

ASX Release

Operational Update

PERTH, AUSTRALIA – 25th July 2019: SUDA Pharmaceuticals Ltd (ASX: SUD), a leader in oromucosal drug delivery, provides the following company operational update.

In mid-May the company announced that it would provide a detailed update on the Anagrelide project. Unfortunately, at the beginning of June, SUDA's CEO became ill and was hospitalised in the USA from the 10th June returning to Australia for further treatment with final release from hospital in Australia on 6th July.

Since the middle of July, Mr Carter has been progressively increasing his time at the office whilst his health has been continually improving. We are glad to report that as of 25th July he is back at work full time.

During this period, Mr Carter continued to communicate with the board and management to ensure that the key projects and partnering discussions remained on track. All key operations and the release of any material information was not impacted. The board can confirm that it was in line with the ASX Listing Rules requirements.

The experience and depth of SUDA's executive team ensured that the company continued to run effectively, and the board was happy to see that SUDA's detailed delegation program was effective and ensured that during the loss of a key person, such as the CEO, there was minimal impact on the overall critical company operations.

The impact of Mr Carter's illness did affect some of the non-critical aspects of the day to day operations, including the writing and release of project updates.

Further during the period, our new non-executive board members, Chairman Paul Hopper and director David Simmonds, have been settling in and making their marks on the business through the process of strategic reviews and working on the development of key focus initiatives that the company will begin implementing.

In the USA, Andrew Curtis is continuing to develop strong links into the major pharmaceutical companies with a focus on platform technology deals. He continues to progress a number of co-development and portfolio discussions with key potential partners.

David Phillips is continuing to expand the ZolpiMist franchise with a number of late stage discussions in place. The Australian Registration of ZolpiMist is well progressed and we look forward to receiving feedback from the TGA in the near future.

Further to the ZolpiMist work, David is in commercial negotiations with a number of companies with regard new co-development projects as well as continuing to discuss our portfolio projects with potential partners.

The co-development project with Strides is on target. David Phillips led a project development session with Strides representatives in Perth 2 weeks ago. Furthermore, co-development income receipts are expected to increase in the coming quarters.

Anagrelide is progressing with the European patent news announced earlier this week. As previously promised, now that Mr Carter is back on board, we will provide a detailed update on the anagrelide project in the near future.

The board is in the process of submitting the appeal for ArTiMist. The board will notify the market once the appeal has been submitted.

SUDA's CEO said: "Whilst personally this has been a challenging period for myself, I take comfort that the business was able to operate unaffected. The recent appointments of David & Paul, coupled with David Phillips transition to an executive role, highlight the strength of the current board."

Regards,

The Board of Directors

Further information:

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NOTES TO EDITORS:

About SUDA Pharmaceuticals Ltd

SUDA Pharmaceuticals 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. Other products in development include oral sprays for the treatment of: migraine headache; chemotherapy-induced nausea and vomiting; erectile dysfunction; PAH; epileptic seizures and pre-procedural anxiety; and cancer. For more information, visit www.sudapharma.com