

17 October 2022

Dear Shareholder

### **Upcoming Annual General Meeting of Shareholders**

The Company's Annual General Meeting is scheduled to be held on Thursday, 17 November 2022 at 11:30 am (AEDT) (**Meeting**)

In accordance with section 249R of the *Corporations Act 2001* (Cth) (**Corporations Act**), as amended under the *Corporations Amendment (Meetings and Documents) Act 2022* (Cth), and rule 12.23 of the Company's constitution, Shareholders will be given the opportunity to attend and participate in a general meeting held at a physical location and virtually using technology through an online meeting platform powered by Automic, where Shareholders will be able to watch, listen, ask questions and vote online (**Hybrid Meeting**).

The Company **strongly encourages Shareholders to lodge a directed proxy form by Tuesday, 15 November 2022 at 11.30 am (AEDT)**. Questions should also be submitted in advance of the Meeting as this will provide management with the best opportunity to prepare for the Meeting, for example by preparing answers in advance to Shareholders' questions. However, votes and questions may also be submitted during the Meeting. Further details of how to participate in the Meeting are set out in the Notice of Meeting.

The Notice of Meeting and Annual Report can be viewed and downloaded from: <https://www.islandpharmaceuticals.com/site/investor/investor-welcome>.

Shareholders who have nominated an email address and have elected to receive electronic communications from the Company, will receive an email to their nominated email address with a link to an electronic copy of the important Meeting documents.

In accordance with sections 110C-110K the Corporations Act, as amended by the *Corporations Amendment (Meetings and Documents) Act 2022* (Cth), no hard copy of the Notice of Annual General Meeting and Explanatory Memorandum will be circulated, unless a shareholder has requested a hard copy.

If you are unable to access any of the important Meeting documents online or if you wish to receive a hard copy of the Meeting documents please contact our share registry, Automic, on 1300 288 664 (within Australia) or +612 9698 5414 or via email at [hello@automic.com.au](mailto:hello@automic.com.au)

### **Your right to elect to receive documents electronically or in hard copy**

Island Pharmaceuticals will no longer send a hard copy of the meeting documents unless a shareholder requests a copy to be mailed.

We encourage all shareholders to provide an email address so that we can send investor communications electronically when they become available online, which includes items such as meeting documents and annual reports.

Shareholders can still elect to receive some or all of their communications in hard copy or electronic form or elect not to receive certain documents such as annual reports.



To review your communications preferences or sign up to receive your shareholder communications via email, please update your communication preferences at <https://investor.automic.com.au/>.

If you are a shareholder and would like a hard copy of a communication, need further information about the options available to you or have questions about your holding, visit <https://investor.automic.com.au/> or contact our share registry:

Telephone (within Australia): 1300 288 664

Telephone (outside Australia): +61 2 9698 5414

Email: [hello@automicgroup.com.au](mailto:hello@automicgroup.com.au)

Website: <https://investor.automic.com.au/>

Dr Paul MacLeman  
Executive Chairman  
Island Pharmaceuticals Ltd  
[info@islandpharmaceuticals.com](mailto:info@islandpharmaceuticals.com)

Investors and media, for further information, please contact:

Jane Lowe  
IR Department Mobile: +61 411 117 774  
[jane.lowe@irdepartment.com.au](mailto:jane.lowe@irdepartment.com.au)

### **About Island Pharmaceuticals**

Island Pharmaceuticals 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 close to commencing a Phase 2a clinical trial in dengue-infected subjects.

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](http://www.islandpharmaceuticals.com) for more on Island.

# ISLAND PHARMACEUTICALS LIMITED

ACN 641 183 842  
(ASX code: ILA)

## NOTICE OF 2022 ANNUAL GENERAL MEETING AND EXPLANATORY MEMORANDUM

Date of Meeting:  
**Thursday, 17 November 2022**

Time of Meeting:  
**11:30 am (AEDT)**

Island Pharmaceuticals Limited ACN 641 183 842 (the **Company**) is pleased to provide Shareholders with the opportunity to attend and participate in a general meeting, held at a physical location and virtually using technology through an online meeting platform powered by Automic, where Shareholders will be able to watch, listen, ask questions and vote online (**Hybrid Meeting**). Hybrid Meetings are permitted under section 249R of the *Corporations Act 2001* (Cth) (**Corporations Act**), as amended under the *Corporations Amendment (Meetings and Documents) Act 2022* (Cth), and rule 12.23 of the Company's constitution. For Shareholders wishing to attend the Hybrid Meeting virtually, details on how to access the virtual link for the Meeting are set out in this Notice.

Shareholders are strongly encouraged to lodge their completed Proxy Forms in accordance with the instructions in this Notice of Meeting.

In accordance with sections 110C-110K the Corporations Act, as amended by the *Corporations Amendment (Meetings and Documents) Act 2022* (Cth), **no hard copy** of the Notice of Annual General Meeting and Explanatory Memorandum will be circulated unless a shareholder has requested a hard copy (after the date of this letter) by Monday 12 November 2022 or a shareholder has otherwise elected to receive postal communications from the Company and nominated a postal address. The Notice of Meeting can be viewed and downloaded from the link set out below. Please also refer to the Notice of Meeting for details on how to participate in the Meeting.

