ISLAND
PHARMACEUTICALS
Antiviral therapeutics

SOLVING URGENT VIRAL DISEASE THREATS

IPO Roadshow (ASX: ILA)
April 2021

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INTRODUCTION

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ISLAND SNAPSHOT

BRINGING ITS PLATFORM IN A PILL TO MARKET

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Island has repurposed ISLA-101, an antiviral oral drug to treat mosquito-borne viruses (eg dengue fever / Zika) and intends to complete Phase II studies with a significantly de-risked clinical program

Warming global climates are accelerating the presence of mosquito-borne viruses that can cause deaths in the US, Europe and Australia

KEY STRENGTHS

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Initially targeting dengue diseases with unmet need

Targeting diseases, starting with dengue fever, with a significant unmet medical need and growing economic burden

Drug repurposing strategy

Lead compound, ISLA-101, has been in 45 clinical trials demonstrating an excellent safety profile in thousands of patients

Phase II ready asset

Repurposing can save tens of millions of dollars and up to a decade of development time usually required to commercialise a new drug

Promising results to date

Results in aggressive animal and human cellular models of dengue fever and Zika infections as well as data in a range of other flaviviruses

Commercial upside

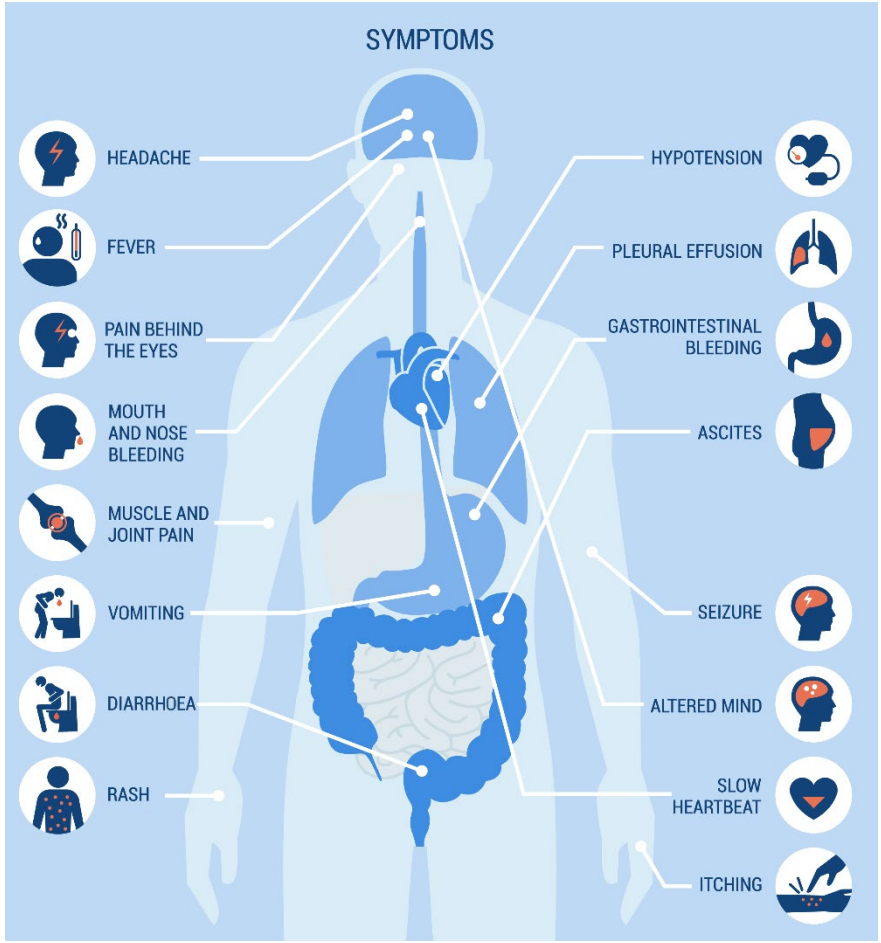
Potential 'platform in a pill' to treat tropical diseases. Approval of ISLA-101 by the US FDA could see company claim a Priority Review Voucher

Highly experienced team

Experienced Board, Management Team & Scientific Advisory Board with extensive expertise in drug repurposing, infectious diseases and commercial transactions

WHY DENGUE DISEASES?

