one or two actuations of the spray into the oral cavity. The pivotal studies demonstrated bioequivalence of ZolpiMist 5mg and 10mg doses with the respective Ambien tablets. The time to therapeutic levels of both ZolpiMist doses were significantly shorter than the corresponding Ambien tablets and ZolpiMist showed a faster onset of drowsiness. ZolpiMist advantages include reduced sleep latency, patient convenience, and ease of use as it is administered without the need of water, unlike conventional tablets. Also, it can benefit patients experiencing difficulties in swallowing and/or suffering with gastrointestinal (GI) disorders that restrict the absorption of drugs via the GI mucosa.

Key Agreement Terms

The agreement is an exclusive licence to commercialise ZolpiMist™ oral spray for the treatment of insomnia in the territory of Brazil, Mexico and Chile, plus an option to license in Argentina, Israel and Australia. Under the terms of the agreement, Teva will assume responsibility for development, regulatory and commercialisation activities for ZolpiMist in the territory. SUDA will supply the product to Teva and both parties will work together through a Joint Management Committee to maximise the commercial opportunity for ZolpiMist in the territory. The agreement is subject to standard termination clauses on a country-by-country basis.