



Australian Securities Exchange
Company Announcements
22nd¹ December 2010

IDT AUSTRALIA LIMITED (IDT)

PROFIT GUIDANCE AND BUSINESS UPDATE

- Profit After Tax expected to be in the range \$1.0-\$1.2 million for the half year to December 31st, 2010
- Development projects progressing towards commercialisation

Profit Guidance

The Directors of IDT are pleased to advise that the profit after tax for the December 2010 half year is expected to be in the range of \$1.0 million to \$1.2 million.

IDT's Chairman Dr Graeme Blackman says the guidance is being issued following a pleasing first half in which the underlying business had performed well in a difficult environment. "IDT has improved its performance over last year," Dr Blackman said. "The improved financial performance being achieved by IDT is to a significant extent being driven by the strong demand for the Phase I clinical services provided by Cmax. The Boronia manufacturing performance is still subdued but has good signs for recovery in the second half.

The company advises that the above profit guidance for the financial half year to December, 31st, 2010 is based on current management estimates which will be confirmed when the audit of IDT half year financial results is completed in February, 2011.

Operations Update

As detailed at the recent Annual General Meeting, the company is progressing with the development of a range of products with the aim to expand IDT's business model to include IDT product ownership. During the last few months IDT has succeeded in moving these project plans forward towards commercialization by:

- The commencement of the development of a range of veterinary finished products for international sale. The manufacture of registration batches for the first of these products is currently being undertaken in IDT's Facility P.
- The development of a generic oral finished product anticancer drug with the aim to obtain product registration and commercialisation in the USA and Europe.



Development batches for this anticancer product are in production in IDT's containment facilities and registration batches will commence in the second half of the financial year.

Finance Update

IDT has secured a funding arrangement with its current bankers, NAB, to develop the portfolio of niche generic products described above, and to expand current facilities to diversify into commercial manufacture of veterinary finished products.

The bank facility of a \$2.5million, three year term Commercial Bill line will add to the \$1m overdraft facility currently in place. This bank facility will be secured by registered mortgages over the company's Wadhurst Drive properties.

The Directors expect that the future developments will initially be funded from internal cash flows and that the NAB funding arrangements will be utilised in Q2 FY2012.

For further information contact:

Dr Robyn Elliott

Managing Director

IDT Australia Ltd

45 Wadhurst Drive

Boronia Victoria 3155

Telephone: 61 3 9801 8888

Facsimile: 61 3 9801 8773