SIGNIFICANT UNMET NEED FOR DISEASE WITH INCREASING INCIDENCE



- Significant unmet need (3.9 billion people at risk)
- Increasing spread to US, EU and Australia
- ISLA-101 has both therapeutic and prophylactic potential
- Strong animal and human model results
- First claim then spring board into other viral diseases
- Priority Review Voucher eligibility

INDUSTRY & MARKET

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MOSQUITO BORNE DISEASES

MORE PATIENTS, HIGH COSTS, POTENTIALLY A LIFETIME OF ISSUES

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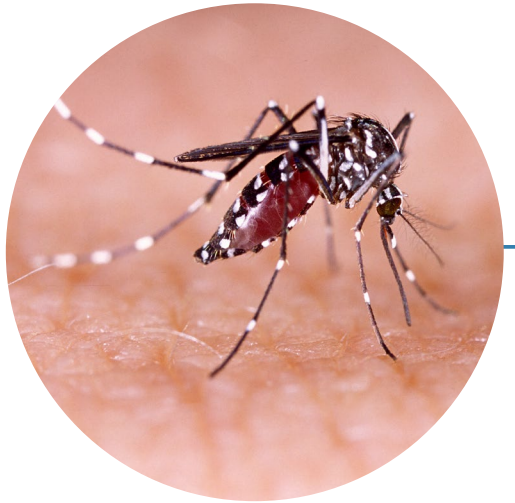
Primary target

Mosquito-borne flaviviruses



- Dengue fever
- West Nile virus
- Zika virus
- Yellow fever virus
- Japanese Encephalitis virus
- Others

Can result in life threatening conditions

- Haemorrhagic fever
- Shock syndrome
- Encephalitis
- Paralysis
- Congenital defects
- Hepatitis
- Hepatic failure

390m

Estimated global cases per year (dengue fever only)

US$8.9B

Estimated impact to the economy from dengue fever

FLAVIVIRUSES BECOMING GLOBAL

WARMING GLOBAL CLIMATES ARE EXPANDING SPREAD BEYOND THE TROPICS

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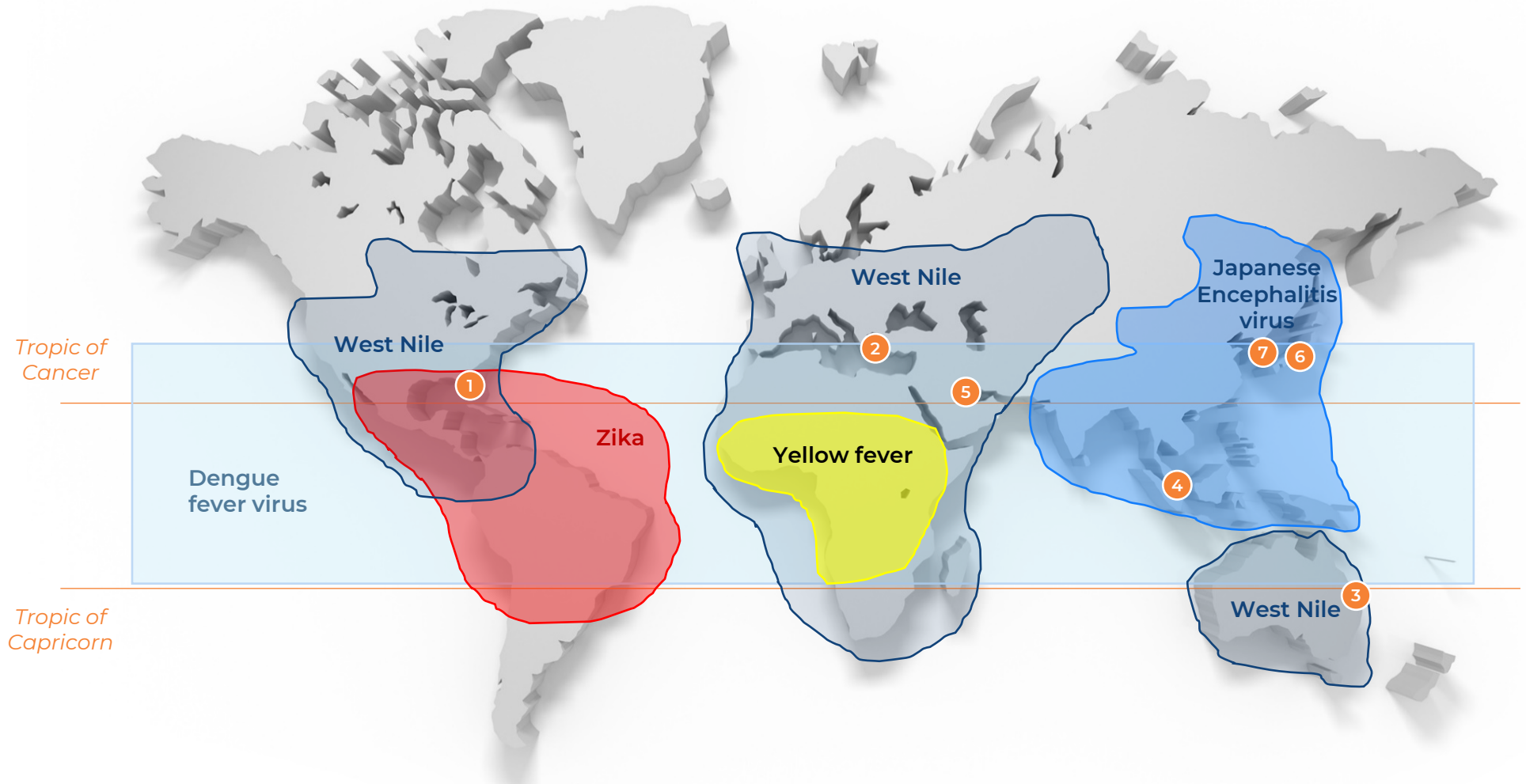

