
VENTURE MARKET SUMMARY

Yaupon Receives BioAdvance Funds, Targets First Institutional Round

By Lisa Lacy

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Radnor, Penn. -- Yaupon Therapeutics, a developer of therapeutics from plants that address such medical issues as addiction, cancer, and pain, said it will receive an investment of \$500,000 in a few weeks from BioAdvance, the biotechnology greenhouse of southeastern Pennsylvania. In addition, Yaupon president and CEO Roberto Alonso told VentureWire the company is raising its first institutional round in the range of \$3-to-\$5 million to close within the next twelve months.

Yaupon has raised \$2.1 million to date from Kentucky Science Technology, BioAdvance, and angel investors including an \$850,000 seed round in June 2002 and a \$750,000 round in December 2003.

Yaupon will use its BioAdvance funding to support regulatory and clinical personnel for its lobeline clinical program. Lobeline is Yaupon's lead product and is being developed for the treatment of methamphetamine addiction. It is derived from lobelia inflata and has been shown to be effective against methamphetamine addiction in animal models. Funding for the first clinical trial has been provided by the National Institute of Drug Abuse. Clinical trials will begin in June 2004. Preclinical studies have shown attention deficit disorder and obesity as potential future indications of lobeline.

Mr. Alonso said Yaupon has received approximately \$3 million in three NIH grants for product development. In addition to lobeline, Yaupon is developing nornicotine, a tobacco-based product (nicotiana tobaccum) to combat nicotine addiction. Clinical trials are expected to begin in 2005.

Yaupon is also developing thymoquinone, a cancer therapy derived from nigella sativa that selectively killed cancer cells while protecting normal cells from the effects of chemotherapy in preclinical animal models.

Also in the company's pipeline is norketamine, the active metabolite of ketamine, a commonly used agent for anesthetic induction and chronic pain.

Founded in 2002, the company is headquartered in Radnor, Penn. and has laboratories in Lexington, Ky. Two professors in the University of Kentucky's division of pharmaceutical sciences, Linda Dwoskin and Peter Crooks, are on Yaupon's board. Mr. Alonso and founder John Irwin are also directors.

Yaupon has 10 employees, two of which have been hired as a result of the BioAdvance funds. Mr. Alonso anticipates an additional one to two employees to further preclinical development.

<http://www.yaupontherapeutics.com>