Steve Saviuk on Valeo Pharma's TSX Listing and Q1-22 revenues of $4.2 million, up 128% over Q1-21

written by InvestorNews | March 31, 2022

In a recent InvestorIntel interview, Tracy Weslosky interviews Valeo Pharma Inc.'s (TSX: VPH | OTCQB: VPHIF) Founder, CEO and Director Steve Saviuk about Valeo's first quarter 2022 results. Highlights include Q1-22 revenues of $4.2 million, up 128% over Q1-21 and Q1-22 gross margins of $1.4 million, up 266% over Q1-21. Valeo started trading on the TSX earlier this week.

In this InvestorIntel interview, which may also be viewed on the InvestorIntel YouTube channel (click here to subscribe), Steve Saviuk comments on the positive impact of the Redesca and Enerzair products on Valeo's revenues and margins, and how he takes its Hesperco product daily. Touching on the public reimbursement process in Canada, Steve provides an update on Valeo's $25 million convertible debenture financing and increased interest from institutional investors.

To watch the full interview, click here

About Valeo Pharma Inc.

Valeo Pharma is a pharmaceutical company dedicated to the commercialization of innovative prescription products in Canada with a focus on Respirology, Neurodegenerative Diseases, Oncology and other specialty products. Headquartered in Kirkland, Quebec, Valeo Pharma has the full capability and complete infrastructure to register and properly manage its

growing product portfolio through all stages of commercialization.

To know more about Valeo Pharma Inc., click here

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High-Grade Barium Project Creates High-Value Opportunity for Voyageur Pharmaceuticals

written by InvestorNews | March 31, 2022
Voyageur Pharmaceuticals Ltd. (TSXV: VM) (Voyageur) is a Canadian-based company that is focused on developing barium and iodine radio-contrast pharmaceutical suspension products for the X-ray/medical scan industry.

Currently, China has the only natural, pharmaceutical-grade barite project and only exports a fraction of the current world demand. The rest of the supply is made up of higher-cost chemically-manufactured, synthetic barium precipitate.

Voyageur is unique in that it plans to capture value from a source-to-finished product. The Company owns a 100% interest in three barium sulfate (barite) projects in British Columbia, Canada, including two properties suitable in grade and purity for the pharmaceutical barite market.

Currently, the Company is focusing on the high-grade Frances Creek project as preliminary work with SGS Canada (SGS) resulted in a gravity-separated, high-grade concentrate of 98.6% barium

sulfate.

In a barium contrast suspension product, barium sulfate comprises almost 98% of the cost of the ingredients. With the Frances Creek deposit, Voyageur believes that it will have the lowest ingredient costs for barium contrast in North America and can sell any excess production into the barite market for additional cash flow.

Starting with Health Canada then Shifting to the U.S.

In late 2019, Voyageur submitted applications for product registrations to Health Canada in order to begin sales in Canada. A total of five barium sulfate suspension products were registered with Health Canada.

- SmoothX$_{Ba}$: A barium sulfate oral suspension used in computed tomography scans (CT) of the abdomen to view the gastrointestinal tract in adult and pediatric patients.
- HDX$_{Ba}$: A high-density dry barium powder that is engineered to be mixed with water to create a barium sulfate suspension for radiographic oral consumption. HDX is used during X-ray procedures to view the upper gastrointestinal tract.
- MultiXthin: A specially formulated, low density, pre-mixed barium suspension product that will be sold in a 2-liter container, similar in use and composition to the dry-powder MultiX
- MultiXthick: A specially formulated, high density, pre-mixed barium suspension product that will be sold in a 2-liter container, similar in use and composition to the dry-powder HDX.
- MultiX$_{Ba}$: MultiX is similar in use and composition to HDX but the barite has been ground to 1-micron size.

Unfortunately, events pertaining to COVID-19 impacted Voyageur’s

plans as Health Canada focused on approving products related to the pandemic. However, earlier this year, Health Canada approved and issued the product licenses for SmoothX, HDX, and MultiX. The Company is waiting for approvals for MultiXthin and MultiXthick but expects to receive them shortly.

Ramping Up Production and Marketing

In November 2020, Voyageur announced signing an agreement with Alberta Veterinarian Laboratories (AVL) for the manufacturing of barium radiographic contrast media.

AVL is a Calgary-based contract pharmaceutical manufacturing company and manufactures both human and veterinarian pharmaceuticals products.

It operates a Health Canada-approved medical testing laboratory and a Good Manufacturing Practices (GMP) pharmaceutical manufacturing facility.

As Voyageur progresses through sourcing the barite from its Frances Creek project, it acquired USP (US Pharmacopeia) barium sulfate from third-party sources for the initial product formulation and near-term sales.

AVL and Voyageur are currently working on the formulation testing for the initial barium contrast product using the procured barite.

A recent decision in the U.S. that upheld a prior ruling concluding radiographic contrast agent barium sulfate qualifies as a device rather than a drug could result in reduced cost and faster approvals for Voyageur barium products with the U.S Food & Drug Administration (FDA).

Earlier this month, Voyageur signed a marketing and product development agreement with Dash Consulting since the products

are nearing roll-out in Canada and the Company is seeking U.S. FDA approval.

Dash is a consulting firm focused on the barium and iodine radiographic contrast media market and it has already begun working on preparing for the product applications globally, including in the U.S., U.K., South America, and Southeast Asian markets.

From PEA/Pre-Feasibility and Bulk Sample this Year to Mining in 2022

Voyageur is working with SGS to complete a Preliminary Economic Assessment (PEA) and Pre-Feasibility (PF) study that it expects to complete by mid-year. As part of this process, Voyageur filed an updated NI 43-101 Technical Report on the Frances Creek project in November 2020.