**This Notice of Annual General Meeting and Explanatory Memorandum should be read in its entirety. If you are in doubt as to how to vote on any of the Resolutions, you should seek advice from your accountant, solicitor or other professional adviser without delay.**

# ISLAND PHARMACEUTICALS LIMITED

ACN 641 183 842

## Notice of 2022 Annual General Meeting

Notice is given that an annual general meeting of the members of Island Pharmaceuticals Limited ACN 641 183 842 (**Company**) to be held at 11:30 am (AEDT) on Thursday **17 November 2022** as set out below:

|                |  |
|----------------|--|
| <b>Details</b> | <p>The Meeting is being held as a Hybrid Meeting. You may join the Meeting in person or virtually as set out below:</p> <p><b>In person</b></p> <p>K&amp;L Gates<br/>31/1 O'Connell St<br/>Sydney NSW 2000</p> <p><b>Virtually</b></p> <p>Using the Automic on-line meeting platform application accessible by clicking on <a href="https://investor.automic.com.au">https://investor.automic.com.au</a></p> |
| <b>Date</b>    | 17 November 2022   |
| <b>Time</b>    | 11:30 am   |

The Meeting is being held for the purpose of considering and, if thought appropriate, passing the resolutions as outlined in this Notice of Meeting (**Notice**).

Shareholders wishing to vote in person, or their attorneys or in the case of a Shareholder or proxy which is a corporation, corporate representatives, must be present at the location and time noted above to participate. Shareholders wishing to vote virtually, or their attorneys or in the case of a Shareholder or proxy which is a corporation, corporate representatives, must log in online to participate in the Hybrid Meeting by clicking on the following link: <https://investor.automic.com.au>. Registration for attendance at the virtual component of the Hybrid Meeting will open at 11:00am (AEDT) on Thursday 17 November 2022. Shareholders wishing to attend the Meeting virtually will need to login to the Automic portal at this time to obtain the virtual component of the Hybrid Meeting webinar link.

In accordance with section 249R of the Corporations Act, as amended under the *Corporations Amendment (Meetings and Documents) Act 2022* (Cth), and rule 12.23 of the Company's Constitution, the Company will hold the Meeting as a Hybrid Meeting where Shareholders can attend in person and virtually and intends to conduct a poll on the resolutions set out in the Notice incorporating the proxies filed prior to the Meeting.

Furthermore, in accordance with the section 110C-110K of the Corporations Act, as amended by the *Corporations Amendment (Meetings and Documents) Act 2022* (Cth), the Company is not sending hard copies of the Meeting materials to Shareholders unless a shareholder has requested a hard copy (after the date of this letter) by Monday 12 November 2022 or a shareholder has otherwise elected to receive postal communications from the Company and nominated a postal address. Instead, a copy of the Meeting materials can be viewed and downloaded online at the following link:

<https://www.islandpharmaceuticals.com/site/investor/investor-welcome>.

Shareholders are strongly encouraged to submit their proxies as early as possible and in any event prior to the cut-off for proxy voting as set out in the Notice.

# Agenda

## 1.1 Financial statements and reports

To receive and consider the financial statements and the reports of the Directors and of the auditors for the year ended 30 June 2022.

\*Please note that there is no requirement for Shareholders to approve these reports and financial statements.

## 1.2 Resolution 1: Adoption of Remuneration Report

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

*"That the Remuneration Report for the year ended 30 June 2022 as set out in the Company's Annual Report for the year ended 30 June 2022 be adopted in accordance with section 250R(2) of the Corporations Act 2001 (Cth)."*

\*Please note that section 250R(3) of the Corporations Act 2001 (Cth) provides that the vote on this resolution is advisory only and does not bind the Directors or the Company.

### **Voting Exclusion Statement:**

The Company will disregard any votes cast on Resolution 1 by or on behalf of a member of the Company's key management personnel (**KMP**) whose remuneration details are disclosed in the remuneration report for the year ended 30 June 2022 or their closely related parties.

However, votes will not be disregarded if they are cast as proxy for a person who is entitled to vote on Resolution 1:

- in accordance with the directions on the proxy form; or
- by the person chairing the Meeting, and the proxy does not specify the way the proxy is to vote on the Resolution and in accordance with an express authorisation to exercise the proxy even though Resolution 1 is connected with the remuneration of KMP.

The Chairman intends to vote all available undirected proxies in favour of Resolution 1.

## 1.3 Resolution 2: Re-election of Anna Lavelle

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

*"That pursuant to the Company's Constitution and for all other purposes, the members of the Company approve the re-election of Anna Lavelle as a Director of the Company, who pursuant to rule 13.3 of the Company's Constitution is retiring by rotation and being eligible offers themselves for re-election."*

## 1.4 Resolution 3: Re-election of Albert Hansen

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

*"That pursuant to the Company's Constitution and for all other purposes, the members of the Company approve the re-election of Albert Hansen as a Director of the Company, who pursuant to rule 13.3 of the Company's Constitution is retiring by rotation and being eligible offers themselves for re-election."*

## 1.5 Resolution 4: Approval of increased placement capacity

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

*"That pursuant to and in accordance with ASX Listing Rule 7.1A and for all other purposes, Shareholders approve the increase in the capacity of the Company to issue equity securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions stated in the Explanatory Memorandum which accompanies this Notice of Meeting."*

### **Voting Exclusion Statement:**


The Company will disregard any votes cast in favour of Resolution 4 by a person who may participate in a proposed issue of equity securities under the 10% Placement Capacity, and any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity), if this resolution is passed; and any associate of such a person, unless the vote is cast:

- by a person as proxy or attorney for a person who is entitled to vote, in accordance with the directions on the proxy form;
- it is cast by the person chairing the Meeting as proxy or attorney for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution, and
  - the holder votes on the resolution in accordance with directions given by the beneficiary to the person to vote in that way.

