

\$4m start-up investment to accelerate drug discovery

Thanks to a creative risk-sharing agreement with CSIRO, Melbourne start-up biotech company MecRx has secured a \$4 million investment from the Medical Research Commercialisation Fund (MRCF) to advance its breakthrough technology for accelerating drug discovery.

Under the agreement, CSIRO is assisting MecRx in validating its technology platform, which is being used to create promising starting points for new anti-cancer drugs.

CSIRO shared the research and development costs in return for a mixture of milestone payments and shares in MecRx, based on their success. Today, CSIRO has a 14.6 per cent equity stake in the company.

The CSIRO risk-sharing agreement, combined with a Victorian government Innovation Voucher, enabled MecRx to secure the significant MRCF investment.

"MecRx is a shining example of how the research and commercial sector can work together to accelerate Australian innovation and make a significant commercial impact," MecRx board director, Dr Chris Smith said.

"CSIRO and the Victorian government were crucial in getting our technology off the ground – without their funding support and expertise the idea would never have been tested and the huge potential our platform offers for new drug discovery would have gone unrealised."

MecRx and CSIRO have now joined forces with the world-leading Peter MacCallum Cancer Centre to develop and test a promising drug lead for inhibiting the biological target cMyc – a key driver of destructive cell mutation in many cancers.

If successful, the drug could be tested in cancer patients within a few years.

CSIRO's chemistry group leader, Dr Jack Ryan, said that an effective way to successfully inhibit cMyc has eluded scientists across the world for the past 30 years.

"We're delighted to see this work translated to drug development, which we hope will ultimately lead to clinical trials through our partners at Peter Mac and commercialisation of the world's first cMyc drug," Dr Ryan said.

Peter Mac's associate director for laboratory research, Professor Ricky Johnstone, is optimistic about the initial cMyc drug results.

"The drug lead directly targets cMyc, a protein which causes cancerous cells from a wide range of organs and tissues to divide uncontrollably," Prof Johnstone said.

"If successful, the resulting medicine would have broad application in a large number of cancers."

CSIRO works with around 100 biomedical companies each year to advance treatments and bring new world-class health technologies to market.

"Since its inception, CSIRO has created more than 150 companies and holds interests in about 30. We're also Australia's largest patent portfolio and issues around 80 licenses each year, many to Australian businesses," Dr Ryan said.

Read more about the CSIRO-MecRx partnership www.mecrx.com.

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About The Medical Research Commercialisation Fund (MRCF)

Established and managed by Brandon Capital Partners, the MRCF Collaboration brings together more than 50 of Australia's leading medical research institutes and research hospitals, the Australian Government and the state governments of Victoria, New South Wales, Western Australia, Queensland and South Australia.

The MRCF's first two funds were supported by the superannuation funds, AustralianSuper and StatewideSuper, and the Australian Government through its Innovation Investment Fund (IIF) program. Continuing on the same model, the newest AU\$200M MRCF3 fund is supported by AustralianSuper, StatewideSuper, HESTA and HOSTPLUS industry superannuation funds and managed by Brandon Capital Partners. For more information visit: www.mrcf.com.au

About MecRx

MecRx is an early stage drug development company working on new treatments for cancer. Using proprietary 'hit identification' technology, MecRx is developing inhibitors of cMyc, a protein that is deregulated in over 50 per cent of all human cancers. MecRx draws on the expertise of the Peter MacCallum Cancer Institute and CSIRO and is headquartered in Melbourne, Australia.

About cMyc

Mutation and deregulation of the cMyc oncogene contributes to the formation and maintenance of many human cancers. Tumours with elevated levels of cMyc often exhibit highly proliferative, aggressive phenotypes and are often associated with resistance to primary treatments. Over 30 years of extensive study worldwide has convincingly shown that cMyc is a compelling target for therapeutic intervention. Despite considerable efforts, no drugs that effectively target cMyc have been developed as yet.