Previous results from the ore testing in December 2019 indicated that the barite could be separated from the ore using gravity, eliminating the need for the use of water and a tailings pond, and resulted in high-concentrate grades of 98.6% barium sulfate.

Voyageur plans to mine a 10,000-tonne bulk sample within the next 12-months and process it through a smaller, pilot plant. The barium sulfate produced from the bulk sample could generate cash flow from product sales into the pharmaceutical market.

If the project economics are robust and meet the economic threshold to move forward, the application for the quarry permit for full production would be submitted.

To further upgrade the barite concentrate and to add value, Voyageur plans to build a 25,000 tonne-per-year plant that could sustain pharmaceutical production requirements for the next 40 years, this plant is targeting 2022 for completion.

Final Thoughts

Currently, Voyager is raising $1.73 million as it completes a PEA and Pre-feasibility, and ramps up sales and marketing, including product roll-out and testing, and U.S. FDA and International registrations.

Earlier this month, Voyager's stock increased sharply after it received approval from Health Canada for one of its products. With a series of milestones planned for this year, expect investors' optimism will continue to move the share price higher as the opportunity comes closer to production.

Voyageur closed yesterday at $0.16 with a Market Cap of $14.3 million.

Revenue Forecasted to Triple as Valeo Benefits from Last Year's Successes

written by InvestorNews | March 31, 2022

Valeo Pharma Inc. (CSE: VPH | OTC: VPHIF |FSE: VP2) is a specialty pharmaceutical company and its revenue is expected to triple this year as it benefits from last year's licensing successes.

For Fiscal Year 2020, ending October 31, the company forecasted revenue around C$8.0 million but projects FY2021 revenue in the C$20-25 million range.

Currently, one analyst covers the company, and she estimates FY2020 revenue of C$8.0 million, FY2021 revenue of C$24.0 million, and FY2022 revenue of C$45.0 million, showing an impressive revenue growth trajectory for the company.

Valeo's Business Model

Valeo focuses on acquiring, in-licensing, and commercializing pharmaceutical products with a primary focus on three areas:

1. Neurodegenerative diseases, such as Multiple Sclerosis, Parkinson's Disease, and Schizophrenia
2. Cancer treatment (Oncology), such as Soft Tissue Sarcoma and Ovarian Cancer
3. Hospital products, such as pain management, anti-infectives, and critical care

The company partners with pharmaceutical companies that have expertise in Research & Development and Manufacturing while Valeo concentrates on the regulatory requirements to get a drug approved in Canada and then focuses on marketing the product.

Valeo benefits from commercializing a drug without the risk of product development.

Valeo now has 10 products approved for marketing in Canada with another three products in the regulatory process, and seven additional hospital products licensed but not yet approved. (See the Product Portfolio and Pipeline table below.)

Valeo searches for products already licensed in other well-regulated jurisdictions, such as the European Union or the United States, with $5 million to $20 million of annual revenue potential in Canada that is below the revenue threshold of larger pharmaceutical companies thereby carving out a profitable niche.

Recent Commercial Pipeline Additions

Valeo’s successes last year included:

- Ametop™: Licensed the Canadian rights to Ametop™ from Alliance Pharma and subsequently received approval from Health Canada for the transfer of commercial rights to Ametop™.
- Amikacin: Valeo announced the approval of Amikacin in Canada; Amikacin is an antibiotic used within a hospital setting.
- Ethacrynate Sodium: Valeo received FDA approval for Ethacrynate Sodium and launched the drug into the U.S. market. It was the first U.S. regulatory approval received by Valeo. Ethacrynate Sodium is administered to treat fluid retention and swelling that is caused by medical conditions such as congestive heart failure, acute pulmonary oedema, or renal oedema.
- Hesperco™: Entered into an agreement with Ingenew Pharma regarding Hesperco™, a supplement to support the immune system. In one year, Valeo submitted a natural product license application for Hesperco™ to Health Canada, received approval, and announced that Hesperco™ has started shipping.
- Onstryv®: It announced the launch of Onstryv® for Parkinson’s disease and the inclusion of Onstryv® on the list of medications covered in Quebec.
- Redesca™: Valeo received Health Canada approval for the use of Redesca™, an anticoagulant, for the prevention of blood clots. The company expects the commercial launch to impact the first half of 2021 revenue and forecasts $30 million in annual sales once fully marketed.
- Yondelis®: Signed a licensing agreement with Pharmamar to commercialize Yondelis® in Canada and received approval from Health Canada for the transfer of commercial rights

to Yondelis®. Yondelis® is a treatment option for soft tissue sarcoma, a form of cancer.

Redesca™ Update and COVID-19 Application

On January 25, Valeo reported that Redesca™ received a positive recommendation for public reimbursement in the province of Quebec. The drug has been placed on the list of medications covered by Quebec's public drug insurance plan for the prevention and treatment of thromboembolic disorders.

Redesca™ received Health Canada approval last year for sale in Canada and the company is planning to launch Redesca™ during the first half of 2021. Valeo intends to pursue discussions to get Redesca™ included with other provincial drug insurance plans.

Redesca™ gained a spotlight last year when the drug was used to help patients suffering from severe acute respiratory infections caused by COVID-19 infections. Even though it was not a vaccine or COVID-19 treatment, treating the patients with Redesca™ to prevent blood clots, improved the patient survival outcomes.

Final Thoughts

Even after an impressive 230% stock price gain over the past year, shares in Valeo are trading around C$1.20 and below their recent high of $1.86, with the potential to move higher as the company reports the results from its commercialization efforts.

With a Market Cap of C$78 million and an Enterprise Value of C$82 million, Valeo trades at a forward EV/Revenue of 3.4x based on the analyst's FY2021 estimate.

Valeo Pharma's Product Portfolio and Pipeline

Source: