22 July 2021

ASX Announcement

Island secures API; shortens timeline to ISLA-101 clinical trials

- Island Pharmaceuticals and Curia have entered into an agreement in which Curia will process GMP Active Pharmaceutical Ingredient (API) for Island's upcoming clinical trial
- Island Pharmaceuticals and CerRx, Inc have entered into an agreement in which Island will purchase synthesized starting material from CerRx
- The two agreements will combine to provide Island with API that can be formulated into GMP clinical material more quickly and at substantially lower cost than initially anticipated

MELBOURNE Australia, 22 July 2021: Australian mid-clinical stage antiviral drug development company, Island Pharmaceuticals Ltd (ASX: ILA) announces that it has entered into two agreements related to the manufacturing of drug substance for its upcoming Phase IIa clinical trial where lead asset, ISLA-101 will be studied as a potential preventative for dengue fever.

Island has entered into a one-off purchase agreement with CerRx, Inc. to acquire up to 5kgs of Active Pharmaceutical Ingredient (API). In addition, Island has engaged Curia (formerly Albany Molecular Research, Inc.) to process the API on a one-off basis. Upon obtaining the final GMP API, the drug substance will be formulated into patient ready drug product for use in the upcoming Phase II clinical trial.

CEO of Island Pharmaceuticals, Dr David Foster said, "*I am very pleased that we have been able to acquire the drug substance needed for our ISLA-101 trial so quickly. This solution with our partners at CerRx and Curia enables Island to advance an efficient GMP manufacturing campaign more quickly and at substantially lower cost than initially anticipated. Based on current timelines, we remain on track to initiate a* Phase II *dengue fever trial later in 2021.*"

Although the expenditure under the agreements is not considered material, the agreements enable material advances to the ISLA-101 program that are critical to the development timeline , which is set out in the Prospectus and includes manufacture of drug product, filing of the IND, entering into clinical trial agreement and application for human ethics approval, leading to a Phase II clinical trial of approximately 16 subjects.

Approved for release to the ASX by:

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About Island Pharmaceuticals

Island is clinical-stage drug repurposing company, focused on the topical area of antiviral therapeutics for 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 fever and other mosquito (or vector) borne diseases. The Company is advancing toward a Phase II clinical trial in dengue-infected subjects.

If ISLA-101 achieves FDA approval, following a successful Phase III trial, and certain other criteria are met, Isla 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)would 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.