The Chairman intends to vote all available undirected proxies in favour of Resolution 4.

***Note: In accordance with ASX Listing Rule 14.11.1 and the relevant note under that rule concerning ASX Listing Rule 7.1A, as at the date of this notice of Meeting it is not known who may participate in a proposed issue (if any). On that basis, no Shareholders are currently excluded.***

**By order of the Board**



**Peter Webse**  
**Company Secretary**  
14 October 2022

## Voting entitlement notice

### 1. Entitlement to vote

For the purposes of the Meeting, the Company has determined that in accordance with regulation 7.11.37 of the Corporations Regulations, shares will be taken to be held by the persons registered as holders at 11:30am (AEDT) on Tuesday 15 November 2022. Accordingly, transfers registered after that time will be disregarded in determining entitlements to vote at the Meeting.

### 2. Voting at the meeting

You may vote by participating in person or virtually at the Hybrid Meeting or by appointing an attorney or corporate representative to participate in person or virtually at the Hybrid Meeting and vote for you. Alternatively, Shareholders who are entitled to vote at the Meeting may vote by appointing a proxy to participate and vote on their behalf, using the Proxy Form accompanying this notice or by appointing a proxy online.

Details on how to participate 'virtually' are provided in section 2(c) below. Shareholders are encouraged to familiarise themselves with these instructions before the Meeting.

#### (a) Jointly held Shares

If more than one Shareholder votes in respect of jointly held Shares, only the vote of the Shareholder whose name appears first in the share register will be counted whether the vote is given personally, by attorney or proxy.

#### (b) Voting at the Hybrid Meeting in person

Shareholders wishing to vote in person, or their attorneys or in the case of a Shareholder or proxy which is a corporation, corporate representatives, must be in attendance at K&L Gates, 31/1 O'Connell St, Sydney NSW 2000 at 11:30am (AEDT) on Thursday, 17 November 2022.

Shareholders, their attorneys or in the case of Shareholders or proxies which are corporations, corporate representatives, who plan to participate in person at the Hybrid Meeting should arrive at the Meeting venue at least 15 minutes prior to the time designated for the commencement of the Meeting, if possible, to register and to obtain a voting card.

#### (c) Voting at the Hybrid Meeting by attending in person virtually

Shareholders wishing to vote virtually, or their attorneys or in the case of a Shareholder or proxy which is a corporation, corporate representatives, must log in online on the Automic portal to participate in the Hybrid Meeting to be held at 11:30am (AEDT) on Thursday, 17 November 2022 by clicking on the following link: <https://investor.automic.com.au>.

Shareholders who do not have an account with Automic are strongly encouraged to register as soon as possible and well in advance of the Meeting to avoid any delays on the day of the Meeting. An account can be created via the following link <https://investor.automic.com.au> and then clicking on "register" and following the prompts. Shareholders will require their holder number (securityholder reference number (**SRN**)) or holder identification number (**HIN**)) to create an account with Automic.

To access the virtual link for the Hybrid Meeting and vote on the day:

- (i) Open your internet browser and go to <https://investor.automic.com.au>
- (ii) Login with your username and password or click “register” if you haven’t already created an account.
- (iii) After logging in, a banner will display at the bottom of your screen to indicate that the meeting is open for registration, click on “Register” when this appears. Alternatively, click on “Meetings” on the left-hand menu bar to access registration.
- (iv) Click on “Register” and follow the steps
- (v) Once the Chair of the Meeting has declared the poll open for voting click on "Refresh" to be taken to the voting screen
- (vi) Select your voting direction and click "confirm" to submit your vote. Note that you cannot amend your vote after it has been submitted.

For further information on the live voting process please see the Registration and Voting Guide at <https://www.automicgroup.com.au/virtual-agms/>.

Shareholders, their attorneys or in the case of Shareholders or proxies which are corporations, corporate representatives, who plan to participate virtually in the Hybrid Meeting should log in online 15 minutes prior to the time designated for the commencement of the Meeting, if possible, to register and to obtain an electronic voting card.

**(d) Voting by proxy**

Shareholders wishing to appoint a proxy to vote on their behalf at the Meeting must either complete and sign or validly authenticate the personalised Proxy Form which accompanies this Notice of Meeting or lodge their proxy online. A person appointed as a proxy may be an individual or a body corporate.

Proxies participating virtually in the Hybrid Meeting will need to contact Automic prior to the Meeting to obtain their login details before 10.30 am AEDT on Thursday, 17 November 2022.