Flaviviruses are spreading outside the tropics:

1. Florida, US
2. Mediterranean, EU
3. QLD, Australia

Growing issue for countries hosting US military bases

4. Singapore
5. Saudi Arabia
6. Japan
7. South Korea

LIMITED AVAILABLE SOLUTIONS

HIGHLY PREVALENT DISEASES WITH UNMET MEDICAL NEED

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	Dengue fever	West Nile	Zika Virus	Yellow fever	Japanese Encephalitis	
Worldwide prevalence	390 million	n/a	Up to 1.5 million	130,000	70,000	→ Viral diseases are a leading cause of hospitalisation and death
Effective drug therapy	No	No	No	No	No	→ Antimalarial drugs market is expected to reach US$1B in 2026 providing guidance to potential market size
Vaccine	Limited	No	No	Limited	Limited	→ Vaccine development potentially can exacerbate symptoms from infections by different strains

COMPANY OVERVIEW

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ISLA-101 REPURPOSED DRUG

DRAMATICALLY REDUCES DEVELOPMENT TIME, RISK AND COST

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ISLA-101, originally a cancer drug

Originally identified by Johnson & Johnson and studied as a potential chemotherapy

Demonstrated as safe in humans

Used in 45 clinical studies (including Phase II & III) demonstrating an excellent safety profile in thousands of patients including children

Strong regulatory history and acceptance

Multiple regulatory jurisdictions have reviewed ISLA-101 as having a well established safety profile

Speed to market & early revenue potential

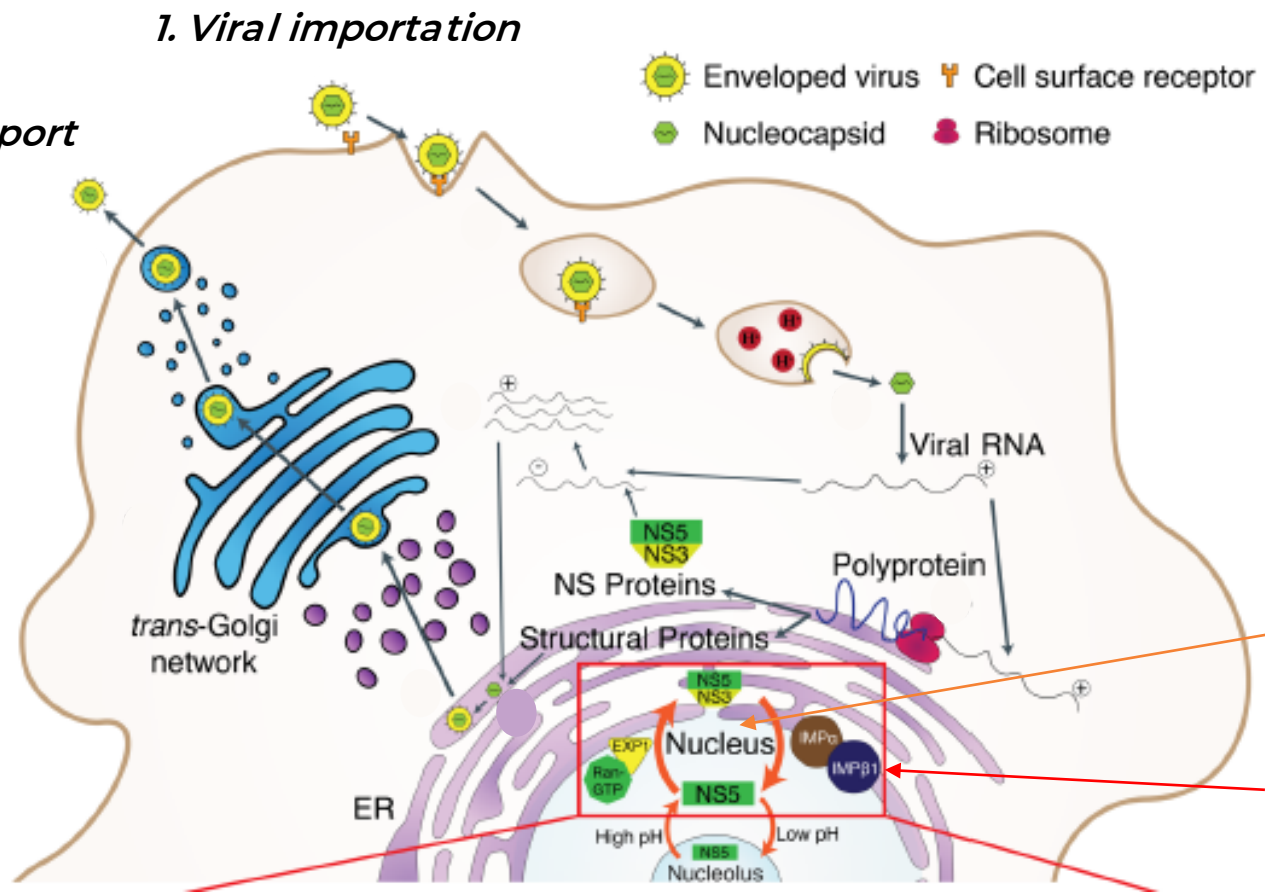
Clearance of early phases allows many years to be saved in drug development and quick path to market

