

30 October 2023

ASX Announcement September 2023 Quarterly Activity Report and Appendix 4C

- Scientia Clinical Research appointed as clinical trial site and Beyond Drug Development as Contract Research Organisation for the ISLA-101 Single Ascending Dose study
- ISLA-101 granted key patent by the United States Patent and Trademark Office (USPTO)
- Island closes the quarter with a cash position of \$1.410m

MELBOURNE Australia, 30 October 2023: Australian antiviral drug development company, Island Pharmaceuticals Ltd (ASX: ILA; "Island"; "the Company") is pleased to release its Appendix 4C and quarterly business activities review for the three month period ended 30 September 2023 (Q1 FY24).

CEO of Island Pharmaceuticals, Dr David Foster said, *"We have been working tirelessly this quarter to prepare for our ISLA-101 Single Ascending Dose study, and we were pleased to appoint our CRO and clinical trial site for the study. The drug product has been shipped from the US and received safely at the site. Upon receipt of human ethics approval we will be clear to move towards commencement of the study, with final data read-outs expected in early 2024."*

On 25 September 2023 Island announced it had executed an agreement with Beyond Drug Development (Beyond) under which Beyond has been appointed as the Contract Research Organisation (CRO) to run the study. Under the same agreement, Island has appointed Scientia Clinical Research as the trial site for the study. Scientia Clinical Research is based in Sydney, Australia. Study is being run in Australia to enable Island to make full use of the Research & Development Tax Incentive scheme.

On 13 September 2023, Island was granted a key patent by the United States Patent and Trademark Office (USPTO) covering methods of preventing or delaying the onset of the symptoms of dengue fever

On 7 July 2023 Island announced grant research support for the planned ISLA-101 Phase 2a human clinical trial (PEACH study) in dengue fever. The grant was awarded to The Research Foundation for the State University of New York (SUNY), at Upstate Medical University in Syracuse, New York, which is partnering with Island to advance development of ISLA-101.

Corporate & Partnering Activities

From 9-10 August 2023, Island attended the invitation only *Dengue Endgame Summit*, hosted by The State University of New York Upstate Medical's Institute for Global Health. Island CEO and Managing Director, Dr David Foster joined infectious disease experts from around the world at the two-day conference in Syracuse to discuss the current state of dengue and potential ways to control this global issue.

From 11-13 September 2023 Island CEO and Managing Director, Dr David Foster attended H.C. Wainwright 25th Annual Global Investment Conference, which was a valuable networking opportunity where he met with a number of existing and potential investors.

Post quarter, from 4-6 October 2023 Island CEO and Managing Director, Dr David Foster attended the virtual edition of Pharma Meeting Brazil 2023, which is an initiative designed



to connect foreign and Latin America companies in the pharmaceutical and healthcare sectors. Given the incidence of dengue and other mosquito borne viruses in Latin America this meeting provides exciting opportunities to interface directly with potential local partners.

Post quarter on 13 October 2023 Island released its 2023 Annual Report, which can be accessed [here](#).

Also post quarter, the Company announced its Annual General Meeting will be held at 11:30am (AEDT) on 16 November 2023 and Island looks forward to welcoming its shareholders to the meeting. Further information can be found in the Notice of Meeting [here](#).

Financial Summary

Island's cash position was A\$1.410 million as at 30 September 2023 (A\$1.998 million as at 30 June). During the September 2023 quarter total cash operating outflows were approximately A\$614,000 as the Company prepared for the upcoming dose escalation study.

In accordance with Listing Rule 4.7C, payments made to related parties and their associates included in items 6.1 of the Appendix 4C was A\$138,000 and included Director fees, salary and superannuation for the CEO/Managing Director, Executive Chair and Non-Executive Directors.

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Approved for release to the ASX by:

Dr Paul MacLeman
Executive Chairman
Island Pharmaceuticals Ltd
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

About Island Pharmaceuticals

Island (ASX: ILA) is a drug repurposing company, focused on areas of unmet need for antiviral therapeutics to address 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.

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 for more on Island.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

ISLAND PHARMACEUTICALS LIMITED

ABN

48 641 183 842

Quarter ended ("current quarter")

30 September 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) research and development	(218)	(218)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	(70)	(70)
(f) administration and corporate costs	(328)	(328)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	3	3
1.5 Interest and other costs of finance paid	(1)	(1)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(614)	(614)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
(f) other non-current assets	-	-
2.2 Proceeds from disposal of:	-	-
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	-	-
3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	(20)	(20)
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	(20)	(20)
4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	1,998	1,998
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(614)	(614)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	-	-

Appendix 4C
Quarterly cash flow report for entities subject to Listing Rule 4.7B

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(20)	(20)
4.5	Effect of movement in exchange rates on cash held	46	46
4.6	Cash and cash equivalents at end of period	1,410	1,410

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,410	1,998
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,410	1,998

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

Current quarter \$A'000
138
-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

The amount at 6.1 includes Director fees, salary and superannuation for the CEO/Managing Director, Executive Chair and Non-Executive directors.

Quarterly cash flow report for entities subject to Listing Rule 4.7B

7. Financing facilities

Note: the term "facility" includes all forms of financing arrangements available to the entity.

Add notes as necessary for an understanding of the sources of finance available to the entity.

	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	178	178
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	178	178

7.5 **Unused financing facilities available at quarter end** -

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

Hunter Premium Finance for insurance policies at Flat Rate of 4.95%, loan is unsecured.

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(614)
8.2 Cash and cash equivalents at quarter end (Item 4.6)	1,410
8.3 Unused finance facilities available at quarter end (Item 7.5)	-
8.4 Total available funding (Item 8.2 + Item 8.3)	1,410
8.5 Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	2.3

Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 October 2023

Authorised by: The Board of Island Pharmaceuticals Limited
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.