

RedxPharma signs cancer drug deal that could be worth \$870m

Cancer drug development company Redx Pharma has signed a deal with an Irish pharmaceuticals group that could be worth up to \$870m – and which one analyst called “potentially the most significant Redx deal to date”.

The deal will see Dublin’s Jazz Pharmaceuticals acquire Redx’s KRAS (Kirsten rat sarcoma virus) inhibitor program. Redx and Jazz hope future drugs made using their technology “may offer a treatment option for large segments of colorectal, pancreatic and lung cancer patients who currently have limited treatment options”. Alderley Park-based [Redx Pharma](#) is a biotech firm that aims to discover and develop new molecules and treatments for cancer and fibrotic diseases. Among its products is the selective ROCK2 inhibitor zelasudil, which is undergoing a trial for use in treatment for idiopathic pulmonary fibrosis.

Under today’s agreement, Jazz will make an upfront payment to Redx of \$10m for all rights, patents, title and interest relating to Redx’s proprietary KRAS inhibitor program. Redx is then eligible to receive up to \$870m in development, regulatory and commercial milestone payments from Jazz, subject to regulatory clearances and ongoing development. The next milestone will be securing Investigational New Drug Application (IND) clearance from the U.S. Food and Drug Administration to continue with trials.

Lisa Anson, chief executive officer of Redx, said: “Once again, our distinguished expertise in medicinal chemistry has been recognized and we are pleased to secure another strategic transaction with Jazz, with whom we have a track record of

collaboration. This agreement will allow us to collaborate on the advancement of novel KRAS inhibitors and we look forward to supporting Jazz in progressing these candidates through IND-enabling studies.

“Partnerships remain a key pillar of our corporate strategy, allowing us to advance what we believe are differentiated molecules in areas of high unmet need, while also creating long-term shareholder value through non-dilutive funding, with the upfront milestone payment from this agreement extending our current cash runway into 2025.”

Robert Iannone, MD, executive vice president, global head of research and development of Jazz Pharmaceuticals, said: “KRAS is a well-validated oncology target and there remains a high unmet need for innovation in this area based on challenges in developing molecules to target specific KRAS mutations. Redx has discovered a number of preclinical KRAS candidates and we plan to leverage our collective oncology development expertise to identify and advance the most promising molecules toward the clinic.

“This transaction further expands our early-stage oncology pipeline, and we are excited to explore novel approaches to improving treatment options for cancer patients.”

In a brokers’ note this morning, Panmure Gordon said: “Investors familiar with the Redx story will recognize similarities between today’s announced deal and the existing Pan-RAF inhibitor partnership between Redx and Jazz. Notably we consider the size of the headline value of the deal, the meaningful upfront and the intensity of interest in the KRAS field of oncology make this potentially the most significant Redx deal to date.”

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