Capitalising on millions spent

Funds and time spent to date reduce risk and allow for immediate move to Phase II study

ISLA-101 PREVENTS VIRAL REPLICATION

ISLA-101 INHIBITS PROPAGATION OF FLAVIVIRUSES

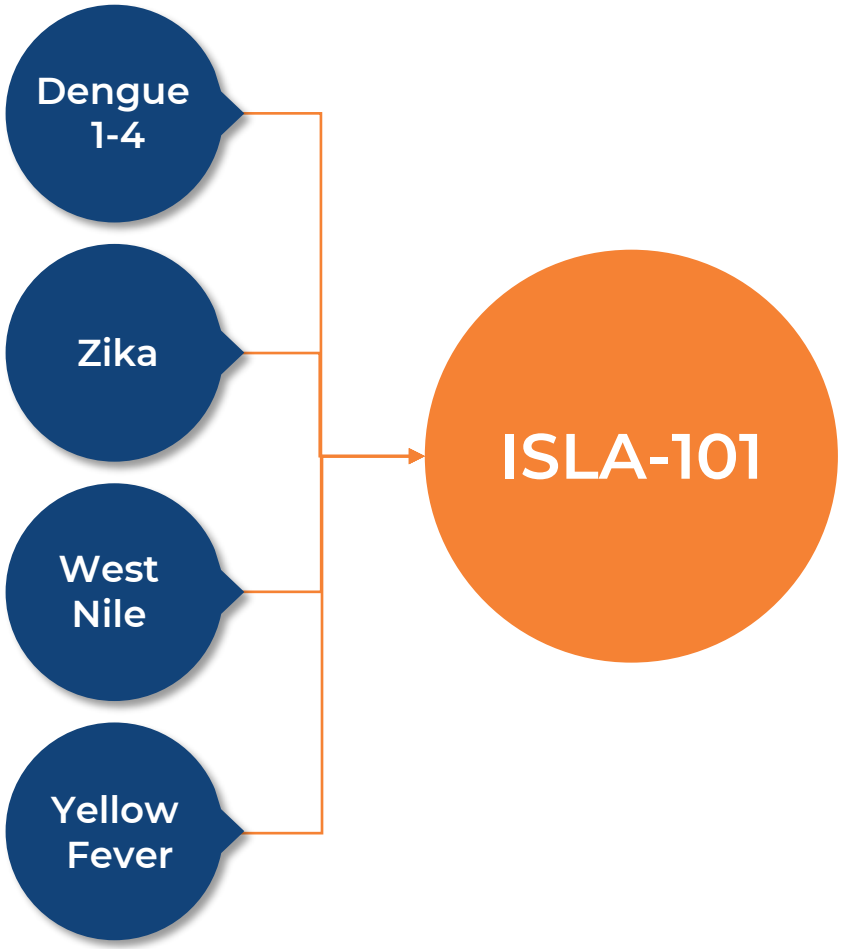


- To replicate, the virus needs to hijack the nucleus of the host cell
- Studies demonstrated ISLA-101 prevents this so prevents virus replication
- Same mechanism of action for a therapeutic or prophylactic – either before or after exposure to the virus

ISLA-101 targets protection of the nucleus

ISLA-101 BROAD ACTIVITY EVIDENT

DEMONSTRATED ACTIVITY AGAINST FLAVIVIRUSES IN FRESH HUMAN CELLS



- In *in-vitro* models using fresh human cells, ISLA-101 has demonstrated broad anti-viral activity
- In animal models, ISLA-101 is protective in dengue fever and Zika
- In extremely lethal animal models, ISLA-101 was shown to prevent death in 70% of subjects
- Increasing concentrations of ISLA-101 prevent death induced by an otherwise lethal dengue fever infection

