

3 October 2024

ASX Announcement

Island Pharmaceuticals secures \$3.5m in new funding to support key inflection points and pipeline build

- **Firm commitments received for a placement of A\$3.5m at A\$0.07 per new share, plus attaching option for every share acquired**
- **Placement strongly supported by existing and new investors**
- **Proceeds fund continued advancement of Island's clinical pipeline:**
 - **Completion of the ISLA-101 Phase 2a/b clinical trial in dengue fever following dosing of Phase 2a subjects, announced earlier today**
 - **Advancing the due diligence program for antiviral therapeutic, Galidesivir**
- **With this investment, Island is well-funded, enabling achievement of critical, near-term inflection points**

MELBOURNE Australia, 3 October 2024: Australian antiviral drug development company, Island Pharmaceuticals Ltd (**ASX: ILA; Island or the Company**) is pleased to announce that it has received firm commitments for a two-tranche placement to existing and new investors to raise approximately A\$3.5 million at 7 cents (A\$0.07) a share (**Placement**). With one new option attached with every new share issued (with an exercise price of 7 cents (A\$0.07), 50% expiring within 12 months of issue and 50% expiring 24 months of issue), subject to shareholder approval.

The Placement is being supported by investors who approached the company to offer cornerstone support, including biotech investor, Dr Daniel Tillett and prominent Hong Kong-based fund manager, Angus Walker, together with Island co-founder and major investor, Dr Bill Garner; substantial shareholder Jason Carroll and recently appointed Non-Executive Director, Chris Ntoumenopolous (subject to shareholder approval).

Island's CEO and Managing Director, Dr David Foster commented, *"This fundraising is an outstanding outcome for Island and places the company in a very strong position to complete the current Phase 2a/b study for ISLA-101. It also supports the due diligence campaign for the Galidesivir antiviral therapeutic program and provides the acquisition funding required, should we proceed with the potential acquisition."*



We are delighted to receive extremely strong support from Dr Daniel Tillett and Angus Walker, who see the potential in our programs. We are also grateful to Bill Garner, Jason Carroll and Chris Ntoumenopolous for their participation in this placement. We are now funded on current programs, which takes us through several important inflection points, including all data readouts on our current ISLA-101 Phase 2a/b clinical trial.”

Commenting on his participation, Dr Daniel Tillett said, “I have been invested in Island for many years and have been watching the company closely over that time. Island's impressive clinical progress with ISLA-101, along with the recent pipeline expansion into new antivirals, has created a compelling investment opportunity. The ability to leverage historical clinical data to advance overlooked antivirals in areas of great unmet need, combined with the potential value of acquiring two priority review vouchers upon approval, is highly attractive.” said Dr Tillett. “I’m delighted to be able to further support Island and ensure that the company has the financial resources required to fast track the clinical development of their advanced clinical assets.”

About the Placement

The Placement of 50,000,000 new fully paid ordinary shares (**Shares**) at 7 cents (A\$0.07) per share representing a discount of 11.39% to the volume weighted average price (**VWAP**) over the 15 days up to and including 30 September 2024 and a 12.50% discount to the closing price on 30 September 2024 together with 50,000,000 new options at 7 cents (A\$0.07) per Option (**Options**), subject to shareholder approval, which is being sought at the Company’s Annual General Meeting.

The first tranche of the Placement, comprising 27,222,212 Shares (\$1,905,554.840) (Tranche 1), will be issued using the Company's placement capacity under ASX Listing Rule 7.1 (14,533,327 shares) and 7.1A (12,688,885 shares).

The second tranche of the Placement, comprising 22,777,778 Shares (\$1,594,445.16) and 50,000,000 Options (Tranche 2), is subject to shareholder approval (including issue to Non-Executive Director, Chris Ntoumenopolous) which is expected to be obtained at the Company’s Annual General Meeting.

The Options will be unlisted securities with an exercise price of 7 cents (A\$0.07). 50% of the Options automatically expire 12 months from the date of issue, and the remaining 50% of the Options automatically expire 24 months from, the date of issue.

The Placement was managed by Island directly, with no broking fees paid to external parties.

The indicative timetable for the Placement is as follows:

Summary of Key Dates	Date/Time (Sydney, Australia)
ASX Announcement of Offer	Thursday, 3 October 2024
Trade Date (T)	Thursday, 3 October 2024
Settlement of Placement Shares under the Unconditional Placement	Monday, 7 October 2024
Allotment and trading of Placement Shares under the Unconditional Placement	Tuesday, 8 October 2024
AGM - to approve the issue of Placement Shares under Conditional Placement and the Conditional Options	Thursday, 14 November 2024
Settlement of Placement Shares under Conditional Placement	Monday, 18 November 2024
Allotment and trading of Placement Shares under Conditional Placement (and grant of Conditional Options)	Monday, 18 November 2024

The above timetable is indicative only and may change without notice.

Use of proceeds and upcoming activity

Funds raised under the Placement will be used to support completion of both cohorts of Island's ISLA-101 PROTECT study in dengue fever; finish due diligence on the Galidesivir program and, if it passes due diligence, acquire and advance the Galidesivir program.

Investor briefing invitation

Investors are invited to attend a webinar with Island where Dr David Foster will discuss the placement in more detail, while also providing an update on the current ISLA-101 Phase 2a/b PROTECT clinical trial.

The webinar will take place on **8 October 2024 from 10:30am (AEDT)** and will be followed by a Q&A session. To attend the webinar, please pre-register via the following link:

https://us02web.zoom.us/webinar/register/WN_B4gPTEpUSUqQ7Ot3oZmMww.

An email confirmation be sent advising how to join on the day.

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 dengue² 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.

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