

5 March 2024

Dear Shareholder

### **Ineligible Shareholders - Island Pharmaceuticals Limited Entitlement Offer**

On Monday, 26 February 2024, Island Pharmaceuticals Limited ACN 641 183 842 (**Company**) announced that it is undertaking a non-renounceable pro-rata entitlement offer of **2 new Shares for every 5 Shares** held at the Record Date of 7.00pm on Thursday, 29 February 2024 (**Record Date**), at an Issue Price of \$0.06 (6 cents) per new Share (**Entitlement**), plus 1 'New Option' to purchase 1 Share for every 'New Share' issued under the offer (with the right to be issued with piggy back options, being 1 further option for every New Option exercised within 3 months of the date on which the offer closes (with an exercise price of \$0.06 and expiry date of 12 months from the closing date of the offer), (collectively, **Offer**) to raise a up to approximately \$1.95 million (before costs), the maximum being on the basis that no more than approximately 32,507,388 (subject to rounding) New Shares will be issued pursuant to the Offer (other than any Shares issued on the exercise of the New Options or piggy back options). The Offer is fully underwritten by PAC Partners Securities Pty Limited ACN 623 653 912.

Shareholders who subscribe for their full Entitlement will also be able to subscribe for additional shares at the same price (plus 1 New Option for every additional share issued) (**Top-Up Offer**).

The Offer and Top-Up Offer are being made pursuant to a prospectus dated 26 February 2024 issued in accordance Section 713 of the Corporations Act (**Offers Prospectus**). A copy of the above announcement, together with further details of the Offers, are available on the Company's website and also on the ASX Announcement Platform. A copy of the Offers Prospectus has been lodged with the Australian Securities and Investments Commission (**ASIC**) and the ASX and is available for viewing on the ASIC website, the ASX website and the Company's website.

Restrictions apply upon eligibility to participate in the Offer. As permitted by law, the Company has decided, pursuant to ASX Listing Rule 7.7.1(a) and section 9A(3)(a) of the Corporations Act, that it is unreasonable to make the Offer to any Shareholder with a registered address outside Australia or New Zealand (retail and wholesale shareholders) as at the Record Date (namely 7.00pm (AEDT) on 29 February 2024), having regard to:

- (a) the relatively small number of Shareholders with addresses in such other countries as a proportion of total Shareholders in the Company;
- (b) the relatively small number and value of the Shares those Shareholders would be offered under the Offer; and
- (c) the cost to the Company of complying with applicable legal and regulatory requirements in such other countries.

Accordingly, the Offer (including the Top-Up Offer) will not be made to shareholders resident in the jurisdiction in which your shareholding is registered. The Company notes that it will make offers to certain shareholders in the United States, Columbia, Netherlands, Hong Kong or Singapore on the basis that the offer to those certain shareholders would not be unlawful in each relevant jurisdiction.

This letter is to inform you that according to our records, under the terms of the Offer **you are an ineligible shareholder** and therefore not eligible to subscribe for new Shares (and New Options) and no Entitlements will be issued to you. Accordingly, the Company is not extending the Offer



and Top-Up Offer to you and this letter is not an offer to issue New Shares or Entitlements to you, nor an invitation for you to apply for new Shares (and New Options).

**You are not required to do anything in response to this letter.**

If you have any questions, please call the Company's share registry, on 1300 288 664 (within Australia) or +61 2 9698 5414 (international) between 8.30am and 7.30pm (AEDT) Monday to Friday, or email [corporate.actions@automicgroup.com.au](mailto:corporate.actions@automicgroup.com.au).

For other questions, you should contact your stockbroker, accountant, taxation advisor, financial advisor or other professional advisor.

Yours faithfully,

A handwritten signature in black ink, appearing to read "Cameron Jones", is written over the typed name.

Cameron Jones  
Company Secretary