SAFETY PROFILE OF DRUG ESTABLISHED

45 HUMAN CLINICAL STUDIES OF ISLA-101 COMPLETED IN OTHER INDICATIONS

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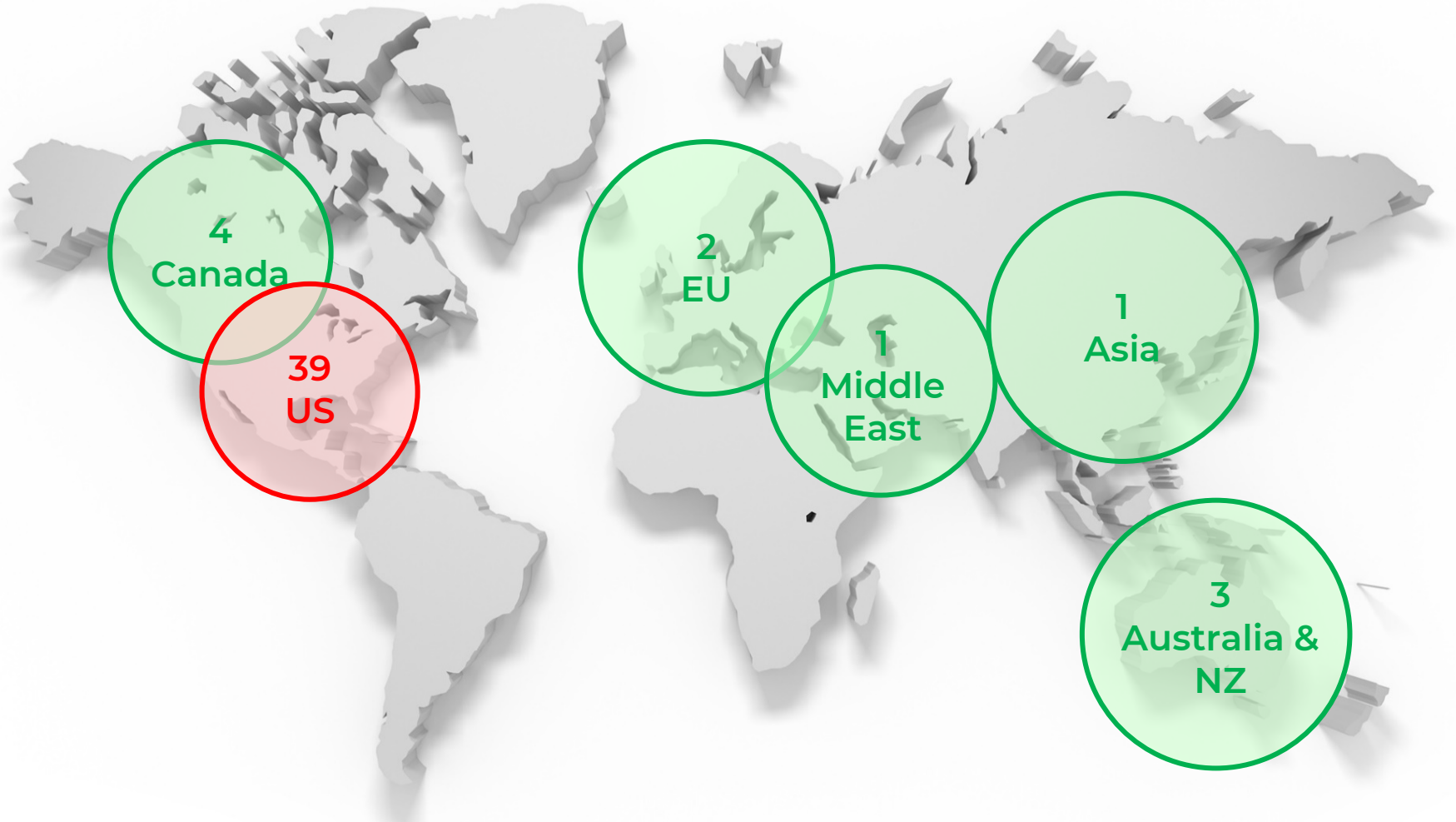

Verified as safe in humans by multiple regulators in other clinical indications

ACCELERATED TIME TO APPROVAL

LEVERAGING THE ESTABLISHED SAFETY PROFILE OF ISLA-101

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Completed

Millions of dollars and years saved on development of ISLA-101

- Discovery
- Pre-clinical testing
- Extensive Phase I safety data held on file
- ISLA-101 is moving straight to Phase II trials

