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Botanix \$3.5m Takes Bone To Cannabinoid Dermatology

Botanix chief executive officer Matt Callahan says the company has raised \$3.5 million for its backdoor listing through Bone to develop its cannabinoid dermatology products.

Mr Callahan told Biotech Daily that the capital raising at two cents a share was over-subscribed and, subject to regulatory approvals, he expected the company to re-list on the ASX under the new code of BOT.

Mr Callahan said that with chairman Graham Griffiths and chief scientific advisor Dr Bill Bosch, the group company was on an investor road show to increase awareness of the company and its program.

Mr Callahan said that the entirely synthesized cannabinoid would be delivered through the Permetrex technology which he said helped push the active ingredient through the skin, with initial target indications named as acne, psoriasis and atopic dermatitis, also known as severe eczema.

He said that the technology employed “super-saturation” to drive the active ingredient through the skin.

Mr Callahan said the company hoped to begin an 18 patient, phase I, dose-escalation safety trial in Australia or the US by April 2017, with data by September 2017.

He said the safety trial would be followed by an 18-patient, phase Ib acne pilot trial by the end of 2017.

Mr Callahan said that the capital raised was expected to provide a runway that would take the company to the completion of the phase Ib trial.

Mr Callahan said that the company planned a phase II trial comparing BTX1503 for acne against a placebo, under an investigational new drug application to the US Food and Drug Administration, to begin by July 2018.

He said that Botanix planned a phase IIb trial comparing BTX1503 to an existing active drug for acne and finally a large phase III trial for US approval.

Mr Callahan said that BTX1503 for acne switched-off excess oil production, reducing sebum and inflammation, blocking cell proliferation and reducing infection.

Mr Callahan said that the company's pipeline included BTX1308 for plaque psoriasis and BTX1204 for atopic dermatitis.

He said that all three contained the same cannabinoid active ingredient in different Permetrex formulations aimed at each specific indication.

Mr Callahan said that the Permetrex technology was developed by Dr Gene Cooper, who was formerly with Proctor and Gamble and Elan Corporation in Dublin, Ireland and in Philadelphia, Pennsylvania.

He said that the company was based in Philadelphia with trials conducted in Australia.

Mr Callahan said that during the next 12 months, the company would undertake further pre-clinical studies including toxicology and completion of manufacturing and testing. Mr Callahan said that the synthetic cannabinoid in the Permetrex delivery system had multiple applications including melanoma and other skin diseases.

Mr Callahan said that Bone Medical's executive chairman Robert Towner would continue as a director of Botanix.

In presentation materials, Botanix said that the US acne market was worth \$3 billion a year with 50 million people with acne and no new drugs approved since 2005.

Bone was created by Proxima investors, licencing oral peptides for osteoporosis and from Proxima subsidiaries, with Proxima co-founder Dr Roger New formerly Bone's chairman (BD: Jul 11, Sep 22, 2011; Jan 29, Apr 4, May 12, Jun 20, 2014).

In 2014, Bone terminated the agreements with Proxima as it was "not in the commercial interests of the company to continue with Proxima" (BD: Nov 19, Dec 9, 2014).

Bone was in a suspension.