



NEWS RELEASE

Polydex Enters Into New U.S. License Agreement, Receiving \$250,000 At Signing And Additional \$250,000 on approval of ANADA

Toronto, Ontario, July 30, 2013 – Polydex Pharmaceuticals Limited (Pink/OTCBB:POLXF) (the "Company") is pleased to announce that through its wholly owned subsidiary it has received \$250,000 for issuing a new exclusive 10-year supply agreement with Sparhawk Laboratories, Inc. to purchase bulk quantities of materials necessary for production of 20% Bulk Iron Dextran Solution for the United States veterinary industry.

The agreement also includes an additional milestone payment of \$250,000 to the Company for assistance in developing 20% bulk iron dextran solution. Sparhawk will make application for an abbreviated new animal drug (ANADA) as required by the U.S. Food and Drug Administration for interstate commerce, and upon approval of the ANADA will award the milestone payment.

Sparhawk has been purchasing materials necessary for the production of 10% iron dextran under an exclusive supply agreement with the Company since 2004, which arrangement has also been renewed for a further ten years under this new license agreement.

Sparhawk Laboratories, Inc., located in Lenexa, Kansas, manufactures a full line of generic animal health products, which include injectables, internal/external solutions, ointments, powders, tablets and boluses.

Bert Hughes, President and CEO of Sparhawk said "we have consistently received high quality product through our supply agreement for the raw materials needed to produce 10% iron dextran and we are really looking forward to adding 20% iron dextran to our product line."

"Our relationship with Sparhawk is deeply rooted and we are honored to be expanding our supply agreement with them at this time" said George Usher, President and CEO of Polydex.

Polydex Pharmaceuticals Limited, based in Toronto, Ontario, Canada, is engaged in the development, manufacture and marketing of biotechnology-based products for the human pharmaceutical market, and also manufactures bulk pharmaceutical intermediates for the worldwide veterinary pharmaceutical industry.

Note: This press release may contain forward-looking statements, within the meaning of the United States Securities Act of 1933, as amended, and the United States Securities Exchange Act of 1934, as amended, regarding Polydex Pharmaceuticals Limited, including, without limitation, statements regarding expectations about future revenues or business opportunities or potential research projects. These statements are typically identified by use of words like "may", "could", "might", "expect", "anticipate", "believe", or similar words. Actual events or results may differ materially from the Company's expectations, which are subject to a number of known and unknown risks and uncertainties including but not limited to changing market conditions, future actions by the United States Food and Drug Administration or equivalent foreign regulatory authorities as results of pending or future clinical trials. Other risk factors discussed in the Company's quarterly reports may also affect the actual results achieved by the Company.

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