



Australian Securities Exchange  
Company Announcements Office

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## MARKET UPDATE

The Directors advise that short term conditions for IDT's core business continue to be difficult. Development and manufacturing activities for a number of overseas pharmaceutical clients that had been forecast to occur in H2 FY11 have been delayed.

As a consequence, the IDT Board is now expecting a loss for H2 FY11, such that the full year result will likely be break even or a small loss.

During FY11 IDT has executed strategies designed to add product ownership to its business model. By investing in new products, new development partnerships and new infrastructure, IDT aims to improve profitability and reduce volatility.

Additionally, IDT is currently preparing to manufacture exhibit batches for a generic oral anticancer drug under development in partnership with an Indian company. The IDT US regulatory filing for this anticancer product is expected to occur in FY12 with product approval and launch expected in FY14.

Positive progress has also been made in terms of the first IDT veterinary drug product under development. Scale-up and regulatory batches have been successfully manufactured and the documentation required to obtain product registration in Australia is currently being prepared.

Recent discussions with a US partner have indicated that IDT will soon receive purchase orders to commence manufacturing product launch quantities of a "first to file" US generic hormone product. As the only generic on the market, the IDT product is expected to make a significant contribution to future revenue and profit.

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