

21 May 2025

ASX Announcement

\$3.6m Placement to advance ISLA-101 clinical development and support asset expansion

- **Placement of 24m new fully paid ordinary shares at \$0.15 per share to raise \$3.6m, including \$100,000 subscribed for by ILA directors subject to shareholder approval**
- **Considerable demand received from existing and new, strategic investors**
- **Funds raised to provide optionality for the clinical development pathway of ISLA-101, including plans for completion of an additional, larger clinical trial**
- **Additional funding to be deployed towards asset portfolio expansion opportunities and pending clinical trial opportunities for new molecules**
- **New capital secured prior to high level results from Phase 2a/b PROTECT trial using ISLA-101 in dengue fever – data expected in the near term**

MELBOURNE Australia, 21 May 2025: Australian antiviral drug development company, Island Pharmaceuticals Ltd (**ASX: ILA; Island or the Company**) is pleased to advise it has secured firm commitments from a range of institutional, sophisticated and professional investors to raise \$3.6m through the issue of 24m new fully paid ordinary shares ('Shares') at an issue price of \$0.15 per Share (the 'Placement'). The Placement includes firm commitments from all Company directors subject to shareholder approval.

Funds raised from the Placement will provide the Company with optionality for the clinical development of its lead asset, ISLA-101, pending results from the Company's Phase 2a/b PROTECT trial in dengue fever. This includes planned completion of a larger phase 2 trial using ISLA-101 in key international markets where dengue is highly prevalent. Additional funds will be deployed to support the expansion of the Company's asset portfolio and costs associated with the clinical trial requirements for new molecules.

Management commentary:

CEO and Managing Director, David Foster said: *"This strategic Placement received very strong interest from a number of groups, including existing shareholders, as well as new and strategic investors. I would like to take this opportunity to thank all participants for their support."*

The new funding comes at a pivotal time for Island, just prior to the receipt of high-level results from our recently completed Phase 2a/b PROTECT trial using ISLA-101. These results are anticipated in the near term and will provide a clear pathway for the ongoing development of our lead asset.



Funds from the Placement provide the Company with important optionality in connection with the development of ISLA-101, along with its M&A growth strategy. This will include new capital for completion of a larger clinical trial based on pending Phase 2a/b results, as well as financial flexibility to pursue required clinical trials for any new molecules, including Galidesivir, a broad-acting antiviral molecule, pending completion of due diligence."

Details of the Placement:

Island has received firm commitments to raise \$3.6m (before costs) via the issue of 24m new ordinary shares, at 15 cents per share in a private Placement. The issue price is a 11.86% discount to the 15-day VWAP of 17.11 cents before Island went into trading halt pre-market on Monday, 19 May 2025 and a discount of 16.67% to the last traded price.

The Placement will be conducted in one-tranche and placed under the Company's available capacity pursuant to ASX Listing Rule 7.1 (2,332,501 shares) and 7.1A (21,000,833 shares). Placement Shares will be listed on the ASX and rank pari-passu with the existing fully paid ordinary shares.

Company directors, Mr Phillip Lynch, Dr David Foster and Mr Chris Ntoumenopoulos have all committed to participating in the Placement and will subscribe for 666,666 shares collectively. Director participation will be subject shareholder approval, which will be sought at an upcoming General Meeting.

In addition, Island advises that S3 Consortium Pty Ltd ('S3') will be issued 2.5m new Shares at \$0.15 per Share as payment for investor relations services over the next 24 months. Shares issued to S3 Consortium Pty Ltd will be issued under ASX Listing Rule 7.1. Directors of S3 and associated entities have also subscribed for 1.266m shares in the Placement.

Perth-based advisory firm, ORA Capital acted as lead manager and bookrunner to the Placement and will receive a 6% capital raise fee on funds raised.

The indicative timetable for the Placement is as follows:

Summary of key dates	Date/Time
ASX Announcement of Placement	Wednesday, 21 May 2025
Settlement of Placement Shares	Wednesday, 28 May 2025
Allotment and trading of Placement Shares	Thursday, 29 May 2025

- Ends -

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

Approved for release to the ASX by:
The Board of Directors



Investors and media, for further information, please contact:

Henry Jordan
Six Degrees Investor Relations
+61 (0) 431 271 538
henry.jordan@sdir.com.au

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, Automatic 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.