Bioasis Technologies Inc.

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Bioasis on a roll after Chiesi validates the power of its technology to propel drugs across the blood-brain barrier

The blood-brain barrier plays an indispensable role in protecting the brain from blood-borne disease. However, it also blocks crucial medicines from reaching the brain posing an epic challenge to treating neurological diseases.

Fortunately, scientists at Bioasis Technologies Inc (CVE:BTI) (OTCQB:BIOAF) have worked for over a decade to develop a technology - the patented xB3 platform - which helps small molecules shuttle across the blood-brain barrier (BBB) safely. Like a key designed to open a lock, the xB3 platform unlocks the door to the blood-brain barrier, allowing compounds into the brain.

At the end of June, Guilford, Connecticut-based Bioasis struck an agreement with the Chiesi Group to license its xB3 platform technology to the research giant for the development of drugs targeting lysosomal storage disorders, which are inherited diseases caused by an abnormal build-up of toxic material in the body's cells due to enzyme deficiencies. People with lysosomal storage disorders lack specific enzymes that break down certain lipids (fats) or carbohydrates (sugars) in the body.

Chiesi will use the platform to develop drugs for four lysosomal storage disorders, and in return, Bioasis will receive $3 million upfront and up to $138 million in additional milestones and undisclosed royalties.

Proactive sat down with Bioasis Technologies CEO Deborah Rathjen to talk about the Chiesi deal and the biopharma company's inhouse programs aimed at developing treatments for patients suffering neurological diseases.

Does Bioasis have the best technology for shuttling medicines across the blood-brain barrier, providing a path to hundreds of untreatable diseases?

There are many conditions affecting the brain for which there are currently no effective treatments, in many cases simply because potentially effective medicines cannot penetrate the BBB. This may be because they are large molecules such as antibodies or enzymes, or because other intrinsic physicochemical properties of the molecules prevent them from crossing the BBB unaided. The xB3 platform is a very versatile, high capacity delivery system able to deliver antibodies, enzymes, siRNA as well as small molecules across the BBB. We believe that xB3 has the potential to deliver effective treatments into the brain for a very large number of conditions such as Alzheimer's disease and other forms of dementia, Parkinson's disease as well as for the treatment of brain cancers.

I am obviously more than a little biased, but data comparing Bioasis' BBB drug delivery technology with competing technology, including those utilizing the transferrin receptor (a carrier protein for transferrin), has shown superior

Price:	0.305
Market Cap:	$20.7 m

1 Year Share Price Graph

Share Information

Code:		BIOAF
Listing:		OTCQB
52 week	**High**	**Low**
	0.38325	**0.092**
Sector:		**Pharma & Biotech**
Website:		**www.bioasis.us**

Company Synopsis:

Bioasis Technologies Inc. is a biopharmaceutical company developing the xB3™ platform, a proprietary technology for the delivery of therapeutics across the blood brain barrier and the treatment of CNS disorders in areas of high unmet medical need, including brain cancers and neurodegenerative diseases.

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delivery of active payloads into the brain by the xB3 platform technology.

Is it part of your strategic blueprint to partner with pharma companies to broaden the uptake of the xB3 platform technology?

I would say that partnering is in our DNA! Bioasis pursues purposeful and strategic business development that aims for synergies with our platform whilst retaining upside for Bioasis. We enter into alliances that drive long-term value creation and that broaden the utility and use of the xB3 platform technology across multiple indications and treatment modalities. This latest collaboration is an exciting demonstration of the strength of our technology and the robustness of our platform along with attractive deal metrics. We are thrilled to be working and collaborating with the leading scientists at Chiesi Group, through the Research Committee that is being established by Chiesi and Bioasis. We look forward to contributing our leading BBB platform technology to each of the four partnered programs.

Do you see the xB3 platform being licensed to Chiesi as a validation of the platform, and good for future licensing potential?

Our alliance with Chiesi represents a further validation for Bioasis' technology and endorses our current strategic priorities. We won't stop at this deal and will continue with our ongoing business development activities which have received a significant boost since the Chiesi deal. We are also continuing to progress our current preclinical programs and they are still a top priority for us. We are aiming to reach several preclinical milestones as we round out FY 2021.

Please tell us about the company's pipeline and how it is focused on lower-risk, expedited opportunities.

Bioasis' xB3 pipeline drugs have all been selected to meet certain criteria, including significant medical need and potentially rapid advancement through clinical trials. Bioasis' pipeline drugs, if approved by regulators, also have the potential to become blockbuster drugs. In September 2019, Bioasis commissioned Bluestar BioAdvisors to provide a commercial assessment of our lead drug candidate xB3-001, including potential future revenue streams. xB3-001 is being developed for the treatment of HER2+ cancers and brain metastases.

Bluestar BioAdvisors reported that when used strictly to treat HER2+ breast cancer brain metastases, xB3-001 could produce nearly $440 million in annual revenues worldwide. However, preclinical data suggests that xB3-001 is likely to perform outside the brain as well as Herceptin does. Therefore, xB3-001 may have the potential to become the standard of care for all patients with HER2+ breast cancer for which Herceptin is prescribed. Bluestar BioAdvisors estimates this larger market to be as high as $12.4 billion annually for all treatments of HER2+ breast cancer worldwide. With an estimated 30% share of this market, xB3-001 could produce annual revenues of $3.7 billion. This market assessment does not include the potential for treatment of other HER2+ cancers, in particular gastric cancer, so you can see what is meant when we say that xB3-001 has blockbuster potential.

xB3-001 is in IND enabling studies and we do require additional funds to progress it. As additional funding is secured, we will bring forward milestones for xB3-001, in particular the IND filing which is currently anticipated towards the end of the calendar year 2021.

Will Bioasis meet future financing requirements to develop its internal programs through continued licensing and business development similar to the recent Chiesi deal?

We have consistently indicated that we are looking at non-dilutive financing, including through licensing and our other business development activities, to fund xB3-001. We don't speculate about future financing options but, like all biotech companies, we continue to evaluate our capital needs while remaining sensitive to shareholder dilution.

What are some of the catalysts for Bioasis?

Bioasis is focused on concluding additional strategic partnerships for its xB3 drug delivery platform. We are making significant progress in our discussions with potential partners, with additional licensing agreements anticipated.

Several of our pipeline programs are expected to reach important milestones, with new data becoming available in coming months. This new data is anticipated to drive fresh partnership interest, and highlight the potential of those programs for investors. These programs include xB3-007 which is in development for the treatment of Gaucher disease and other GBA gene associated conditions including Parkinson's Disease and Lewy Body Dementia.

Meanwhile, xB3-004, our version of an IL-1 receptor antagonist is in development for the treatment of central nervous system (CNS) inflammatory pain, and a new undisclosed program targeting a form of dementia is anticipated to reach preclinical proof of concept. Data on each of the programs is anticipated by the end of 2020 and in the first quarter of 2021, making for an exciting six months for the company from its R&D. As additional funding is secured, we will bring forward milestones for xB3-001, in particular, the IND filing which is currently anticipated towards the end of calendar year 2021.

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