iCo Therapeutics Announces Second Quarter 2018 Financial Results And Corporate Update

August 29, 2018, Vancouver, Canada — iCo Therapeutics ("iCo" or the "Company") (TSX-V: ICO) (OTCQB: ICOTF), today reported financial results for the quarter and six months ended June 30, 2018. Amounts, unless specified otherwise, are expressed in Canadian dollars and presented under International Financial Reporting Standards ("IFRS").

Stated Andrew Rae, President and CEO of iCo Therapeutics Inc., "the quarter represented a period of significant achievement for iCo Therapeutics with respect to its two clinical assets. Our Oral Amphotericin B exhibited superiority to our closest competition at lower doses and iCo-008 demonstrated proof of clinical relevance in a positive Phase 2 trial."

Summary of Second Quarter 2018 Results

- The Company made significant progress with the completion of its Phase 1 study, which met its primary endpoint of safety and tolerability of iCo-019 (Oral Amphotericin B) following oral administration of single ascending doses in healthy subjects.

- Pharmacokinetic data from the Phase 1 study showed that iCo-019 had enhanced plasma area under the concentration time curve, which is a measure of systemic drug exposure, and longer blood circulation time without the associated gastrointestinal effects or liver and kidney toxicity.

- Given positive Phase 1 data, the Company drafted and recently filed a new patent application with attorneys at Cooley. The Company achieved a median Cmax of 28 ng/mL and $AUC_{0\text{-}inf}$ of 1030 hr*ng/mL at the lowest dose of Oral Amphotericin B of 100 mg, demonstrating superiority of area under the concentration time curve from time zero to infinity, when compared to published 200 mg, 400 mg and 800 mg oral cochleate formulation data by the closest competitor. The Company expects to report further data at the Company's presentation at the Rodman and Renshaw 20th Annual Global Investment Conference taking place from September 4th through September 6th,2018.

- Subsequent to the second quarter, on July 30, 2018, iCo's licensee received a positive opinion from the European Medicines Agency in support of its' request for orphan designation for iCo-008 in the treatment of Bullous Pemphigoid ("BP"). This was followed on August 20, 2018, by Orphan Drug Designation for the use of iCo-008 in BP from the U.S. Food and Drug Administration.

- Also subsequent to the second quarter, iCo and its contract research organization locked its clinical database for full statistical analysis of Phase 1 study results, which is currently expected in Q3 2018.

Financial results for Second Quarter 2018

The Company incurred a total comprehensive loss of $620,227 for the quarter ended June 30, 2018 compared to a total comprehensive loss of $333,274 for the quarter ended June 30, 2017, representing an increased loss of $286,953. The increase in the loss for the quarter ended June 30, 2018 is primarily the result of higher research and development expenses recognized during 2018.

Research and development expenses were $671,359 for the quarter ended June 30, 2018 compared to $150,266 for the quarter ended June 30, 2017, representing an increase of $521,133. The increase related primarily to the completion of the Oral Amphotericin B Phase 1 clinical study.

This Phase 1 study was conducted in Australia, which provides refundable tax credits for qualifying research and development activities conducted there. The refundable tax credit is calculated at 43.5% of the qualifying expenditures, and the Company recognized $252,509 in other income as its estimate of the tax refund related to qualifying expenditures for the quarter ended June 30, 2018.

With the completion of the Phase 1 study, the Company expects research and development expenses to decline until the next clinical study is initiated. The Company will require additional funding before it can begin its next clinical phase.

For the quarter ended June 30, 2018, general and administrative expenses were $200,966 compared to $185,219 for the quarter ended June 30, 2017, representing an increase of $15,747.

Liquidity and Outstanding Share Capital

As at June 30, 2018, the Company had cash and cash equivalents of $398,129 compared to $1,127,934 as at December 31, 2017.

As at August 29, 2018, the Company had an unlimited number of authorized common shares with 84,457,713 common shares issued and outstanding.

For complete financial results, please see the Company's condensed consolidated interim financial statements for the three and six months ended June 30, 2018 and 2017 which will be available under its profile on SEDAR at www.sedar.com.

About iCo Therapeutics Inc.

iCo Therapeutics identifies existing development stage assets for use in underserved ocular and infectious diseases. Such assets may exhibit utility in non-ophthalmic conditions outside the Company's core focus areas and if so the Company will seek to capture further value via partnerships, such as its partnership with Immune Pharmaceuticals (NASDAQ: IMNP), which is in several Phase 2 studies involving iCo-008. iCo shares trade on the TSX Venture Exchange under the symbol "ICO" and on the OTCQB under the symbol "ICOTF".

For more information, visit the Company website at: www.icotherapeutics.com.

adequacy or accuracy of this press release.

Forward Looking Statements

Certain statements included in this press release may be considered forward-looking statements" within the meaning of applicable securities laws. Forward-looking statements can be identified by words such as: "anticipate," "intend," "plan," "goal," "seek," "believe," "project," "estimate," "expect," "strategy," "future," "likely," "may," "should," "will," and similar references to future periods. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements, and therefore these statements should not be read as guarantees of future performance or results. All forward-looking statements are based on iCo's current beliefs as well as assumptions made by and information currently available to iCo and relate to, among other things, anticipated financial performance, business prospects, strategies, regulatory developments, market acceptance and future commitments, including statements relating to reporting further data regarding the Phase 1 study for iCo-019, the timing of receipt of the statistical analysis for the Phase 1 data, the timing, receipt and amount of Australian refundable tax credits, any decrease in research and development expenditures and the completion of additional funding and commencement of additional clinical studies. Readers are cautioned not to place undue reliance on these forward-looking statements, which are based only on information currently available to iCo and speak only as of the date of this press release. Due to risks and uncertainties, including the risks and uncertainties identified by iCo in its public securities filings and on its website, actual events may differ materially from current expectations. In evaluating forward-looking statements, readers should consider the risk factors set out herein and in the Company's Annual Information Form dated July 23, 2018, a copy of which is available under ICo's profile on SEDAR at www.sedar.com and as otherwise disclosed in the Company's filings under its profile on SEDAR from time to time. All forward-looking statements are made as of the date of this press release, and iCo disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

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