Completed Proxy Forms must be delivered to the Share Registry by 11:30am (AEDT) on Tuesday, 15 November 2022 in any of the following ways:

- (i) **By mail**  
 Island Pharmaceuticals Limited  
 C/- Automic Share Registry  
 GPO Box 5193  
 Sydney NSW 2001
- (ii) **By email** to the Share Registry at [meetings@automicgroup.com.au](mailto:meetings@automicgroup.com.au).
- (iii) **Online** if you wish to appoint your proxy online, you should do so by visiting <https://investor.automic.com.au> and by following the instructions on that website. Online appointments of proxies must be done by 11:30 am (AEDT) on Tuesday, 15 November 2022.
- (iv) **By Hand:**  
 Automic Registry Services, Level 126, Philip Street, Sydney NSW 2000;



A proxy need not be a Shareholder.

If you appoint a proxy and subsequently wish to attend the meeting yourself, the proxy will retain your vote and you will be unable to vote yourself unless you notify the registrar of the revocation of your proxy appointment before the commencement of the Meeting. You may notify the registrar by calling 1300 288 664 (from within Australia) and +61 2 9698 5414 (from outside Australia).

If a proxy appointment is signed by a Shareholder but does not name the proxy or proxies in whose favour it is given, the Chairman will act as proxy.

You are entitled to appoint up to two proxies to participate in the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy you must specify the names of each proxy and the percentage of votes or number of securities for each proxy on the Proxy Form. Replacement Proxy Forms can also be obtained from the Share Registry.

If you hold Shares jointly with one or more other persons, in order for your proxy appointment to be valid, each of you must sign the Proxy Form.

**(e) Undirected proxies**

If a Shareholder nominates the Chairman of the Meeting as that Shareholder's proxy, the person acting as Chairman of the Meeting must act as proxy under the appointment in respect of any or all items of business to be considered at the Meeting.

If a proxy appointment is signed or validly authenticated by that Shareholder but does not name the proxy or proxies in whose favour it is given, the Chairman of the Meeting will act as proxy in respect of any or all items of business to be considered at the Meeting.

Proxy appointments in favour of the Chairman of the Meeting, the Company Secretary or any Director which do not contain a direction as to how to vote will be voted in favour of the resolution at the Meeting.

The Chairman intends to vote undirected proxies of which the chair is appointed as proxy in favour of the resolutions.

**(f) Voting by attorney**

If you wish to appoint an attorney to vote at the Meeting the original or a certified copy of the power of attorney under which the attorney has been appointed must be received by the Share Registry no later than 11:30am (AEDT) on Tuesday, 15 November 2022 (or if the Meeting is adjourned or postponed, no later than 48 hours before the resumption of the Meeting in relation to the resumed part of the Meeting).

Any power of attorney granted by a Shareholder will, as between the Company and that Shareholder, continue in force and may be acted on, unless express notice in writing of its revocation or the death of the relevant Shareholder is lodged with the Company.

Your appointment of an attorney does not preclude you from logging in online and participating and voting at the Meeting. The appointment of your attorney is not revoked merely by your participation and taking part in the Meeting, but if you vote on a resolution, the attorney is not entitled to vote, and must not vote, as your attorney on that resolution.

**(g) Voting by corporate representative**

To vote by corporate representative at the Meeting, a Shareholder or proxy who is a corporation should obtain a *Certificate of Appointment of Corporate Representative* from the Share Registry, complete and sign the form in accordance with the instructions on it. The completed appointment form should be lodged with the Share Registry before 11:30am (AEDT) on Tuesday, 15 November 2022.

The appointment of a representative may set out restrictions on the representative's powers. The appointment must comply with section 250D of the Corporations Act.

The original *Certificate of Appointment of Corporate Representative*, a certified copy of the *Certificate of Appointment of Corporate Representative*, or a certificate of the body corporate evidencing the appointment of a representative is prima facie evidence of a representative having been appointed.

# ISLAND PHARMACEUTICALS LIMITED

ACN 641 183 842

## Explanatory Memorandum

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Annual General Meeting of Shareholders to be held as a Hybrid Meeting at 11:30am (AEDT) on Thursday, 17 November 2022 (**Meeting**).

In accordance with section 249R of the Corporations Act, as amended under the *Corporations Amendment (Meetings and Documents) Act 2022* (Cth), and rule 12.23 of the Company's constitution, the Company will hold the Meeting as a Hybrid Meeting virtually and intends to conduct a poll on the resolutions set out in the Notice incorporating the proxies filed prior to the Meeting. Shareholders wishing to vote, or their attorneys or in the case of a Shareholder or proxy which is a corporation, corporate representatives, must log in online to participate in the Hybrid Annual General Meeting by clicking on <https://investor.automic.com.au>. Registrations for virtual attendance at the Hybrid Meeting will open at 11:00am (AEDT) on Thursday, 17 November 2022. Shareholders wishing to attend the Meeting will need to login in to the Automic portal at his time to obtain the virtual Meeting webinar link.

Details on how to participate 'virtually' are provided in section 2(c) of the above Voting Entitlements Notice. Shareholders are encouraged to familiarize themselves with these instructions before the Meeting.

### 1. Accounts and Reports

The Corporations Act requires the Company to provide before the Annual General Meeting, the Financial Report, Directors' report (including the Remuneration Report) and the Auditor's Report for the financial year ended 30 June 2022.

