iCo Therapeutics Announces Third Quarter 2018 Financial Results and Corporate Update

Vancouver, British Columbia--(Newsfile Corp. - November 29, 2018) - iCo Therapeutics (TSXV: ICO) (OTCQB: ICOTF) ("iCo" or the "Company"), today reported financial results for the quarter and nine months ended September 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., "This quarter was a period of significant achievement for iCo Therapeutics and its wholly-owned subsidiary, iCo Therapeutics Australia Pty Ltd., with respect to its two clinical assets. Our Oral Amphotericin B (Oral Amp B) exhibited superiority in a Phase 1 study relative to our closest orally administered competition at lower doses and iCo-008 demonstrated proof of clinical relevance in a positive Phase 2 trial in bullous pemphigoid ("BP"). As a result of research and development (R&D) conducted in Australia during the previous fiscal year, iCo Australia Pty Ltd. also reported the receipt of $462,000 AUD in cash reimbursement."

Summary of Third Quarter 2018 Results

- On July 16, 2018, iCo announced a positive secondary endpoint in its Phase I clinical study and advancement towards later stage clinical trials. It was noted that the distinguishing features of the Company's Oral Amp B candidate are 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, versus the closest orally administered competition.
- On July 30, 2018, an iCo 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 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.
- On September 11, 2018, an iCo licensee announced that the FDA had granted Fast Track designation to Bertilimumab for the treatment of BP.
- During the quarter, the Company's Australian subsidiary received its Australian tax credit of $462,000 AUD related to its research and development work in Australia.
- On August 14, 2018 iCo filed a short form base shelf prospectus (the "Base Shelf") with securities regulators in the provinces of British Columbia, Alberta and Ontario. The Base Shelf allows iCo to offer, from time to time in one or more public offerings, up to $25,000,000 of common shares, preferred shares, debt securities, subscription receipts, units or warrants, or any combination thereof, during the 25-month period ending September 14, 2020. iCo filed the Base Shelf to provide the Company with financing flexibility going forward.
- iCo also continued to discuss potential partnerships with respect to the two clinical staged assets.

Financial results for Second Quarter 2018

We incurred a total comprehensive loss of $418,544 for the quarter ended September 30, 2018 compared to a total comprehensive loss of $308,989 for the quarter ended September 30, 2017, representing an increased loss of $109,565. The increase in the loss for the quarter ended September 30, 2018 is primarily the result of higher general and administrative expenses recognized during 2018 offset by higher other income.

Research and development expenses were $144,773 for the quarter ended September 30, 2018 compared to $115,679 for the quarter ended September 30, 2017, representing an increase of $29,094. The increase related to higher contract research expenses related to the completion of the Oral Amp B Phase 1a clinical study.

The 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 $36,544 in other income as its estimate of the tax refund related to qualifying expenditures for the quarter ended September 30, 2018. The Company received approximately $462,000 AUD during the quarter related to the refundable tax credit.

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 September 30, 2018 general and administrative expenses were $309,137 compared to $188,654 for the quarter ended September 30, 2017, representing an increase of $120,483. The increase reflects increased professional fees associated with filing an annual information return and a base shelf prospectus.

Liquidity and Outstanding Share Capital

As at September 30, 2018, we had cash and cash equivalents of $144,044 compared to $1,127,934 as at December 31, 2017.

As at November 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 nine months ended September 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, which is at Phase 2 stage, 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.

No regulatory authority has approved or disapproved the content of this press release. Neither the TSX Venture Exchange nor its Regulatory Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the 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 newinformation, future events or otherwise, except as required by law.

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