



# Biotech Daily

Thursday March 10, 2016

*Daily news on ASX-listed biotechnology companies*

## OBJ: 'Ready To Promote Awareness To The Market'

OBJ chairman Glyn Denison says that after 12 years and its first major licence with Proctor & Gamble, the company is ready to begin promoting itself to investors.

Mr Denison said that with revenue of \$1.5 million for the year to June 30, 2015, cash at February 2016 of \$8.8 million and a quarterly burn of \$540,000, the East Coast investor tour was solely about company awareness and not funding.

Last month, OBJ reported revenue for the six months to December 31, 2015 of \$1.4 million and last year, it raised \$6.73 million in an oversubscribed placement and share plan at 5.7 cents a share (BD: Sep 24, Nov 2, 2015; Feb 29, 2016).

OBJ has been developing its magnetic transdermal technology for more than 12 years under the direction of founder, inventor and managing director Jeffrey Edwards.

Mr Denison said he met Mr Edwards on a flight and asked what he did for a living, and as a type 1 insulin-dependent diabetes patient, Mr Edwards "instantly had my attention".

Mr Edwards said that the problem with using the magnetic micro-array platform for drugs like insulin was not the size of the molecule, but the large volume of drug required to be delivered.

Mr Edwards explained that the thin magnetic micro-array strips could be "tuned to specific molecules" to enhance their penetration of the skin using electro-magnetic forces.

He said that in the case of the company's first licence with Proctor & Gamble, the array was tuned to the SK-II anti-wrinkle cream applied around customer's eyes and then the OBJ Eye Wand was stroked around the eyes to enhance transportation through the skin.

Mr Denison said the SK-II range earned \$US2.2 billion in revenue for Proctor & Gamble and OBJ was entitled to royalties on both the cream and the Wand.

Mr Edwards said that the technology could be used with a range of different products including eye creams, moisturizers, night creams and color toning.

Mr Denison said that with the validation of studies by Proctor & Gamble and three more licences “on the way”, OBJ was ready to engage with the investment community.

Mr Denison said that OBJ had 12 work plans agreed with Proctor & Gamble, one of which was for a shaving product for men, which was being developed for one of Proctor & Gamble’s 3,000 brands.

Mr Edwards demonstrated the concept and said the shaving cream had a moisturising ingredient and the magnetic micro-array would sit under the glide strip on the disposable blade, pushing the moisturizer through with every pass of the razor.

Mr Denison said the brand sold 3.5 million blades a day and if OBJ secured a licence to include its micro-array, it would include a royalty at a percentage of the wholesale price.

“Proctor & Gamble is now starting to see how it can use OBJ,” Mr Denison said.

“We’ve done internal testing and the next step is likely to be a consumer trial paid for by Proctor & Gamble and then we’ll talk licencing,” Mr Denison said.

Mr Denison said the OBJ technology could be used with multiple brands and there were other activities under way with Proctor & Gamble, but the company was being approached by other leaders in the fast-moving consumer goods (FMCG) sector.

Mr Edwards said that the success in cosmetics had not distracted the original focus on human health and the Bodyguard Kneeguard used the same principle to force a long-chain high molecular weight hyaluronic acid synthetic synovial fluid into the knee joint “to alter the injury site rather than just relieve pain”.

Mr Edwards said that a \$500,000 114-patient trial had demonstrated efficacy of the Kneeguard compared to diclofenac, or Voltaren, (BD: Feb 23, 2016).

Mr Denison said that apart from developing next generation wands, the company was working on programs including anti-microbials for surface hygiene (BD: Oct 30, 2015).

OBJ was up 0.8 cents or 10.8 percent to 8.2 cents with 1.7 million shares traded.