4 January 2022

ASX Announcement

Island executes PEACH clinical study CRO agreement

MELBOURNE Australia, 4 January 2022: Australian mid-clinical stage antiviral drug development company, Island Pharmaceuticals Ltd (ASX: ILA) is pleased to announce the signing of a clinical trial support services agreement, for Island's upcoming ISLA-101 Phase 2a PEACH study.

ISLA-101 is a well-known drug candidate that is being repurposed for the prevention and treatment of dengue fever and other mosquito (or vector) borne diseases. The PEACH trial is a Phase 2a, randomized, double blind, placebo-controlled study for the Prophylactic Examination of an Antiviral in a Dengue Challenge Model.

To support the PEACH trial, Island has signed a Clinical Trials Support Services Agreement (Agreement) with ICON Government and Public Health Solutions, Inc. f/k/a Clinical Research Management, Inc. ("ICON GPHS"). ICON GPHS is a CRO with significant expertise in clinical trials, including the dengue human infection model (DHIM) that Island will be using in the PEACH study. The purpose of the Agreement is to allow Island to hire ICON GPHS for one or more clinical studies. The details associated with each clinical study will be set forth in one or more Work Orders.

The scope of work for the first Work Order is to coordinate, manage and conduct the "PEACH" study (A Phase 2, Randomized, Double blind, Placebo-controlled Study for the Prophylactic Examination of an Antiviral in a Dengue Challenge Model), which is described in detail in Island's initial public offering Prospectus.

The project budget is $887,590 USD, which is in line with Island's budget forecast. All intellectual property developed through this Agreement will remain the sole property of Island Pharmaceuticals.

"We are thrilled to have signed with ICON GPHS," stated Dr. David Foster, CEO of Island Pharmaceuticals. *"The firm has a solid professional history as a quality CRO and has worked in the field of dengue fever research in the past. This Agreement allows us to continue moving forward with our Phase 2a trial preparations at a rapid pace."*

The term of the Agreement shall commence immediately and continue through until January 31, 2024 . The Agreement can be terminated by either party by 90 days written notice provided that there are no current work orders outstanding. Any Work Order is subject to early termination, by either Party on 30 days written notice if the other party commits any material beach and fails to remedy it within 30 days of receipt of written notice of the breach. In addition, the Agreement terminates if either party becomes bankrupt, or can be terminated by the Company upon 7 days written notice.

Island has also announced the appointment of Teresa Byrne as Vice President Clinical Product Development. Teresa has been engaged as a consultant to oversee clinical development of Isla-101 in the upcoming PEACH trial and other pipeline programs. Teresa is an experienced Clinical Research Executive, with more than 20 years of pharmaceutical industry experience from the research bench to the clinic, and has experience in both large company settings such as big pharmaceutical companies as well as in smaller biotech companies and CRO organizations.

Dr. David Foster, CEO of Island Pharmaceuticals said, "Teresa brings with her a new level of support for Island. In addition to overseeing the PEACH study, Teresa will support all of our programs in a variety of ways including establishment of quality and/or clinical operations structure and systems, general clinical and quality oversight, vendor identification, qualification and oversight."

Approved for release to the ASX by:

Dr Paul MacLeman
Executive Chairman
Isla Pharmaceuticals
info@islandpharmaceuticals.com

For further information, please contact:

Investors and media:

Jane Lowe
IR Department
Mobile: +61 411 117 774
jane.lowe@irdepartment.com.au

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 2 clinical trial in dengue-infected subjects.

If ISLA-101 achieves FDA approval, 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.

About ICON Government and Public Health Solutions

ICON Government and Public Health Solutions (GPHS), provides full-service clinical development and staffing services across multiple agencies in the US Government and is a preferred BARDA partner as well as being a trusted partner to both multinational public health organizations, and global Non-Government Organisations (NGOs).

Our clinical development expertise extends across basic and applied research, manufacturing, infectious and neglected tropical diseases, oncology, vaccines development and testing, and the response to bio-threats.

Visit https://www.iconplc.com/sectors/government-and-public-health-solutions/ for more on ICON GPHS.