DelMar Pharmaceuticals and Accurexa to Collaborate in the Development of a Novel Combination Chemotherapy for the Local Treatment of Brain Cancer

- DelMar will hold a Business Update Call for Shareholders on Wednesday September 7, 2016 at 5 p.m. EDT -

VANCOUVER, British Columbia and WALNUT CREEK, Calif., Sept. 7, 2016 /PRNewswire/ -- DelMar Pharmaceuticals, Inc. (NASDAQ: DMPI) ("DelMar"), a company focused on developing and commercializing proven cancer therapies in new orphan drug indications, and Accurexa Inc. (OTCQB: ACXA) ("Accurexa"), a company focused on the development of novel neurological therapies to be directly delivered into the brain, announced today a collaboration to develop a novel formulation for the local delivery of combination chemotherapy for the treatment of brain cancer and other solid tumors.

Under the terms of the collaboration agreement DelMar will supply VAL-083 (dianhydrogalactitol) to be formulated within Accurexa's proprietary ACX-31 implantable polymer wafer to locally deliver VAL-083 in combination with temozolomide and/or BCNU for the treatment of brain cancer. DelMar has been granted an exclusive option to license or acquire and commercialize product candidates and intellectual property resulting from the research.

DelMar will host a teleconference for shareholders and investors on Wednesday, September 7, 2016 at 5PM EDT. Interested parties can access the call by dialing toll free 1-800-862-9098 or via the internet at: https://engage.vevent.com/rt/delmarAo~73915172

Mr. Bacha and DelMar management will discuss the Accurexa collaboration and outline the Company's plans for the remainder of 2016, including steps to advance VAL-083 into a pivotal Phase III and two additional Phase II clinical trials for the treatment of refractory glioblastoma multiforme (GBM), the most common and aggressive form of brain cancer.
Accurexa’s ACX-31 program has been developed in collaboration with Prof. Henry Brem who built one of the largest brain tumor research and treatment centers in the world at Johns Hopkins University and Prof. Robert Langer, who is the David H. Koch Institute Professor at MIT and the most cited engineer in history. Professor Avi Domb at the Hebrew University of Jerusalem will lead the formulation development efforts for the collaboration. Prof. Brem, Prof. Langer and Prof. Domb are pioneers in the development of local drug delivery treatments, and invented and developed Gliadel® (carmustine implant) which is a FDA approved, local chemotherapy for the treatment of GBM. Drs. Brem and Langer will serve as advisors for the collaboration.

"Working together with Accurexa will allow DelMar to explore a promising new product opportunity that is complementary to our existing portfolio of systemic drug development programs established around VAL-083 without significant cash outlay or impact on our near-term cash burn rate," said Jeffrey Bacha, Chairman and CEO of DelMar Pharmaceuticals. "This research collaboration will take advantage of our knowledge regarding the unique cytotoxic mechanism of VAL-083 to deliver combination chemotherapy directly to patients’ cancer. Combining drugs with distinct mechanisms for local delivery provides an opportunity to overcome chemoresistance while minimizing potential systemic toxicity."

"We are very pleased to collaborate with DelMar's experienced team allowing us to leverage their strong development capabilities. They have recently completed a Phase I/II clinical trial of VAL-083 in brain cancer patients and had a successful end-of-Phase II meeting with the FDA while we recently had a positive pre-IND meeting with the FDA for our ACX-31 wafer program. Looking forward to the future development pathway, we believe that the local delivery of VAL-083 as a component of our ACX-31 wafer could potentially provide a new and exciting treatment option for brain cancer patients," said George Yu, MD, Accurexa’s President & CEO.

DelMar and Accurexa believe that combining VAL-083 with temozolomide and/or BCNU within Accurexa’s proprietary drug delivery system may provide treatment advantages while limiting systemic toxicity.

VAL-083 is a "first-in-class", small-molecule chemotherapeutic. In more than 40 Phase I and II clinical studies sponsored by the U.S. National Cancer Institute, VAL-083 demonstrated safety and efficacy in treating a number of cancers including lung, brain, cervical, ovarian tumors and leukemia. VAL-083 is approved in China for the treatment of chronic myelogenous leukemia and lung cancer and has received orphan drug designation in the U.S. for the treatment of gliomas, medulloblastoma and ovarian cancer as well as in Europe for the treatment of glioma.