Shareholders will be offered the opportunity to discuss the Financial Report, Directors' Report and Auditor's Report at the Meeting. Copies of these reports can be found on the Company's website <https://www.islandpharmaceuticals.com>.

There is no requirement for Shareholders to approve the Financial Report, Directors' Report and Auditor's Report. Shareholders will be offered the following opportunities:

- (a) discuss the Annual Report for the financial year ended 30 June 2022;
- (b) ask questions or make comments on the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit and preparation and content of the Auditor's Report.

In addition to taking questions at the Annual General Meeting, written questions to the Chairman about the management of the Company, or to the Company's auditor about:

- (a) the preparation and content of the Auditor's Report;
- (b) the conduct of the audit;
- (c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than 5 business days before the Annual General Meeting to the Company Secretary at the Company's registered office.

## **2. Resolution 1: Adoption of Remuneration Report**

### **2.1 Requirements of Corporations Act**

Under the Corporations Act, listed entities are required to put to the vote a resolution that the Remuneration Report section of the Directors' Report be adopted. This Remuneration Report can be found in the Company's 2022 Annual Report. It sets out a range of matters relating to the remuneration of Directors, the Company Secretary and senior executives of the Company.

A vote on this resolution is advisory only and does not bind the Directors or the Company. A copy of the Company's 2022 Annual Report can be found on its website at <https://www.islandpharmaceuticals.com/>.

The Corporations Act provides that:

- (a) members of the key management personnel whose remuneration details are included in the Remuneration Report (and any closely related party of those members) are not permitted to vote on a resolution to approve the Remuneration Report, and
- (b) if the vote to approve the Remuneration Report receives a "no" vote by at least 25% of the votes cast, this will constitute a "first strike".

The Company's current "strike" count is zero. If a "first strike" was to occur at the 2022 Annual General Meeting:

- (a) the Company's subsequent Remuneration Report (in other words, the Company's Remuneration Report to be included in the 2023 Annual Report) must include an explanation of the Board's proposed action in response to the "no vote" or an explanation of why no action has been taken; and
- (b) if the Company's subsequent (i.e. 2023) Remuneration Report also receives a "no vote" at the 2023 Annual General Meeting of at least 25% of the votes cast, then Shareholders at the 2023 Annual General Meeting will be asked (at that 2023 Annual General Meeting) to vote on whether or not the Company is to hold another general Shareholder's meeting (within the following 90 days) to vote on a "spill resolution" under section 250V of the Corporations Act.

### **2.2 Board Recommendation**

As set out in the Notice of Meeting, any member of the key management personnel whose remuneration details are included in the Remuneration Report, together with a closely related party of those members, are excluded from casting a vote on Resolution 1.

Accordingly, the Board abstains from making a recommendation in relation to Resolution 1. The Chairman intends to exercise all undirected proxies in favour of Resolution 1.

## **3. Resolution 2: Re-election of Anna Lavelle**

### **3.1 Background**

Rule 13.3 of the Company's Constitution provides that there must be an election of Directors at each annual general meeting. No Director may hold office for a period in excess of 3 years, or beyond the third annual general meeting following the Director's election, whichever is the longer, without submitting themselves for re-election.

If no person is standing for election or re-election, then the Director who has been in office the longest since last being elected will retire by rotation at the relevant annual general

meeting. Where 2 or more Directors were elected on the same day, the Director to retire will be decided by lot, unless the relevant Directors agree otherwise.

This rule does not apply to the Managing Director. A retiring Director is eligible for re-election without needing to give any prior notice of an intention to submit for re-election and holds office as a Director until the end of the meeting at which the Director retires.

Dr Lavelle was elected as an Executive Director on 1 October 2020, being eligible, offers herself for re-election.

| <b>Anna Lavelle, non-executive director</b> |   |
|---|---|
| Qualifications, experience and skills       | <p>Dr Lavelle is an experienced non-executive director serving for over 25 years on the boards of not for profit, government and for profit entities. As Executive Director or non-executive director she has a lengthy track record in healthcare delivery, technology development and negotiating government policy. Dr Lavelle has a PhD in Genetics from the University of Melbourne and is a Graduate of the Australian Institute of Company Directors (GAICD). Dr Lavelle is a Fellow of the Academy of Technology Science and Engineering (FTSE) and is also a Fellow of the Leadership Victoria Program. In 2015 Nature Scientific America, World View ranked Dr Lavelle in the global top 100 “World Visionaries” in biotechnology. Dr Lavelle was the only Australian to be named.</p> <p>From 2005 to 2016, Dr Lavelle was the CEO of AusBiotech; the national industry association for the biotechnology, pharmaceutical and medical devices sectors.</p> |
| Other current directorships                 | <p>Dr Lavelle currently serves on several boards including:</p> <ul style="list-style-type: none"> <li>(a) Independent Chair of Medicines Australia Ltd;</li> <li>(b) Independent Chair of Avatar Brokers Pty Ltd;</li> <li>(c) Non- Executive Director of Hemideina Pty Ltd;</li> <li>(d) Non-Executive Director of Cyban Pty Ltd; and</li> <li>(e) Non-Executive Director of Sementis Pty Ltd.</li> </ul>   |
| Independence                                | <p>Dr Lavelle is an independent Director as in the Board’s view she is free from any business or other relationship that could materially interfere with or reasonably be perceived to materially interfere with the independent exercise of her judgement.</p>   |
| Special responsibilities                    | <p>Chair of Remuneration and Nomination Committee and Member of the Audit and Risk Committee</p>  |

### 3.2 Board Recommendation

The Directors (with Anna Lavelle abstaining) recommend that Shareholders vote in favour of this Resolution 2.