Island repurposing timeline

Fast-track

Phase II clinical trials

Phase III clinical trials

Regulatory approval

Previous investment in repurposed drug + shorter trials =
Rapid timeframe to approval

Significant near-term, value accretive news flow anticipated during development

- GMP manufacturing of new drug substance
- Filing of IND
- First patient in Phase II trial
- Phase II trial data read out

PHASE II CHALLENGE STUDY

AN EFFICIENTLY STRUCTURED TRIAL, LEVERAGING CRADA CONTROL DATA

Phase II trial protocol

Up to 4 cohorts/4 arms

Inclusion

- Healthy subjects
- Age 18-45
- Willing to use contraception for the duration of the study
- Informed consent

Exclusion

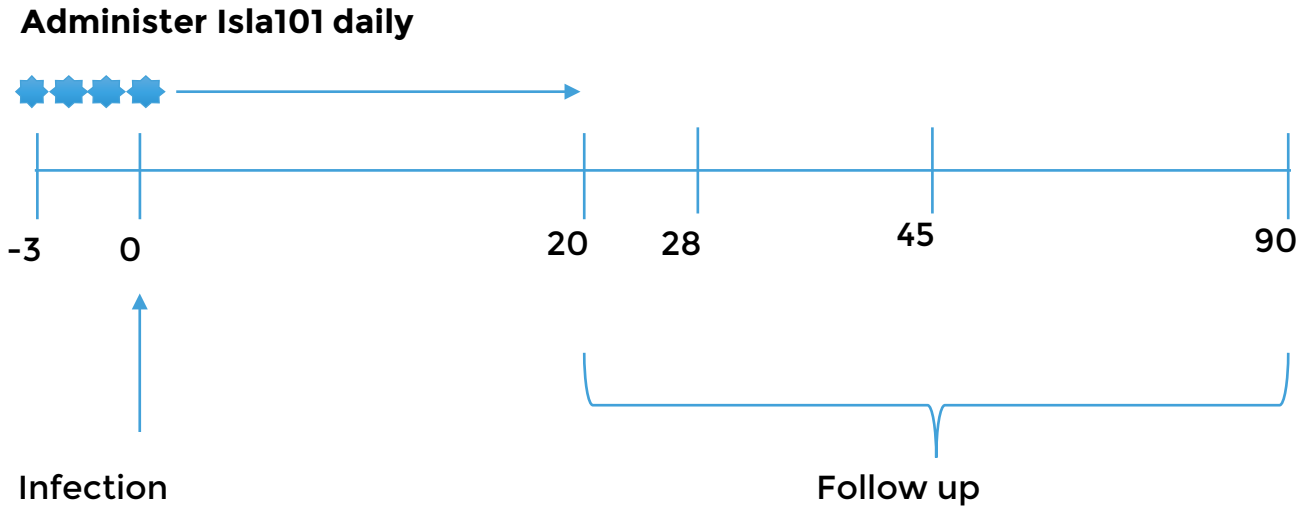
- Female: pregnant or lactating
- Prior infection with HIV, HCV, Flaviviruses
- Current, or a history of, auto-immune disease
- Others

Primary endpoint

- Assess the prophylactic effect of ISLA 101 on fever, clinical symptoms, laboratory abnormalities and viremia after challenge with DENV-1-LVHC

Secondary endpoints

- Characterize the clinical, immunologic and virologic responses following ISLA 101 after challenge with DENV-1-LVHC
- Assess the safety of ISLA 101 in the challenge with DENV-1-LVHC



CLINICAL DEVELOPMENT PROGRAM

INITIAL FOCUS ON BRINGING A DENGUE FEVER DRUG TO MARKET

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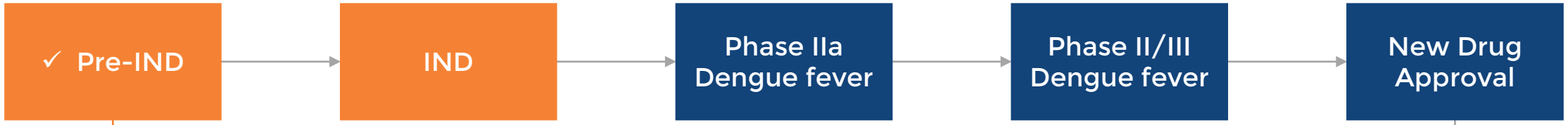
Activities to derisk Island's Investigational New Drug (IND) application

Shortened timeframe for Phase II trials



- Agreement with the National Cancer Institute in the US to use a previously approved IND Application
- Cooperative Research and Development Agreement (CRADA) with the US Army in preparation for its Phase II clinical study for ISLA-101
- Supply agreement in place with Catalent for manufacture of Fenretinide 100 mg softgels for dengue fever trial participants
- Agreement in place with Camargo to develop a nonclinical, clinical, clinical pharmacology and biopharmaceutics strategy and program

