Botanix (BOT)
Analysts | Daniel Williamson | Ian Christie, CFA

**Recommendation** | SPEC BUY  
**Current Price** | 4.6 cents  
**Valuation** | 8.0 cents

**Event & Impact | Positive**

BOT has successfully held a Pre-Investigational New Drug (Pre-IND) meeting with the US Food and Drug Administration (FDA) for its lead acne treatment product, BTX 1503. The FDA has confirmed that the proposed development plan was adequate to support the commencement of the proposed Phase 2 clinical study.

BOT is currently conducting a Phase 1b patient study in Australia, with study completion expected by the end of December 2017. The Phase 1b study will enrol up to 20 patients with moderate to severe acne, with safety and tolerability assessed along with limited efficacy as well.

BOT also continues to develop its broader pipeline of products, including an atopic dermatitis treatment (BTX 1204), which is expected to commence a Phase 1b patient study in 4Q CY2017. At the same time, BOT continues development of its range of Permetrex enabled products, which provide opportunities for near-term revenues through licensing deals.

**Recommendation**

BOT has many irons in the fire and continues a rapid development timeline. Significant news flow is expected in the next 6 months, including data from acne and atopic dermatitis trials, potential Permetrex licensing deals and continued development of pipeline products. SPEC BUY call maintained.
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