## 4. Resolution 3: Re-election of Albert Hansen

### 4.1 Background

A description of the relevant provisions of the Constitution appear in section 3.1 of this Explanatory Memorandum above.

Mr Albert Hansen was elected as a non-executive director on 1 October 2020, being eligible, offers himself for re-election.

| <b>Albert Hansen, non-executive director</b> |   |
|--|---|
| Qualifications, experience and skills        | Mr Hansen is currently President of KESA Partners, Inc. (“KESA”) a family investment office focused on seed investing in life science-related startups. KESA provides capital and strategic management to its portfolio companies. Mr. Hansen serves as President of one of KESA’s portfolio companies, Clearlight Biotechnologies, Inc., which has licensed imaging technology for tissue analysis from Stanford University. From 2001 to 2012, Mr. Hansen was a Managing Director of Signet Healthcare Partners, a growth capital private equity firm focused on emerging life science companies. Mr. Hansen has over 25 years of private equity investment experience, with almost 20 years in the life sciences/pharmaceutical field. He is a former Chairman and interim CEO of Questcor Pharmaceuticals, Inc (later acquired for US\$5 billion), a former Chairman and interim CEO of Cedarburg Pharmaceuticals Inc. (acquired for US\$40 million) and former Chairman of Molecular Medicine Corporation (acquired for US\$24 million). KESA Partners, Inc acquired a failing company, Bioserv Corporation, for US\$25,000 from NextPharma, Ltd in November 2012. This company was later sold for \$3.6 million. He has also been a director of over ten other private companies. Prior to Signet, Mr. Hansen was a principal of Darby Overseas, since acquired by Franklin Templeton. He was also a political appointee as Director of Corporate Finance at the U.S. Treasury Department in 1992. Earlier in his career, Mr. Hansen was an investment banker with Dillon Read & Co. Inc., focusing on mergers and acquisitions. He was also an investment banker at E.F. Hutton & Co. Mr. Hansen also served in the U.S. Army as an Infantry and Special Forces officer. Mr. Hansen has a B.A. from Princeton University and an M.B.A. (with distinction) from the Wharton School, University of Pennsylvania. |
| Other current directorships                  | N/A   |
| Independence                                 | Dr Hansen is not considered to be an independent Director as he is a substantial shareholder of the Company.  |
| Special responsibilities                     | Member of the Remuneration and Nomination Committee   |

## 4.2 Board Recommendation

The Directors (with Albert Hansen abstaining) recommend that Shareholders vote in favour of this Resolution 3.

## 5. Resolution 4: Approval of increased placement capacity

### 5.1 Placement capacity

ASX Listing Rule 7.1A enables eligible entities, after obtaining Shareholder approval at an annual general meeting, to issue equity securities up to 10% of its issued share capital through placements over a 12 month period after the annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1. This Resolution 4 seeks approval to allow the Board the flexibility to issue additional Shares if it so decided. The Board may decide not to issue any Shares pursuant to this Resolution 4.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity as it is not included in the S&P/ASX 300 Index.

The Company is now seeking Shareholder approval by way of a special resolution to have the ability to issue equity securities under the 10% Placement Facility.

The exact number of equity securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2.

If this Resolution 4 is not approved by Shareholders then the Company will not have the flexibility of an available additional 10% capacity to issue Shares under the 10% Placement Facility described in this section 5 of the Explanatory Memorandum. The Company not having the 10% Placement Facility will have no effect on the Company's existing Listing Rule 7.1 15% capacity.

### 5.2 Description of Listing Rule 7.1A

Any equity securities issued under the 10% Placement Facility (**Placement Securities**) must be in the same class as an existing quoted class of equity securities of the Company. The Company, as at the date of the Notice, has on issue one class of quoted equity securities, being ordinary shares (**Shares**).

Resolution 4 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

Eligible entities which have obtained Shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Placement Securities calculated in accordance with the formula in Listing Rule 7.1A.2.

The effect of Resolution 4 will be to allow the Directors to issue the Placement Securities under Listing Rule 7.1A during the 10% Placement Period (as defined below) without using any of the Company's 15% placement capacity under Listing Rule 7.1.

### 5.3 Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

**(a) Period for which approval will be valid**

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained;
- (ii) the time and date of the Company's next annual general meeting; or
- (iii) the time and date of the approval by Shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking), or such longer period if allowed by ASX

**(10% Placement Period).**

**(b) Minimum issue price**

If any Placement Securities are issued, the minimum price the Placement Securities will be issued for cash consideration which is not less than 75% of the VWAP of equity securities in the same class calculated over the 15 trading days immediately before:

- (i) the date on which the price at which the Placement Securities are to be issued is agreed; or
- (ii) if the Placement Securities are not issued within 10 trading days of the date in paragraph (i) above, the date on which the Placement Securities are issued.

The actual number of Placement Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Placement Securities in accordance with the formula prescribed in Listing Rule 7.1A.2.

