11 September 2024

ASX Announcement

Island Executes Binding Letter of Intent for proposed acquisition of Galidesivir

- **Island has signed a binding Letter of Intent at the cost of US$50k with BioCryst for the potential acquisition of antiviral molecule, galidesivir**
- **Conversion to binding status secures Island an exclusive 12-month option to take up rights to the molecule**
- **Galidesivir has shown antiviral activity against a wide range of RNA viruses for which there are currently unmet medical needs, including Ebola, Zika and Marburg viruses**
- **The molecule has successfully completed two randomised, placebo controlled Phase 1 human safety and tolerability trials; and numerous animal efficacy studies; where galidesivir was shown to be effective, safe and well tolerated**
- **Regulatory due diligence will be undertaken to investigate whether galidesivir can be taken to approval using the FDA's Animal Rule pathway**
- **The proposed acquisition enables pipeline diversification and aligns with Island's strategy to address urgent viral disease and medical countermeasure development**

MELBOURNE Australia, 11 September 2024: Australian antiviral drug development company, Island Pharmaceuticals Ltd (**ASX: ILA**; **Island** or **the Company**) is pleased to announce that it has executed a binding Letter of Intent with global, NASDAQ-listed company BioCryst Pharmaceuticals, Inc. (Nasdaq: BCRX) for the acquisition of the galidesivir program, following the execution of a non-binding term sheet on 3 July 2024 (*'Island signs non-binding term sheet with BioCryst')*.

Following an initial announcement, both Island and BioCryst have converted the term sheet from non-binding to binding. Island will now pay BioCryst a US$50k option fee, securing Island's exclusive rights to acquire the program for a period of 12 months, enabling thorough due diligence.

About the Galidesivir program

Galidesivir is a clinical-stage antiviral molecule with a broad spectrum of activity in over 20 RNA viruses, including high-priority threats such as Ebola, Marburg, MERS, Zika, yellow fever, and SARS-CoV-2. It is a nucleoside analog that mimics adenosine triphosphate (ATP) and inhibits viral RNA synthesis, allowing broad activity against many RNA viruses.

The galidesivir program has a robust development history, which commenced initially to target high-priority threats, Ebola and Marburg viruses, then subsequently expanded to include other emerging infectious diseases, MERS and Zika for emergency disease outbreaks. It later evolved to pursue yellow fever as well as SARS-CoV-2.

Phase 1 studies have been completed for galidesivir in healthy volunteers, including single ascending dose and multiple ascending dose intramuscular administration studies; as well as intravenous single ascending dose studies.

Next steps

Island's CEO and Managing Director, Dr David Foster, commented, *"We are very pleased to convert the non-binding term sheet into a binding agreement.*

This acquisition opportunity aligns strongly both with our pipeline diversification strategy and our interest in progressing new medicines and countermeasures, which can address significant viral diseases and public health, or biosecurity threats. We also believe we might be able to bring this molecule to market under the FDA's Animal Rule, which would enable us to rapidly bring an important medical countermeasure to market.

We're excited to be one step closer to bringing this promising asset into our portfolio. Our next steps will focus on expeditiously finalising our due diligence program on the molecule."

Island now has up to 12 months to complete its due diligence program on galidesivir, after which the parties intend to finalise definitive documents. Further updates on the acquisition and development plans for galidesivir will be provided as negotiations progress and key milestones are achieved.

To subscribe to Island's monthly newsletter, IslandWatch, and other forms of email communications, please visit this page of our website.

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About Island Pharmaceuticals

Island (ASX: ILA) is a drug repurposing company, focused on areas of unmet need for antiviral therapeutics to address infectious diseases. Our lead asset is ISLA-101, a drug with a well- established safety profile, being repurposed for the prevention and treatment of dengue[2] fever and other mosquito (or vector) borne diseases.

If ISLA-101 achieves FDA approval, and certain other criteria are met, Island may be eligible to obtain a "Priority Review Voucher" at the time of FDA approval. This means that as well as getting approval to manufacture and sell ISLA-101, the Priority Review Voucher (PRV) could permit Island to expedite the FDA approval process for a new drug or sell the PRV in a secondary market.

Island encourages all current investors to go paperless by registering their details with the Company's share registry, Automic Registry Services, whose contact info is housed on the Shareholder Services page of the Company's website.

Visit www.islandpharmaceuticals.com for more on Island.