

2 July 2018

[ineligible shareholder]
[address of noteholder]

Dear Shareholder,

RENOUNCEABLE RIGHTS ISSUE – NOTIFICATION TO INELIGIBLE SHAREHOLDERS

On 2 July 2018 SUDA Pharmaceuticals Limited (**Company**) announced a renounceable pro rata offer to shareholders with a registered address in Australia or New Zealand of approximately 1,224 million fully paid ordinary shares on the basis of 1 new share for every Share held as at 7:00pm (AEST) on 9 July 2018, at an issue price of \$0.005 per new share, with 1 option (each to be issued one share at an exercise price of \$0.015 exercisable before 31 July 2020) for every 2 new shares issued (**Rights Issue**) to raise up to approximately \$6.12 million (before costs).

The Company has decided that it is unreasonable to make offers under the Rights Issue to shareholders with a registered address outside Australia or New Zealand (**Ineligible Shareholders**), having regard to the number of such shareholders, their holdings and the compliance costs required to offer the Shares under the Rights Issue to those shareholders.

Unfortunately, since you are an Ineligible Shareholder, no offer is being made to you and the Prospectus prepared by the Company in relation to the Rights Issue will not be sent to you.

In accordance with ASX Listing Rule 7.7(c), the Company has appointed CPS Capital Group Pty Limited as nominee to arrange for the sale of the entitlements that would have been given to you and to account to you for the net proceeds of the sale, if any.

This letter is neither an offer to issue new shares to you, nor an invitation for you to apply for new shares.

You do not have to take any further action in relation to the Rights Issue.

Should you have any questions regarding the Rights Issue or discuss applying for shortfall (where lawful to do so) you may contact the Company on +61 8 6142 5555.

Yours faithfully



Stephen Carter
Managing Director
Suda Pharmaceuticals Limited