**(c) Maximum number of Shares to be issued:**

Listing Rule 7.1A.2 provides that an eligible entity which has obtained a 7.1A mandate may, during the period of the mandate, issue or agree to issue a number of equity securities (**N**) equal to the 10% Placement Facility, calculated in accordance with the following formula prescribed in Listing Rule 7.1A.2:

$$N = (A \times D) - E$$

where:

**A** = is the number of shares on issue 12 months before the date of the issue or agreement:

- (i) plus the number of fully paid ordinary securities issued in the relevant period under an exception in Listing Rule 7.2 other than exception 9, 16 or 17,
- (ii) plus the number of fully paid ordinary securities issued in the relevant period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
  - (A) the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or



- (B) the issue of, or agreement to issue, the convertible securities was approved, or taken under these rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4,
- (iii) plus the number of fully paid ordinary securities issued in the relevant period under an agreement to issue securities within Listing Rule 7.2 exception 16 where:
  - (A) the agreement was entered into before the commencement of the relevant period; or
  - (B) the agreement or issue was approved, or taken under these rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4,
- (iv) plus the number of any other fully paid ordinary securities issued in the relevant period with approval under Listing Rule 7.1 or Listing Rule 7.4,
- (v) plus the number of partly paid ordinary securities that became fully paid in the relevant period,
- (vi) less the number of fully paid ordinary securities cancelled in the relevant period.

(Note: "A" has the same meaning as in Listing Rule 7.1 when calculating the 15% capacity);

**D** = 10%;

**E** = the number of equity securities issued or agreed to be issued under Listing Rule 7.1A.2 in the relevant period (being the 12 month period immediately preceding the date of the issue or agreement), where the issue or agreement has not been subsequently approved by holders of ordinary securities under Listing Rule 7.4;

**(d) Purposes for which Placement Securities may be issued**

The Company may seek to issue the Placement Securities as cash consideration for the acquisition of new assets and or other investments, or as cash for general working capital purposes.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.3 upon issue of any Placement Securities.

**(e) Effect on existing (non-participating) Shareholders**

If Resolution 4 is approved by Shareholders and the Company issues Placement Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table. There is a risk that:

- (i) the market price for the Company's equity securities may be significantly lower on the date of the issue of the Placement Securities than on the date of the Annual General Meeting; and
- (ii) the Placement Securities may be issued at a price that is at a discount to the market price for the Company's equity securities on the issue date.

The below table is included for illustrative purposes and shows the potential dilution of existing Shareholders on the basis of the current market price of the Shares as at 10 October 2022 and the current number of Shares for variable "A" (above) calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice.

The table also shows:

- (i) Two examples where variable 'A' has increased by 50% and 100%. Variable 'A' is based on the number of Shares the Company has on issue as at the date of this Notice of Meeting. The number of Shares on issue may increase as a result of issues of Shares that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing rule 7.1 that are approved at a future Shareholders' meeting; and
- (ii) Two examples where the issue price of the Shares has decreased by 50% and increased by 50% as against the current market price.

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Placement Securities available under the 10% Placement Facility.
- (ii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (iii) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Annual General Meeting.
- (iv) The table shows only the effect of issues of Placement Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- (v) The issue of Placement Securities under the 10% Placement Facility consists only of Shares.
- (vi) The issue price is \$0.16 being the closing price of the Shares on ASX on 10 October 2022.

| Variable 'A' in Listing Rule 7.1A.2                              |                            | \$0.08<br>50% decrease in issue price | \$0.16<br>issue price | \$0.24<br>50% increase in issue price |
|--|----------------------------|---------------------------------------|-----------------------|---------------------------------------|
| <b>Current Variable A</b><br>81,268,468 Shares                   | <b>10% Voting Dilution</b> | 8,126,846 Shares                      | 8,126,846 Shares      | 8,126,846 Shares                      |
|  | <b>Funds raised</b>        | \$650,147                             | \$1,300,295           | \$1,950,443                           |
| <b>50 % increase in current Variable A</b><br>121,902,702 Shares | <b>10% Voting Dilution</b> | 12,190,270 Shares                     | 12,190,270 Shares     | 12,190,270 Shares                     |
|  | <b>Funds raised</b>        | \$975,221                             | \$1,950,443           | \$2,925,664                           |
| <b>100% increase in current Variable A</b><br>162,536,936 Shares | <b>10% Voting Dilution</b> | 16,253,693 Shares                     | 16,253,693 Shares     | 16,253,693 Shares                     |
|  | <b>Funds raised</b>        | \$1,300,295                           | \$2,600,590           | \$3,900,886                           |

**(f) Company's share allocation policy**

The Company's share allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Placement Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, issues in which existing security holders can participate;
- (ii) the effect of the issue of the Placement Securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice of Meeting but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

**(g) Information under ASX Listing Rule 7.3A.6**

The Company has not issued or agreed to issue any securities under Listing Rule 7.1A.2 during the 12 months prior to the date of this Meeting.

**(h) Information under ASX Listing Rule 7.3A.7**

At the date of this Notice the Company is not proposing to make an issue of equity securities under Listing Rule 7.1A.2 and so no voting exclusion is required.

**5.4 Board recommendation**

The Directors of the Company believe that Resolution 4 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution 4.

