Canadian cancer-therapy maker Point Biopharma eyes Nasdaq listing through SPAC merger

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The Toronto- and Indiana-based **Point Biopharma Inc.** plans to list on the Nasdaq this year by merging with a special-purpose acquisition company and says it will use the proceeds to complete Phase 3 clinical trials for its prostate and neuroendocrine cancer treatments.

Point's treatments rely on molecules called radioligands that emit toxic radiation that can target, bind to and kill cancerous cells while leaving a person's healthy cells unscathed. The company pitches its therapy as an alternative to traditional treatments with devastating side effects, such as chemotherapy. Though radiopharmaceuticals have existed for decades, they've been largely limited to treating a small number of cancers. Point hopes to change that with its new capital.

"We are really at the beginning of something that can be quite special in the treatment of cancer," chief executive officer Joe McCann said in an interview.

The company said Monday that it would merge with the Nasdaq-listed SPAC Research Alliance Corp. I, renaming the company Point Biopharma Global Inc. The deal is expected to net the company about US$300-million, Point said in a news release. That includes US$165-million through a share offering to a group of financiers, including lead investor RA Capital Management, and US$135.7-million in cash held in the SPAC's trust.

The company said it will also use the proceeds to invest in its early-stage pipeline and to finish building its production facility in Indianapolis, which RA Capital Management managing partner Peter Kolchinsky said on a web conference Monday morning would enable Point to "control its own destiny."

That's because the therapies that Point make have a short shelf life, sometimes of a week or less, requiring the company to keep close tabs on its production. Locating the 80,000-square-foot manufacturing facility in Indianapolis is similarly strategic; it's home to a massive FedEx Corp. shipping hub that specializes in handling hazardous and radioactive materials, which Point hopes will ensure that its therapies get to people around the world on time.

Point was founded after Neil Fleshner, the Love Chair in Prostate Cancer Prevention at Toronto's Princess Margaret Hospital, had to send a patient to Germany in 2017 to receive radioligand treatment. He sought to make such therapy more accessible, bringing together a corporate team.

That includes Dr. McCann, the past CEO of the Centre for Probe Development and Commercialization, the radiopharmaceutical group that spun out Hamilton's Fusion Pharmaceuticals Inc.

The company had previously raised about US$45-million from private markets, nearly half of which came from Canadian family offices and high-net-worth investors, Dr. McCann said.

Though Point has a broad pipeline of therapies, its Phase 3-stage radioligand treatment for prostate cancer faces competition from Swiss drug giant Novartis International AG, which holds rights to a similar therapy. But Dr. McCann said Point has been deliberately nimble as a startup in order to get its treatment through trials and production while furiously filing patents of its own.

"We look at this differently than Big Pharma does," he said, using a strategy that includes "wrapping our arms around the entire supply chain."

The long-time Bay Street financier Allan Silber, the former CEO and chair of Counsel Corp., is Point's executive chair and helped shape its vision with Dr. McCann, Dr. Fleshner and others.

"I told both of them that this is too big, it's too important – and we have to figure out how to be able to make this available on a global scale, and figure out how we can get our compounds into patients and change the dynamics of how [cancer patients] are being treated going forward," Mr. Silber said in an interview.

If the deal closes, Point would be the latest in a string of Canadian biotech companies turning to the United States to raise cash, including both Fusion and Repare Therapeutics Inc.