

## IMBcom Pty Ltd



In 2001, IMBcom continued to initiate regular meetings with research groups within the IMB to identify projects that have the potential to lead to spin-offs, alliances or licensing opportunities with industry partners.

One outcome of this initiative was the establishment of a small internal development grant scheme for selected projects. The aim of the development grants was to fund proof of principle studies managed in partnership with IMBcom. The three seed development grants supported in 2001 were: Crim1 - Melissa Little; Sox18 – Peter Koopman and George Muscat; and CCK insecticidal proteins- David Craik. The projects were successful in nurturing relationships and stimulating applied outcomes from projects that were at too early a stage to attract pre-seed funds such as UniSeed and BioStart.

*Four new spin-out companies were also established this year:*

### Protagonist Pty Ltd

#### Protagonist Pty Ltd (formerly Cytokine Mimetics)

*Protagonist was established to apply a novel generic technology for the development of molecules that inhibit or mimic protein/protein interactions such as those involving cytokines. The technology enables the sculpting of protein functions onto new frameworks that have improved bioavailability characteristics when compared to the native protein. This process has the potential to revolutionise the treatment of many important diseases. First round venture capital of \$3m has been invested by Start-Up Australia and Dr Mark Smythe has taken up appointment (50% time) as interim CEO. Other positions (primarily scientific) have been advertised. An application for a Biotechnology Innovation Fund grant was successful in attracting the maximum award of \$250,000.*



#### Nanomics Biosystems Pty Ltd

*Nanomics Biosystems has a variety of high throughput screening colloidal technologies with potential applications in genomics, proteomics and combinatorial drug discovery. The core of the technology lies in the ability to cheaply produce, bar-code and individually address extremely large ( $> 10^{10}$ ) compound libraries. The initial Board and Scientific Advisory Board were appointed, and Dr Dan Syrdal was seconded from Heller Ehrmann, USA as interim CEO (50% time). A number of potential applications are now being explored in collaboration with IMB scientists.*

### Mimetica Pty Ltd

#### Mimetica Pty Ltd

*Mimetica exploits an early stage technology opportunity involving methods for the creation of novel molecules with significant potential as new drugs. The technology uses natural peptides and known related compounds as models for the design of the new biologically active molecules, and is potentially a highly efficient method for drug candidate generation. The recently incorporated company is in advanced negotiations with three venture capital companies to secure up to \$1million in funds. Mimetica Pty Ltd was successful in attracting an initial investment of \$250,000 under the State Government BioStart program and an application for BIF Grant funding was submitted in the last round of 2001.*

### Kalthera Pty Ltd

#### Kalthera Pty Ltd

*The cyclic cystine knot (CCK) technology stems from the discovery and exploitation of a unique class of plant derived peptides with a remarkable diversity of potential applications. These include identification of natural therapeutic peptides, the generation of insect resistant plants, the creation of stable bioavailable frameworks to carry drug epitopes and the use of plants as hosts for the economical manufacture of protein drugs. Kalthera was awarded a Biotechnology Innovation Fund grant of \$250,000 and as a result incorporated in October 2001. Matching funding for this grant has currently been underwritten by IMB, but other potential sources of pre-seed funding are being investigated.*



Following is a summary of the activities of three previously established spin-out companies:

## **Xenome Ltd**

*Xenome harnessing the great variety of Australian venomous species by evaluating their venoms as potential therapeutics. Xenome Ltd was formed to exploit IMB's competitive edge in the isolation and exploitation of toxins from marine cone snails and other venomous species. Second round venture capital of \$4.5m was raised from Biotech Capital (\$3.5m) and Medica Holdings (\$1.0m). Other highlights of 2001 included the award of a \$1.6m AusIndustry START grant, the appointment of Prof. Tony Evans as CEO, and the identification of a new class of analgesic agents acting on the noradrenaline transport system.*



## **Australian Genome Diagnostics (AGD)**

AGD has ceased trading, resulting in a net loss to IMBcom of \$150,000 (\$100,000 initial investment, \$50,000 loan). A final report on the wind-up of the company is to be provided by the IMB and UniQuest representatives on the Board of the company.

## **Promics Pty Ltd**

*Promics creates small molecules that reproduce or mimic secondary structural characteristics of proteins to make therapeutic compounds. The company rejected a scrip-for-scrip takeover offer from a US biotechnology company. Current shareholders Rothschild Bioscience and Start-Up Australia have agreed in principle to provide an additional \$4 million in second round venture capital to fund clinical trials and pipeline expansion.*

**Promics  
Pty Ltd**

While the focus this year has been on establishing spin-out companies, IMBcom plans to focus attention on establishing industry alliances in 2002. Several of the big pharmaceutical companies have approached IMBcom with a view to identifying suitable projects, largely driven by the IMB's commitment to high quality research across the spectrum from gene to drug, and the subsequent opportunity to partner with IMB to feed their drug development pipelines.

A Memorandum of Understanding has been signed between Itochu Inc. and the University of Qld (IMB). The future focus of the relationship will be on the bioinformatics area in which IMB has a growing capability.

