

ASX Release

SUDA LTD APPENDIX 4C FIRST QUARTER FY2014

PERTH, AUSTRALIA - 21 October 2013: Suda Ltd (ASX: SUD) today released its Appendix 4C quarterly report for the three months to 30 September 2013. The receipts from customers in the three-month period were \$2.0 million. In an announcement on 18 October 2013, Suda Ltd reported that revenues from its fully owned subsidiary, Westcoast Surgical and Medical Supplies Pty Ltd (Westcoast) increased to \$3.3 million in the quarter.

The cash receipts and revenue for the period are reconciled by the significant increase in debtors, which rose by \$1.6 million (including GST) in the quarter. Based on the anticipated cash flows in the three months to 31 December 2013, Westcoast is on track to make a significant contribution to the financial sustainability of Suda Ltd in the second quarter.



**Further information:
STEPHEN CARTER
EXECUTIVE CHAIRMAN
SUDA LTD**

Tel: +61 8 6142 5555
sjcarter@sudaltd.com.au

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 novel formulations of existing off-patent pharmaceuticals. The many potential benefits of administering drugs through the oral mucosa (ie: cheeks, tongue, gums and palate) include ease of use, lower dosage, reduced side effects and faster response time. Suda's most advanced product is a novel sub-lingual treatment, ArTiMist™, for severe malaria in children. In a Phase III trial, ArTiMist™ was shown to be superior to intravenous quinine. Other development stage products include oral sprays for the treatment of migraine headache, erectile dysfunction and chemotherapy-induced nausea and vomiting.

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001, 24/10/2005.

Name of entity

SUDA LTD

ABN

35 090 987 250

Quarter ended ("current quarter")

30th September 2013

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter	Year to date 3 Months
	\$A'000	\$A'000
1.1 Receipts from customers	1,980	1,980
1.2 Payments for (a) staff costs	(278)	(278)
(b) advertising and marketing	-	-
(c) research and development	-	-
(d) leased assets	(3)	(3)
(e) other working capital	(2,136)	(2,136)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	2	2
1.5 Interest and other costs of finance paid	(22)	(22)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net operating cash flows	(457)	(457)

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

		Current quarter	Year to date
		\$A'000	3 Months \$A'000
1.8	Net operating cash flows (carried forward)	(457)	(457)
Cash flows related to investing activities			
1.9	Payment for acquisition of:		
	(a) businesses (item 5)	-	-
	(b) equity investments	-	-
	(c) intellectual property	(532)	(532)
	(d) physical non-current assets	-	-
	(e) other non-current assets	-	-
1.10	Proceeds from disposal of:		
	(a) businesses (item 5)	-	-
	(b) equity investments	-	-
	(c) intellectual property	-	-
	(d) physical non-current assets	-	-
	(e) other non-current assets	-	-
1.11	Loans to other entities	-	-
1.12	Loans repaid by other entities	-	-
1.13	Other (provide details if material)	-	-
	Net investing cash flows	(532)	(532)
1.14	Total operating and investing cash flows	(989)	(989)
Cash flows related to financing activities			
1.15	Proceeds from issues of shares, options, etc.	300	300
1.16	Proceeds from sale of forfeited shares	-	-
1.17	Proceeds from borrowings	1,455	1,455
1.18	Repayment of borrowings	-	-
1.19	Dividends paid	-	-
1.20	Other (provide details if material)	-	-
	Net financing cash flows	1,755	1,755
	Net increase (decrease) in cash held	766	766
1.21	Cash at beginning of quarter/year to date	780	780
1.22	Exchange rate adjustments to item 1.20	7	7
1.23	Cash at end of quarter	1,553	1,553

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	123
1.25	Aggregate amount of loans to the parties included in item 1.11	Nil

1.26 Explanation necessary for an understanding of the transactions

Payment of Salary and Directors' Fees for the quarter ended 30th September 2013

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

During the period, Suda Ltd acquired the intellectual property of NovaDel Pharma Inc as announced on 13 August 2013. Settlement was by cash payment of US\$400,000 (included in 1.9 (c) in Investing Activities) plus the issue of 50 million shares and 10 million options.

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

N/A

Financing facilities available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	4,650	2,432

Note: As announced on 10 December 2012, Suda Ltd entered into a funding agreement with the Bergen Global Opportunity Fund that will provide up to \$7.6m over 2 years. For the period to 30 September 2013, Suda Ltd had drawn down a total of \$2.0m made up of a convertible security for \$0.6m and issue of shares \$1.4m.

As Suda Ltd had not drawn down the maximum amount of \$0.3m per month, the undrawn monthly component has been lost, leaving an available amount of \$4.2m.

In addition, during the current period, Suda secured a debtor finance facility for its subsidiary company, Westcoast Surgical & Medical Supplies for \$0.45m. The purpose of the facility was to fund the growth of the business. As at 30 September 2013, the amount drawn down was \$0.43m

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	1,553	780
4.2 Deposits at call	-	-
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)	1,553	780

Acquisitions and disposals of business entities

	Acquisitions <i>(Item 1.9(a))</i>	Disposals <i>(Item 1.10(a))</i>
5.1 Name of entity	N/A	N/A
5.2 Place of incorporation or registration	N/A	N/A
5.3 Consideration for acquisition or disposal	N/A	N/A
5.4 Total net assets	N/A	N/A
5.5 Nature of business	N/A	N/A

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: _____ Date: 21 October 2013
Executive Chairman
Print name: Stephen Carter

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
 - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
 - 9.2 - itemised disclosure relating to acquisitions
 - 9.4 - itemised disclosure relating to disposals
 - 12.1(a) - policy for classification of cash items
 - 12.3 - disclosure of restrictions on use of cash
 - 13.1 - comparative information
3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.