Potential expansion to other tropical diseases (eg Zika/West Nile)

Opportunity for Priority Review Voucher as a value accretion multiplier

PRIORITY REVIEW VOUCHER ELIGIBILITY

ISLA-101 INHIBITS THE STAGES AND PROTEINS OF FLAVIVIRUSES

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- ISLA-101 is eligible for Neglected Tropical Disease designation for the treatment of dengue fever
- This designation means ISLA-101 has the opportunity to be awarded a Priority Review Voucher (PRV) from the FDA if first approved for dengue fever or Zika
- A PRV grants the holder an accelerated six month review of a drug application by the FDA
- As PRVs are transferable, they are highly valuable to drug development companies with numerous precedents for sales to biotech and pharma companies

Recent PRV acquisitions

Date	Acquired by	Value
Q2 2018	Gilead	US$81m
Q4 2018	Eli Lilly	US$80m
Q1 2019	Biohaven	US$105m
Q3 2019	Astra Zeneca	US$95m
Q4 2019	Confidential	US$95m
Q1 2020	Vifor Pharma	US$111m
Q3 2020	Merck	US$100m
Q4 2020	Abbvie	US$95m
Q4 2020	United Therapeutics	US$105m
Q1 2021	Alexion	US$100m
Average		**US$97m**

KEY COLLABORATIONS & ALLIANCES

SUPPORTING FUTURE PIPELINE DEVELOPMENT

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MONASH University	Research Collaboration Agreement to screen thousands of known molecules against host targets building upon the Fenretinide (ISLA-101) discovery sourced from these laboratories that the Company has licensed for use against Flaviviruses
COMPOUNDS AUSTRALIA	Potential to access Australia's largest drug library containing approximately four and a half thousand molecules that can be searched for drug re-purposing and pipeline development
UNITED STATES ARMY	Cooperative Research and Development Agreement (CRADA) with the US Army in preparation for its Phase II clinical study for ISLA-101
Catalent	Supply agreement with Catalent for manufacture of Fenretinide softgels for dengue fever trial participants
NIH NATIONAL CANCER INSTITUTE	Right to reference National Cancer Institute IND for Isla101

INTELLECTUAL PROPERTY

In-licensed patents	• PCT/AU2014/050017, filed 16 April 2014 • National stage applications underway/filed in Australia, Brazil, Canada, Singapore & US • Issued patents in Australia, Brazil and Singapore • Potential for new patents
Available knowhow	• Investigator Brochures from National Cancer Institute and Walter Reed Army Research Hospital • Right of cross reference to existing IND from NCI and Walter Reed • Rights to Walter Reed control volunteer data
New IP	• Likely identify inventions to patent during clinical trials to expand Island Pharma portfolio
Licenses	• Monash license • Single digit royalties, deferred milestones until Phase III
New leads	• Research collaboration program

KEY PEOPLE

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BOARD OF DIRECTORS

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Dr. Paul MacLeman
Executive Chair

- Decades of experience across the life sciences sector, including veterinary practice, pharmaceutical development and manufacturing, biotechnology, diagnostics and finance.
- Expertise in capital raising, business development, technology commercialisation, and drug development. He has founded life sciences start-ups in the biologics area and worked in investment banking.
- Previously served as Managing Director and/or CEO of several VC funded, ASX, NASDAQ and TSX listed companies. Paul is the current Chairman of AdAlta Limited (ASX:1AD). Fellow of the Australian Institute of Company Directors.

Dr. David Foster
CEO & Executive Director

- 20+ years experience in life sciences representing pharmaceutical, biotherapeutic and diagnostic companies, while in private legal practice.
- Served as intellectual property counsel at Medarex, a mid-sized biotherapeutics company, acquired by Bristol-Myers Squibb.
- Co-founded Roberts Foster LLP - a technology focused law firm, bionorthTx- a regional life science trade association, and multiple private biotechnology companies.
- Board member of bionorthTx and private biotechnology companies, and is a Member of Australian Institute of Company Directors.
- Ph.D. from The University of Texas Southwestern Medical Center and J.D. from Golden Gate University School of Law.

Dr. Anna Lavelle
Non-Executive Director

- Chair of Medicines Australia; previously CEO and Executive Director of AusBiotech Ltd. and the Australian Red Cross. Director, Research Australia, the Agricultural Biotechnology Council of Australia and the Advisory Board for the School of Biological Sciences at Monash University.
- Chaired, or has been a member of various Federal and State government advisory committees. PhD in Genetics from the University of Melbourne, and is a Fellow of the Australian Academy of Technological Sciences and Engineering.

