



\$1.1m Sounds Good for Childhood Hearing Problems

***Melbourne, Victoria (6 June, 2011)* The University of Melbourne spin-out Otifex Therapeutics has raised \$1.1m from the Medical Research Commercialisation Fund and Uniseed to develop a nasal spray for the most common cause of childhood hearing problems**

University of Melbourne spin-out Otifex Therapeutics announced the company has secured \$1.1m investment funding to advance the development of a nasal spray for Otitis Media with Effusion (OME), or fluid in the middle ear. There are no effective medicines available to treat OME, which is often managed with surgical implantation of tympanostomy tubes ('grommets'). Otifex plans to develop an easy to use, safe and effective nasal spray to assist in the clearance of fluid from the middle ear, which is the cause of OME associated hearing loss. The company plans to test the nasal spray in collaboration with The Australian Paediatric Research Unit of the Murdoch Childrens Research Institute.

Otifex also announced today the appointment of Dr Christopher Wraight as Chief Operating Officer. Dr Wraight was previously a technology founder and Research Director of the ASX-listed, clinical stage biopharmaceutical R&D company, Antisense Therapeutics Ltd. He has a PhD in Biochemistry and an MBA in Technology Management, and has overseen several successful early stage drug development programmes from the laboratory research stage into clinical proof of concept. In 2008 he was awarded an Australian Life Sciences Industry 'Advancing BioBusiness Award' from Merck Sharp & Dohme (Aust) & Advance.org.

"Otifex Therapeutics' strategy is to reformulate a well established and safe oral tablet drug, which has a long history of use in 130 million adults, into a safe and convenient nasal spray for children," said Dr Wraight. "We hope to provide the first, effective, non-surgical treatment option for the most common cause of acquired hearing loss in children."

The \$1.1m investment funding will be used in reformulation for nasal delivery, pharmacology and safety experiments, manufacture, and a Phase I clinical trial to confirm the nasal formulation's safety. Otifex then plans to seek additional investment to advance to Phase II clinical efficacy trials in children with OME, representing a key value inflection point in the company's commercialisation strategy.

The technology was developed by Associate Professor Colin Anderson from the Department of Anatomy and Cell Biology in the Faculty of Medicine, Dentistry and Health Sciences at The University of Melbourne, and Dr Burkhard Franz, a Melbourne-based ENT physician and Honorary Research Fellow from the same Department, and licensed to Otifex with the assistance of UoM Commercial Ltd, the commercialisation company of The University of Melbourne.

About Otifex Otifex Therapeutics Pty Ltd is a venture capital funded pharmaceutical research and development company and a spin-out from The University of Melbourne. It was established to clinically reposition the histamine agonist drug, betahistine, for the treatment of Otitis Media with Effusion (OME). OME patients suffer from fluid in the middle ear, which occurs when there is a blockage in the Eustachian Tube connecting the middle ear to the back of the throat. OME is the most common cause of acquired hearing loss in childhood. There is currently no pharmacological therapy clinically proven to have long-term benefit in treatment of OME. Otifex founding scientists, Assoc. Prof. Colin Anderson from Melbourne University and Dr Burkhard Franz, a practicing ENT physician, discovered that betahistine administered into the nasopharynx improved the functioning of the Eustachian tube in experiments on animals. It may therefore have the potential to effectively treat OME in children. Betahistine has a long history of safe use in tablet form in adults. Otifex is planning to test a topical betahistine nasal spray in clinical trials in children with OME.

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About Medical Research Commercialisation Fund The Medical Research Commercialisation Fund (MRCF) is a pre-seed investment fund dedicated to providing early stage investment funding to opportunities emanating from its member medical research institutes. The \$30m fund provides investment for proof-of-concept activities as well as funding into later stage projects and companies. The MRCF was founded through collaboration between Australia's leading medical research institutes and Statewide and Westscheme Superannuation funds, with support from the State Governments of Victoria, New South Wales and Western Australia. The MRCF is managed by Brandon Capital Partners.
www.mrcf.com.au

About Uniseed Uniseed is a \$61 million commercialisation fund operating at the University of Queensland, New South Wales and Melbourne. Apart from these three universities, Western Australia's largest non-governmental superannuation fund, Westscheme, is also a member. Uniseed has made over 30 investments in technologies arising from its partner universities, including Vitela (AVCAL Best Early Stage Deal 2005) and QRx-Pharma (largest biotech IPO in ASX history).
www.uniseed.com

About Brandon Capital Partners Brandon Capital Partners makes seed and venture capital investments into emerging businesses in the high-growth life science industry. Brandon Capital Partners' team has a track record of successful life science investment as well as a history of working in research, operations and business development in the healthcare industry.
www.brandoncapital.com.au

About The University of Melbourne / UoM Commercial Ltd The University of Melbourne is one of the top 40 universities in the world (Times Higher Education 2010) and is Australia's leading comprehensive research university (Excellence in Research for Australia 2010). The University of Melbourne has more than 47,000 students and over 7,000 academic and professional staff with a strong focus in human health. UoM Commercial Ltd is a wholly-owned subsidiary company of The University of Melbourne and provides commercial engagement services to The University of Melbourne relating to intellectual property management and licencing, start-up creation, academic consulting and customised education programs.
www.unimelb.edu.au

About MCRI & APPRU The Murdoch Childrens Research Institute discovers ways to prevent and treat conditions affecting babies, children and adolescents, helping them lead happy, healthy lives, working side by side with the doctors and nurses at The Royal Children's Hospital. MCRI conducts innovative, world class research to help prevent and treat conditions such as allergies, asthma, brain injury, cancer, cerebral palsy, depression, genetic conditions, obesity, premature birth and infectious diseases. The Australian Paediatric Research Unit (APPRU) conducts clinical trials in children to investigate the safety and efficacy of prescription drugs and medications typically developed for adults to assess and improve the safety and efficacy of such therapies for children. The unit's primary focus is always on the quality use of medicines in children. APPRU is a specialised unit and is one of only six other similarly dedicated units worldwide (outside the US).
www.mcri.edu.au