

Stock Data

Share Price: 2.35p
Market Cap: £11.0m
Shares in issue: 469.9m

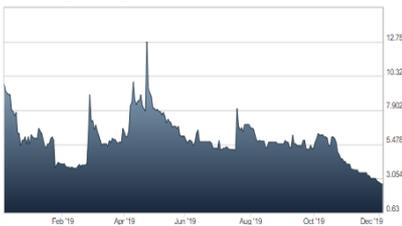
Company Profile

Sector: Biotechnology
Ticker: MTPH
Exchanges: AIM, NASDAQ

Activities

Midatech ('the Company') is focused on the Research and Development (R&D) of medicines for the treatment of rare cancers and other lethal diseases through in-house as well as partnered programmes.

Share price performance chart



Source: LSE

Past performance is not an indication of future performance.

Turner Pope contact details

Turner Pope Investments ('TPI')
8 Frederick's Place
London EC2R 8AB

Tel: 0203 657 0050
Email: info@turnerpope.com
Web: www.turnerpope.com

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Barry Gibb **Research analyst**
Tel: 0203 657 0061
Barry.Gibb@turnerpope.com

Midatech Pharma plc

Midatech Pharma announces confirmation of a €2.6 million EU Grant for further clinical development of MTX110 for the treatment of Diffuse Intrinsic Pontine Glioma, a rare and fatal form of childhood brain cancer. Selection by the European Innovation Council ('EIC') is seen as a major endorsement and validation of the innovation and potential value contained within this proposition, for which the efficacy component of its Phase II clinical trials is expected to be released shortly.

The R&D biotechnology company focused on delivering innovative oncology and rare disease products, has announced confirmation of a €2.6 million EU grant to be used to conduct a ground-breaking clinical study, GlioKIDS. This is designed to demonstrate the efficacy of MTX110 as a treatment for Diffuse Intrinsic Pontine Glioma ('DIPG'), a rare and fatal form of childhood brain cancer with an average life expectancy of 7 to 9 months. Having successfully received Orphan Drug Status in the US earlier this year, Midatech has potentially also been provided with more rapid approval process, assistance from regulatory agencies during drug development and the opportunity for market exclusivity following approval.

The grant is under the EU's European Innovation Council Accelerator SME Instrument, which is part of the EIC that supports innovators and small companies. According to the EU, there are some 6000 such funding applications per year, of which only 4 to 5% are typically successfully selected.

The funds awarded remain subject to finalisation of the grant agreement currently being prepared with the EU, a process which is anticipated to conclude in early 2020, following which Midatech will look to start the European study, an open label trial of about 20 patients with a one-year treatment period. The grant covers 70% of the expected study costs, with the remainder covered by Midatech.

MTX110's Combined Phase I (safety) and Phase II (efficacy) MTX110 study in DIPG patients commenced May 2018. Phase I is scheduled to complete in H2 2019 with the Phase II efficacy component expected to follow immediately thereafter. Based on the Phase I progress to date, the Recommended Phase II Dose has preliminarily been achieved.

GlioKIDS will be the first ever clinical trial to use a fully implantable Convection Enhanced Delivery ('CED') catheter system to allow chronic treatment of brain cancer. Based on pre-clinical research, DIPG tumours are exquisitely sensitive to the anti-cancer actions of MTX110, and CED administration of MTX110 produces concentrations of MTX110 at the tumour site that are more than 100,000 times higher than can be achieved with current treatments.

The failure of multiple past clinical trials means that there are presently no approved therapeutic treatments for Diffuse Intrinsic Pontine Glioma. MTX110 is seen as an effective therapy with opportunity to make a substantial difference for patients based on its efficacy potential, demonstrated safety, and the ability to exploit novel and alternative routes of administration that provide a 'direct to tumour' platform for the broader application of MTX110, for childhood and adult brain cancers. Despite the lower costs implied through Ophan development, the overall program could still come in as high as £20m. With this in mind, however, successful fundraising earlier this year left the Company with c.£9m cash at the half-year stage which, when added to September's additional Spanish Government Reindustrialisation ("Reindus") programme support loan (which takes the total public financing for the project up to €8.5m) plus the £2m net proceeds from last October's US Registered Direct Offering, Midatech now appears to have runway sufficient to carry it through to end-3Q'2020E, before which time significant additional clinical results are likely to have been released.

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