



# Avantogen and Innovate Merge Key Oncology Program, RP101

Avantogen and Innovate Merge Key Oncology Program, RP101



**Avantogen Limited to receive 54% of the outstanding common stock in US listed Innovate Oncology, Inc.**



**01 February, 2006** – Avantogen Limited (ASX:ACU), Sydney, Australia and San Diego, CA, and Innovate Oncology, Inc (IOVO:OTCBB), New York, a company founded by Bioaccelerate Holdings Inc. (OTCBB: BACL), today announced execution of a Definitive Agreement whereby Innovate will merge with a wholly-owned subsidiary of Avantogen, thereby acquiring Avantogen's 50% interest in the promising pancreatic chemoresistance inhibitor, RP101. Avantogen Limited will also contribute to Innovate the sum of US\$ 1.1 million at closure of this transaction.

The transaction will be satisfied by the issue of 32 million shares of common stock in Innovate to Avantogen Limited which will then own approximately 54% of the US listed Innovate. The transaction is subject to both Innovate and Avantogen shareholders' approval. Subject to these approvals, the acquisition is expected to be completed by the end of March 2006. On January 31, 2006 Innovate's shares closed at US\$1.85.

Patients undergoing repeated chemotherapy can develop resistance, and cancer cells continue to grow and spread during treatment. RP101 is intended as co-treatment with cytostatic drugs to prevent the development of resistance to chemotherapy.

In early 2005 the partners announced dramatic results observed in the clinical pilot study of RESprotect in which thirteen pancreatic cancer patients in stage III and VI of disease were treated with RP101, and gemcitabine plus cisplatin. Those results indicated that the 50% probability of survival was increased to an average of 15 months, from a historic average of 7.5 months ( $p = 0.008$ ) obtained at the same institution under otherwise similar conditions during the prior year. It was also noted that ten of the original thirteen patients lived longer than one year, and six of them were still alive.

Later in 2005 the partners further announced that ten of the thirteen original patients survived at least one year following treatment; median survival was 447 days, which is statistically higher than a historic control from the same institution ( $p = 0.007$ ). Time to Progression was 280 days, also statistically higher than



historic control ( $P = 0.004$ ). At present, four of the original thirteen treated patients have remained alive for nearly two years.

As part of the proposed transaction, Dr Richard Opara, Avantogen's Chairman, will become Chairman of Innovate. Two additional non-executive directors will be nominated by Avantogen. Lee Cole, Chairman of Bioaccelerate Holdings Inc, will join the Innovate Board, and Dr Frank Armstrong the CEO of Bioaccelerate will continue as a Director. The Chairman of Innovate, Mr Paul Hopper said that "the proposal was a logical move for both partners and would serve to enhance the rapid clinical development of RP101 which we believe holds exciting prospects". Dr Opara added "streamlining the ownership and management of RP101 will appeal to the capital markets in the US and strategically makes commercial sense when we begin to consider licensing and partnering opportunities."

BIO-IB, LLC, a New York based healthcare investment banking boutique, acted as financial advisor to Innovate Oncology, Inc.

#### **About Avantogen**

Avantogen (formerly Australian Cancer Technology) is an international biotechnology company developing a broad oncology-related product portfolio. Avantogen has acquired the North American marketing rights for RP101, a promising pancreatic cancer drug currently in Phase II clinical studies through a subsidiary company, Resistys Inc, a joint venture with Bioaccelerate of New York. Avantogen's Pentrys™ anti-cancer vaccine is being evaluated in prostate cancer patients in Phase IIb clinical studies and the company is advancing several immune enhancing adjuvants in three Phase I cancer trials. The immune enhancing adjuvants were developed by Galenica, a privately held U.S. vaccine developer. Avantogen acquired Galenica in July 2004. The company also markets Revisys™, a branded line of medical nutritionals designed for people with special needs, including those undergoing cancer treatments. Avantogen is traded on the Australian Stock Exchange (ASX) under the symbol ACU. The company has established a Level 1 ADR stock program in the U.S. trading under the symbol AUCJY and also is listed on the Xetra exchange, the electronic trading system of the Frankfurt Stock Exchange, trading under the symbol CBS. For further information, visit [www.Avantogen.com](http://www.Avantogen.com).

#### **About Innovate Oncology**

Innovate Oncology Inc., a company founded by Bioaccelerate Holdings Inc., is developing a range of pharmaceuticals focused on areas of need within oncology. Innovate's lead product, currently in Phase II, prevents the development of resistance to commonly used chemotherapeutic agents. In addition Phase II studies are imminent on another unique molecule that has demonstrated activity in several different tumor types. Innovate is also developing a novel form of paclitaxel employing technology to facilitate oral bioavailability. For further information visit [www.innovateoncology.com](http://www.innovateoncology.com).

#### **Forward-Looking Statements**

Statements contained in this press release that are not historical information are forwardlooking statements as defined within the Private Securities Litigation Reform Act of 1995. Such forwardlooking statements are subject to risks and uncertainties that could cause Avantogen's ("company") actual results to differ



materially from those projected or implied. Such potential risks and uncertainties relate, but are not limited, to the results of clinical trials, product demand and market acceptance, the impact of competitive products and pricing, effectiveness and pace of current and future product development, and regulatory approval. More detailed information on these and additional factors that could affect the company's operating and financial results are described in the company's annual reports filed or to be filed with the Australian Stock Exchange. The company urges all interested parties to read these reports to gain a better understanding of the many business and other risks that the company faces. The historical results achieved by the company are not necessarily indicative of its future prospects. The company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

**Contact Information:**

Dr. Leonard Firestone  
Avantogen  
San Diego, CA, USA  
Tel: +858-458-6807  
Email: [info@Avantogen.com](mailto:info@Avantogen.com)

Paul Hopper  
Innovate Oncology, Inc.  
New York, N.Y., USA  
Tel: +858-200-5636  
Email: [Receptogen@Earthlink.net](mailto:Receptogen@Earthlink.net)

[download original PDF document](#)