

# Hemispherx Biopharma

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## Hemispherx Biopharma takes cancer war to new stage with drug Ampligen

- Hemispherx is studying the use of its drug Ampligen as a combination therapy for the treatment of multiple cancers at major cancer centers throughout the US.
- The Florida company's early access program at the Erasmus Medical Center in the Netherlands, which uses Ampligen for the treatment of pancreatic cancer has been extended until March 2020.
- Hemispherx reports gross proceeds of \$5.3 million from its recent rights offering.
- Awarded a Buy rating and a \$0.75 price target by Edward Woo, an analyst with Ascendant Capital Markets, which kicked off coverage of the stock last year.

### What Hemispherx does

At the core of Hemispherx Biopharma Inc's (NYSEAMERICAN:HEB) business is its flagship drug Ampligen (rintatolimod), an experimental ribonucleic acid that is in clinical trials to address both chronic fatigue syndrome and to treat multiple cancers.

Since taking over at the helm of the Ocala, Florida-based company in March 2016, CEO Tom Equels has engineered a turnaround and is now steering a course for the company that involves marketing Ampligen as a treatment for chronic fatigue while also applying the drug against cancer, given the strength it has shown in battling solid tumors.

There are a series of cancer trials in various stages underway at major research hospitals to evaluate whether the combination of Ampligen with checkpoint blockade therapies (powerful immunotherapy drugs that block proteins that restrain the body's immune system from fighting cancer) will improve clinical tumor responses, time to progression and survival rates.

The company is supporting the evaluation of Ampligen's use in fighting eight solid tumors (urothelial carcinoma, renal cell carcinoma, melanoma, triple-negative breast, colorectal, ovarian, non-small cell lung and pancreatic carcinomas.)

On the list, for example, is a study of Ampligen together with Merck & Co's (NYSE:MRK) Keytruda on metastatic triple negative breast cancer that is taking place at Roswell Park Comprehensive Cancer Center in Buffalo, New York. Also in play is a Phase 2 study in advanced pancreatic cancer using checkpoint blockade plus Ampligen at the University of Nebraska Medical Center.

A key advantage is that Ampligen shows considerable promise priming the environment for tumor eradication by converting so-called cold tumors, which are more difficult to treat, into hot tumors, which have a better chance of being treated by both the immune system as well as checkpoint blockade therapies.

The company's second product is Alferon N Injection, its injectable form of natural alpha interferon, which is already

**Price:** US\$0.1702

**Market Cap:** US\$8.33M

### 1 Year Share Price Graph



### Share Information

**Code:** HEB

**Listing:** NYSE

**52 week High Low**  
\$0.34 \$0.15

**Sector:** Pharmaceuticals

**Website:** [www.hemispherx.net](http://www.hemispherx.net)

### Company Synopsis:

*Hemispherx Biopharma is an advanced specialty biopharmaceutical company.*

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FDA-approved for the treatment of genital warts, a sexually-transmitted disease. But its commercialization is not as advanced as Hemispherx focuses on Ampligen.

### How is it doing?

Hemispherx is not only generating considerable attention in the scientific community, it's attracting supporters on Wall Street.

In a note to investors sent in October of 2018, Edward Woo, an analyst with Ascendant Capital Markets, kicked off coverage of the stock with a Buy rating and a \$0.75 price target.

While Hemispherx operates in a "highly competitive environment" such concerns are outweighed by Ampligen's growth prospects and valuation.

"Though we acknowledge that Hemispherx's oncology drugs still have long development roads left (approximately two years), we believe the [approximately] billion dollar market potentials present a high reward for the risks," Woo wrote.

More than 16,000 vials of Ampligen, which is already approved for use in Argentina, have been produced by Hemispherx for the purpose of clinical trials. And in another milestone, the first shipment of Ampligen has been delivered for sale in Europe under the drug's early access program.

"The big cancer institutions like Roswell Park in Buffalo, the Buffett Cancer Center in Nebraska, the University of Pittsburgh and Erasmus in the Netherlands all share our excitement about what Ampligen can do in oncology," points out Equels.

Like many biopharma companies of its size, Hemispherx is looking for a partner with adequate capital and expertise or a buyout. "We don't intend to try to invent ourselves into a major pharma company," says Equels. "It's our intention to deliver a product so that a big pharma company can take the ball and run with it to tremendous financial success."

### Cash position

In its latest capital raising, Hemispherx raised gross proceeds of \$5.3 million for clinical trials from a rights offering.

And enough money has been raised to manufacture Ampligen and continue the company's research and development activities in the coming months.

As of the close of September 2018, Hemispherx was sitting on cash and cash equivalents of more than \$4 million, representing an increase of over \$2 million from its cash position at the close of December 2017.

### What the boss says

"We are knocking out milestone after milestone," says Equels. "There is no other NYSE company out there in our range that has this kind of clinical activities going on in oncology."

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