

ASX Release

SUDA SIGNS TERM SHEET TO ACQUIRE NOVEL ORO-MUCOSAL ANTI-CANCER AGENT

PERTH, AUSTRALIA – 20 June 2017: SUDA LTD (ASX: SUD), a leader in oro-mucosal drug delivery, today announces that it has signed a binding Memorandum of Understanding (MoU) with UK-based Aluztra Bio Ltd to acquire the global intellectual property relating to a novel anti-cancer agent, Anagrelide, and a number of its potentially non-toxic analogues. It is believed that an oro-mucosal spray of Anagrelide could potentially avoid the side-effects associated with the molecule when administered as an oral capsule.

Under the terms of the MoU, SUDA has up to six months to complete its due diligence on Anagrelide before entering a definitive agreement. Aluztra and its partner, Cancer Research UK, will be entitled to a low single-digit percentage royalty on direct net sales or a share of income generated by SUDA from commercialisation of an oro-mucosal spray of Anagrelide.

Anagrelide is currently used as an anti-thrombotic agent to reduce elevated levels of platelets. Scientists have identified that platelets also provide essential growth factors that nourish cancer cells and enable them to take hold and develop into tumours. Hence, those patients with the highest platelet numbers are least likely to survive.

Anagrelide has the potential to be developed as an effective anti-cancer agent, but is fundamentally limited in its current formulation by cardio-stimulatory side-effects. An oro-mucosal spray formulation of Anagrelide could minimise these side-effects by avoiding first-pass metabolism of the active drug in the liver.

The global market for cancer drugs has grown to more than \$100 billion in annual sales. Newer cancer treatments include immunotherapies which stimulate the patient's own immune system. Anagrelide would be complementary to such treatments rendering circulating cancer cells more susceptible to attack by the body's own killer cells. Thus, it potentially offers a novel and valuable first-in-class treatment strategy for cancer.

Mr Stephen Carter, SUDA's CEO and Managing Director, commented: "Anagrelide is an interesting opportunity for SUDA. We believe that the use of our proprietary OroMist® technology to formulate an oral spray of Anagrelide with efficient oro-mucosal absorption of the active agent could represent a compelling new strategy for the treatment of solid tumours. There is substantial data in the literature to support the theory that non-enteral administration of Anagrelide could avoid the dose-limiting cardio-toxicity associated with first-pass metabolism of this potentially very effective anti-cancer agent."



Further information:

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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 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 North America. 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 blood platelets in cancer

Cancer survival across all solid tumour types has been shown to be related to the number of blood platelets a patient has, cells which are more usually associated with the clotting process. However, platelets are now known to provide essential growth factors that nourish cancer cells and enable them to take hold and develop into tumours. Hence, those patients with the highest platelet numbers are least likely to survive. This has been shown across a wide range of solid tumours including cancer of the brain, oral cavity, the head and neck, thyroid carcinoma, gastrointestinal cancers, pancreatic, hepatocellular cancer, colorectal cancer, cancer of the lungs and bronchus, cancer of the ovaries, endometrium, cervix, breast, prostate, kidneys, skin mesothelioma, melanoma and gallbladder.

About Anagrelide

The pharmacology of anagrelide enables the selective lowering of platelet numbers without affecting clotting or other blood cell lines and, in this respect, is unique. Currently Anagrelide is only available as an oral formulation and is used exclusively as an anti-thrombotic agent. The drug's fundamental limitation which precludes its use in the treatment of cancer is its cardio-stimulatory side-effect profile. These effects are known to be due to a highly potent cardio-excitatory metabolite of the drug, formed in large quantities during its initial passage through the liver after oral administration. The use of proprietary non-enteral formulation such as an oro-mucosal spray would minimise this first pass effect in the liver.