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Spinifex gets $1.5 mn tax incentive for pain R&D

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Singappore: Australia-based Spinifex Pharmaceuticals received an approximately $1.5 million R&D tax incentive cash refund for research activities relating to the discovery of new drugs for the treatment and management of pain. The R&D Incentive Program is an annual scheme, jointly administered by AusIndustry and the Australian Taxation Office, which enables Spinifex to apply for it in subsequent years.

The funds will be reinvested in further clinical development of the company's lead candidate, EMA401, an AT2 receptor antagonist for the treatment of chronic pain, including neuropathic pain. Spinifex reported positive results of its phase II study of EMA401 in post-herpetic neuralgia (PHN) in Q3 of last year, and more recently initiated a phase II proof-of-concept study in chemotherapy-induced peripheral neuropathy (CIPN).

The market for neuropathic pain treatments is expected to continue to increase and is projected to reach $6.2 billion by 2017. Despite being a large and growing market, current therapy for chronic and neuropathic pain needs to be improved as a significant proportion of patients don't respond to current therapy and these treatments have dose-limiting side effects. As a result, EMA401 is being developed as a potential first-in-class oral treatment for chronic pain, including neuropathic pain, without central nervous system side effects.

Spinifex Pharmaceuticals CEO, Mr Tom McCarthy, said that, "This payment under the R&D tax incentive program is a good example of how Government initiatives can support innovative companies in the biotechnology industry and other sectors. These additional funds are welcome and we look forward to their contributing to our continued clinical development of EMA401 for the treatment of chronic and neuropathic pain indications. In addition to this payment, we continue to expand our non-clinical activities with the support of our existing investors."

As described above EMA401 is an AT2 receptor antagonist. The discovery that AT2 receptor antagonists offer an innovative approach to the treatment of neuropathic and inflammatory pain was originally made by Professor Maree Smith at The University of Queensland. Having acquired the technology, Spinifex has conducted a comprehensive pre-clinical and early clinical development program on EMA401. Spinifex continues to conduct research into the role of the AT2 receptor in nociceptive, inflammatory and neuropathic pain states and these fundamental studies support not only the EMA401 clinical program but also Spinifex's ongoing AT2 receptor antagonist drug discovery program.