

IDT Australia Announces Circa \$6 Million Capital Raising via Share Placement and Non Renounceable Rights Issue



Highlights:

- **Underwriting Agreement** entered into for a Placement to raise \$3.1 million (before costs)
 - **Rights Issue: 1 new share to be offered for every 5 shares held to raise \$2.883 million (before costs)**
 - **Placement and Rights Issue fully underwritten by Wilson HTM Corporate Finance Ltd**
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Placement

29 August 2013, Melbourne: IDT Australia Limited (**ASX: IDT**) is pleased to announce that it has entered into an underwriting agreement for the placement to institutional and sophisticated investors of approximately 11,481,482 fully paid ordinary shares (**Placement Shares**) to raise approximately \$3.1 million at \$0.27 per Share (**Placement**). The Placement is subject to shareholder approval, expected to be sought in early October this year.

Wilson HTM Corporate Finance Ltd (**Underwriter**) is fully underwriting both the Placement and the Rights Issue Offer (outlined below) pursuant to the terms of an underwriting agreement dated 29 August 2013 (**Underwriting Agreement**).

"We are delighted to welcome new sophisticated and professional investors to our Company's share register," said IDT Australia's Managing Director Paul MacLeman. "These funds will be used to enable the Company to execute on its strategy for profitability, growth and future value creation."

The Placement will be made in one tranche immediately following shareholder approval of that Placement.

Rights Issue Offer

Eligible Shareholders will be able to subscribe for 1 fully paid ordinary share (**Entitlement Share**) under an underwritten rights issue offer (**Rights Issue Offer**) for every 5 Shares held at 5:00pm (AEST) on 9 September 2013 (**Record Date**) at an Issue Price of \$0.27 per New Share, being the same price at which the Placement Shares (after receiving shareholder approval) will be issued.

Approximately 10,679,659 Entitlement Shares will be offered under the Rights Issue Offer to raise approximately \$2,883,508 before the expenses of the Rights Issue Offer. The Rights Issue Offer is fully underwritten by Wilson HTM Corporate Finance Ltd. The Underwriter has entered into a Sub-Underwriting arrangement with one of the Directors of the Company, Mr David Williams, (**Director Sub Underwriter**) to sub-underwrite part of the Rights Issue Offer up to an aggregate sub-underwritten amount of \$50,000 of the capital sought to be raised under the Rights Issue.

The Rights Issue Offer will be open to shareholders that have a registered address in Australia, New Zealand or Japan. The Rights Issue Offer to Eligible Shareholders will be non-renounceable, meaning that any entitlements to the Rights Issue Offer will not be tradable on the ASX or otherwise transferable by an Eligible Shareholder.

If Eligible Shareholders do not accept their full entitlement pursuant to the Rights Issue Offer there will be a shortfall under the Rights Issue Offer. The shortfall will be placed pursuant to the terms of the Underwriting Agreement. In the event that the Underwriting Agreement is terminated for any reason, the Directors reserve the right to issue any shortfall at their discretion for a period of up to 3 months from the close of the Rights Issue Offer, but in that case no Director would participate in the shortfall.

Further details of the Rights Issue Offer will be set out in the offer document that will be mailed to shareholders after the Record Date.

Use of funds from the capital raising.

The net proceeds from the Rights Issue Offer, together with funds raised from the Placement and existing cash reserves, will be used to fund the Company and its strategy for profitability and growth. This will include improvements in the efficiency of the existing business and more vigorous sales and marketing efforts, funding the development of an Australian Clinical Site Management business and conversion of existing IDT assets into a range of IDT owned generic drug registrations.

Indicative Timetable

The following is an indicative timetable concerning dates and events relating to the Rights Issue Offer only. IDT reserves the right to amend this timetable including, subject to the Corporations Act and the ASX Listing Rules, to extend the Closing Date.

IMPORTANT DATES *

Event	2013 Dates
Announcement of the Offer, Cleansing Notice and Appendix 3B	29 August
Offer Document lodged with ASX	30 August
Company sends notice to shareholders advising of Appendix 3B information	2 September
"Ex" date for the Offer (being the date that Shares start trading without the Entitlements to participate in the Offer)	3 September
Record Date to determine Entitlements under the Offer	9 September
Opening Date of Offer	11 September
Dispatch of the Offer Document and Entitlement and Acceptance Form to Eligible Shareholders	11 September
Closing Date for acceptances under the Offer	25 September
ASX notified of under subscriptions under the Offer	27 September
Allotment of the New Shares	1 October
Trading of New Shares expected to commence	2 October
Dispatch of holding statements for the New Shares	2 October

*The above dates only relate to the Rights Issue Offer, are indicative only and may change.

For further information please contact:

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About IDT

IDT Australia Ltd (ASX:IDT) is a public Australian pharmaceutical manufacturing company. Based in Boronia, Victoria and with 25 years' experience in the development and production of high potency and high containment pharmaceutical products for local and international clients, IDT's extensive facilities are fully cGMP compliant and are regularly audited by the US FDA and Australian TGA. With an experienced and professional team, operating within world-class facilities, IDT is committed to providing 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.

Through CMAX, its clinical research services business based at the Royal Adelaide Hospital in South Australia, IDT also provides full Phase I clinical trials management and delivery, recruitment in specific disease states for Phase II and Phase III trials as well as being able to offer trial packaging, distribution and pharmacy services from the cGMP Boronia facilities.