Mr. Al Hansen
Non-Executive Director

- Managing Partner. KESA Partners. Decades of experience in healthcare and investment, including Managing Director of Signet Healthcare Partners, serving on investee companies as Chairman, Director and Interim CEO of pharmaceutical companies and CROs.
- Substantial senior investment banking experience at firms such as Darby Overseas Investments, Dillon Read and E. F. Hutton. Former Director - Corporate Finance US Treasury, and retired Captain, U.S Army Special Forces.

Dr. David Brookes
Non-Executive Director

- Extensive experience in the health and biotechnology industries, including Board positions in numerous ASX listed biotechnology companies, Chairman of genomics solutions company, RHS Ltd, which was acquired by PerkinElmer Inc. Recently successfully exited Better Medical group, of which he was previously Non-Executive Chairman.
- Currently a Non-Executive Director of Factor Therapeutics (ASX: FTT) and of Anatara Lifesciences Ltd (ASX:ANR).
- MBBS (Adelaide), Fellow of the Australian College of Rural and Remote Medicine and a Fellow of the Australian Institute of Company Directors.

SCIENTIFIC ADVISORY BOARD

HEAVYWEIGHT ADVISORS WITH GLOBAL PEDIGREE

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Assoc. Prof. Leigh Farrell

- Former Vice President of Business Development at Biota Pharmaceuticals (now Vaxart)
- Extensive operational and advisory experience in antiviral drug development including for the military
- Previously Chief Operating Officer, d3 Medicine, General Manager then CEO, GeneShears Pty Ltd: Research Manager Johnson & Johnson Research Pty Ltd; Associate Director, GBS Venture Partners
- Member, the Australian Research Advisory Council and the Victorian Biotechnology Advisory Council

Dr. Simon Tucker

- Former Vice President of Research at Biota Pharmaceuticals (now Vaxart), where he was responsible for their entire intellectual property and research portfolio and oversaw the development of the now FDA approved influenza drug Relenza, one of only three anti-virals for influenza
- Decades of experience in pharmaceutical research and development and management as CEO of both Jumpstart Fertility Inc. and Continuum Biosciences Inc
- Previously worked at GD Searle, USA, helping make key discoveries leading to the development of a treatment for HIV infection

Prof. Stephen Thomas MD

- International leadership role as Lead Principal Investigator for Pfizer/BioNTech global Phase III COVID-19 vaccine trial now being deployed globally
- Prof. Thomas is a world-renowned virologist and vaccinologist and has authored numerous papers and articles on dengue fever, Zika and many other infectious diseases
- Chief, Division Of Infectious Diseases, New York Upstate Medical University; Professor of Medicine, Professor of Microbiology & Immunology, and Infectious Diseases physician-scientist from the State University of New York (SUNY), Upstate Medical University; Chief, Division of Infectious Diseases and Director, Institute for Global Health and Translational Science (IGHTS)
- Twenty years in the U.S. Army Medical Corps serving at the Walter Reed Army Institute of Research (WRAIR)

DETAILS OF THE OFFER

KEY OFFER INFORMATION

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Offer Summary*	
Offer Price per Share	$0.25
Number of Shares available under the Offer	30,000,000
Gross proceeds from the Offer to the Company	$7,500,000
Number of Shares on issue at IPO	50,968,466
Total number of Shares on issue on completion of the Offer	80,968,466
Market capitalisation on completion of the Offer	$20,242,116

* Please refer to the Prospectus, dated 26 February 2021, for further details on the Offer, capital structure and use of funds

USE OF FUNDS

Use of funds*	A$ ('000)	*% of funds*
Clinical, regulatory and implementation of proposed ISLA-101 development- Phase II study	$3,478,000	*46.4%*
Intellectual property, and research and development	$699,390	*9.3%*
Formulation development	$455,000	*6.1%*
Working Capital	$2,417,610	*32.2%*
Expenses of the Offer	$450,000	*6.0%*
Total uses	**$7,500,000**	***100.0%***

* Please refer to the Prospectus, dated 26 February 2021, for further details on the Offer, capital structure and use of funds

- Perform a Phase II clinical study on ISLA-101
- Formulation development for commercial and follow on products
- Additional product pipeline development
- Fund working capital requirements

IMPORTANT DATES*

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Prospectus lodgement	Friday 26 February 2021
Offer period opens	Monday 8 March 2021
Offer period closes	Monday 29 March 2021
Settlement of the Offer and Allocation of Shares	Friday 2 April 2021
Despatch of holder statements	Tuesday 6 April 2021
Expected commencement of trading on the ASX	Tuesday 13 April 2021

* Note this timetable is indicative only and is subject to change without notice

Island Pharmaceuticals Limited

ACN 641 183 842

ISLAND
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David Foster
Chief Executive Officer & Executive Director
david@islapharma.com

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