**6. Further information**

The Directors are not aware of any other information which is relevant to the consideration by members of the proposed resolutions set out in this Notice of Meeting.

The Directors recommend members read this Explanatory Memorandum in full and, if desired, seek advice from their own independent financial or legal adviser as to the effect of the proposed resolutions before making any decision in relation to the proposed resolutions.

## 7. Glossary

### 7.1 Definitions

The following definitions are used in the Notice of Meeting and the Explanatory Memorandum:

**Annual General Meeting / AGM** means the annual general meeting of the Company to be held as a Hybrid Meeting either:

- (a) virtually by clicking on and registering here: <https://investor.automic.com.au>; and
  - (b) at K&L Gates, Level 31, 1 O'Connell Street, Sydney NSW 2000, Australia
- at 11:30am on Thursday, 17 November 2022 pursuant to the Notice of Meeting.

**Annual Report** means the annual report of the Company announced to ASX on 25 August 2022.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited ACN 008 624 691.

**ASX Listing Rules** or **Listing Rules** means the Listing Rules of the ASX as amended from time to time.

**Auditor's Report** means the report titled "Independent auditor's report to the members of Island Pharmaceuticals Limited" which forms part of the Company's Annual Report announced to ASX on 25 August 2022.

**Automic** means Automic Registry Services.

**Board** means the board of Directors of the Company.

**Certificate of Appointment of Corporate Representative** means the certificate of appointment of corporate representative available at Automic's website: <https://investor.automic.com.au/#/support/2/sub>.

**Chair** means the chair of the Meeting.

**Chairman** means the chairman of the Board.

**Company** means Island Pharmaceuticals Limited ACN 641 183 842.

**Constitution** means the constitution of the Company dated 15 October 2020.

**Corporations Act or Act** means the *Corporations Act 2001* (Cth).

**Corporations Regulations** means the *Corporations Regulations 2001* (Cth).

**Director** means a director of the Company.

**Directors' Report** means the report titled "Directors' report" included in the Company's Annual Report announced to ASX on 25 August 2022.

**Explanatory Memorandum** means the explanatory memorandum attached to this Notice.

**Financial Report** means the financial report of the Company included in its Annual Report announced on the ASX on 25 August 2022.

**Group** means the Company and any of its subsidiaries.

**Hybrid Meeting** means a meeting held at a physical location and virtually using technology through an online meeting platform powered by Automic, where shareholders will be able to watch, listen, ask questions and vote online;

**Key Management Personnel or KMP** means the key personnel as disclosed in the Remuneration Report, being Anna Lavelle, David Brookes, Albert Hansen, Paul MacLeman and David Foster.

**Meeting** means the annual general meeting subject to this Notice.

**Notice of Meeting or Notice** means this notice of Annual General Meeting.

**Proxy Form** means the proxy form accompanying the Notice.

**Remuneration Report** means the remuneration report of the Company for the year ended 30 June 2022 as set out in the Company's Annual Report for the year ended 30 June 2022.

**Resolution** means the resolutions referred to in the Notice of Meeting.

**Share** means a fully paid ordinary share in the capital of the Company.

**Share Registry** means Automic Group Pty Ltd.

**Shareholder** means a holder of a Share.

## 7.2 Interpretation

For the purposes of interpreting the Notice:

- (a) the singular includes the plural and vice versa, and a gender includes other genders;
- (b) another grammatical form of a defined word or expression has a corresponding meaning;
- (c) a reference to **A\$, \$A, dollar** or **\$** is to Australian currency;
- (d) a reference to time is to Sydney, Australia time;
- (e) a reference to persons includes bodies corporate and government authorities and in each and every case, includes a reference to the person's executors, administrators, successors and permitted assigns and substitutes;
- (f) a reference to a person includes a natural person, partnership, body corporate, association, governmental or local authority or agency or other entity;
- (g) a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (h) a word or expression defined in the Corporations Act has the meaning given to it in the Corporations Act; and

the meaning of general words is not limited by specific examples introduced by **including, for example** or similar expressions.

# Proxy Voting Form

If you are attending the virtual Meeting please retain this Proxy Voting Form for online Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by **11.30am (AEDT) on Tuesday, 15 November 2022**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

## SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

### YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

### STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise, if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

### DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

### STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

### APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

### SIGNING INSTRUCTIONS

**Individual:** Where the holding is in one name, the Shareholder must sign.

**Joint holding:** Where the holding is in more than one name, all Shareholders should sign.

**Power of attorney:** If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

**Companies:** To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

**Email Address:** Please provide your email address in the space provided.

**By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.**

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

### Lodging your Proxy Voting Form:

#### Online:

Use your computer or smartphone to appoint a proxy at

<https://investor.automic.com.au/#/login>

or scan the QR code below using your smartphone

**Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.**



#### BY MAIL:

Automic  
GPO Box 5193  
Sydney NSW 2001

#### IN PERSON:

Automic  
Level 5, 126 Phillip Street  
Sydney NSW 2000

#### BY EMAIL:

[meetings@automicgroup.com.au](mailto:meetings@automicgroup.com.au)

#### BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

#### PHONE:

1300 288 664 (Within Australia)  
+61 2 9698 5414 (Overseas)

