

## Targeting treatment for autism spectrum disorder

Neurotech International Ltd (ASX:NTI) is a biopharmaceutical company focused on clinical trials of NTI164, its proprietary whole plant medicinal cannabis strain, for use in the treatment of autism spectrum disorder (ASD). The company has recently completed a Phase I/II study of 14 candidates to assess the potential application of NTI164 in the treatment of ASD and found that 93% of participants had notable improvements to the severity of illness with no side effects. Neurotech is now planning a Phase II/III trial to further assess the efficacy of NTI164 and its long-term safety. The company has also announced successful preclinical research on NTI164 as a combination therapy for improving the efficacy of Diclofenac, an anti-inflammatory drug as well as Prednisone, a corticosteroid. Neurotech has applied for patents over NTI164 and has signalled that it sees an opportunity to expand applications to other neurological disorders such as Attention Deficit Hyperactivity Disorder (ADHD), Rett Syndrome, Multiple Sclerosis, Motor Neuron Disease, and Cerebral Palsy. The company is also seeking to commercialise its Mente device and therapy solution for assisting in increasing engagement and improving relaxation in autistic children with elevated Delta band brain activity.

### Business model

Neurotech is seeking to develop its proprietary cannabis strain, NTI164, as a neurological application for the treatment of ASD in children. The company licenses NTI164 from Dolce Cann Global Ltd. The company has now completed its Phase I/II study, which was conducted by Professor Michael Fahey, the head of Paediatric Neurology at Monash Children's Hospital in Melbourne. The study found that 93% of patients (14 candidates in the study) showed symptom improvement relating to the severity of the illness after 28 days of daily treatment of NTI164. This included 64% of patients with "much improved" symptoms, 29% with "minimally improved" symptoms and 7% with no change. The study also found that NTI164 was well tolerated across all doses and was granted HREC approval to continue for a further 54 weeks due to its positive therapeutic effects. NTI is now in discussions with the US Food and Drug Administration regarding a pre-Investigational New Drug application which it hopes to finalise by the end of this calendar year. Neurotech has also reported positive preclinical research which shows that NTI164 can improve Diclofenac (an anti-inflammatory drug used in the treatment of rheumatoid and osteoarthritis) efficacy at low doses. This potentially adds to NTI's preclinical portfolio from a combination therapy perspective.

### Next steps include the outcome of Phase II/III studies

The next steps for NTI are to initiate its Phase II/III trial to further assess the long-term safety and efficacy of NTI164 in the treatment of ASD with the potential to lead to drug registration. The company also has ambitions to extend NTI164 to potential treatment pathways for other neurological disorders including ADHD and Cerebral Palsy.

### Counting medicinal cannabis and paediatric pharma as peers

We look to other medicinal cannabis companies such as Little Green Pharma (ASX:LDP), Emyria (ASX:EMD) and Cann Group (ASX:CAN) as peers for Neurotech being of similar size in market capitalisation and seeking to develop medicinal cannabis products. Neuren Pharmaceuticals (ASX:NEU) could also be counted as a peer given it is targeting paediatric neurological disorders with its drug therapies, although it should be noted that it is at a more advanced stage. Incannex (ASX:IHL) could also be considered a peer given its focus on combination therapies with off-patent pharmaceutical drugs and cannabinoids.

9<sup>th</sup> September 2022

#### Share Details

ASX code	NTI
Share price (8-Sept)	\$0.099
Market capitalisation	\$69.0M
Shares on issue	697.2M
Net cash at 30-Jun-2022	\$1.89M
Free float	~64.7%

#### Share Performance (12-months)



#### Upside Case

- Successful Phase I/II study completed
- Large ASD market in both US and internationally
- Additional opportunities in other disorders

#### Downside Case

- Yet to secure partners/licensing deals
- Fails to secure US FDA approvals
- Additional capital may be needed, leading to shareholder dilution

#### Catalysts

- Outcome of Phase II/III clinical trial
- Registration and approval with US FDA

#### Comparable Companies (Aust/NZ)

Cann Group (ASX:CAN), Little Green Pharma (ASX:LGP), Emyria (ASX:EMD), Neuren Pharmaceuticals (ASX:NEU), Incannex (ASX:IHL)

#### Board and Management

Mark Davies	Chairman
Dr Alexandra Andrews	Executive Director/COO
Gerald Quigley	Non-Executive Director
Prof. Allan Cripps	Non-Executive Director
Winton Willesee	Non-Executive Director
Dr Thomas Duthy	Executive Director

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# FINANCIAL SERVICES GUIDE

**RaaS Advisory Pty Ltd**

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**Corporate Authorised Representative, number 1248415**

**of**

**BR SECURITIES AUSTRALIA PTY LTD**

**ABN 92 168 734 530**

**AFSL 456663**

**Effective Date: 6<sup>th</sup> May 2021**



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- our services
- how we transact with you
- how we are paid, and
- complaint processes

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