VAL-083 exhibits its anti-tumor affect by forming DNA cross-links at the N7 position of guanine whereas temozolomide and BCNU primarily target the O6 position of guanine as their site of anti-cancer function.

VAL-083’s mechanism of action appears to be unaffected by the expression of MGMT, a DNA repair enzyme that causes chemotherapy resistance to chemotherapies targeting the O6 position of guanine. DelMar has also demonstrated that the combination of VAL-083
and temozolomide was highly effective against brain tumor stem cells in vitro.

DelMar and Accurexa will seek to establish a novel formulation which incorporates VAL-083 into the ACX-31 polymer wafer and to establish non-clinical proof of concept regarding the proposed advantages of the combination therapy. DelMar will supply Accurexa with VAL-083 and the companies will share certain limited costs associated with the research. DelMar has been granted an exclusive option to license or acquire and commercialize product candidates and intellectual property resulting from the research for a defined period after the completion of the research. DelMar's option to negotiate a license or acquire the technology includes any and all results, research materials, related information and product candidates, including without limitation ACX-31 and related intellectual property and all rights thereto on an exclusive world-wide basis or other such terms as the parties may agree, in order to further develop and commercialize products based on the research project.

"Both of our companies have already made significant investments into the IP, mechanism of action and formulation of VAL-083 and ACX-31, respectively. Therefore, developing a combined formulation is not expected to require significant cash expenditures. This collaboration is a highly cost-effective approach to expand our product development portfolio by leveraging our companies' respective capabilities and assets," stated Mr. Bacha.

About DelMar Pharmaceuticals, Inc.

DelMar Pharmaceuticals, Inc. was founded to develop and commercialize proven cancer therapies in new orphan drug indications where patients are failing or have become intolerable to modern targeted or biologic treatments. The Company's drug in development, VAL-083, is currently undergoing clinical trials in the U.S. as a potential treatment for refractory glioblastoma multiforme. VAL-083 has been extensively studied by U.S. National Cancer Institute, and is currently approved for the treatment of chronic myelogenous leukemia (CML) and lung cancer in China. Published pre-clinical and clinical data suggest that VAL-083 may be active against a range of tumor types via a novel mechanism of action that could provide improved treatment options for patients.

For further information, please visit http://delmarpharma.com/; or contact DelMar Pharmaceuticals Investor Relations: ir@delmarpharma.com / (604) 629-5989. Follow us on Twitter @DelMarPharma or Facebook.com/delmarpharma.

About Accurexa, Inc.

Accurexa is focused on developing novel neurological therapies to be directly delivered into specific regions of the brain. It is developing its ACX-31 program for the local delivery of temozolomide as adjunctive therapy to BCNU, both chemotherapeutics, to brain tumor sites. Oral temozolomide is a generic, FDA approved, first-line chemotherapy drug that is indicated for the treatment of adult patients with newly diagnosed glioblastoma multiforme concomitantly with radiotherapy and then as maintenance treatment. Before oral temozolomide became generic, it generated 2012 US sales of approximately $420 million and global sales of approximately $910 million under its brand name Temodar®. However, current standard of care of delivering temozolomide to tumor sites through oral
administration is limited by the blood-brain-barrier and oral temozolomide only increases median overall survival from 12.1 to 14.6 months. Additional information about Accurexa may be found on its website, www.accurexa.com.

Safe Harbor Statement

This release contains certain "forward-looking statements" relating to the business of the Company. All statements, other than statements of historical fact included herein are "forward-looking statements" including statements regarding: the ability of both DelMar and Accurexa to successfully execute a collaboration and develop a viable formulation of combined VAL-083 and ACX-31, to successfully conduct clinical trials, and execute their business plans; the business strategy, plans, and objectives of both DelMar and Accurexa; and any other statements of non-historical information. These forward-looking statements are often identified by the use of forward-looking terminology such as "believes," "expects" or similar expressions and involve known and unknown risks and uncertainties. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, they do involve assumptions, risks, and uncertainties, and these expectations may prove to be incorrect. Investors should not place undue reliance on these forward-looking statements, which speak only as of the date of this news release. The Company’s actual results could differ materially from those anticipated in these forward-looking statements as a result of a variety of factors, including those discussed in the Company’s periodic reports that are filed with the Securities and Exchange Commission and available on its website (http://www.sec.gov). All forward-looking statements attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by these factors. Other than as required under the securities laws, the Company does not assume any duty to update these forward-looking statements.

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