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The dementia challenge: Which ASX stocks are chasing a breakthrough?

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- Dementia is the leading cause of death in Australia while ranking among major causes of disability and dependency in older people globally
- Seven Australian startups share \$15.6 million to accelerate new dementia treatments, diagnostics and technologies as Dementia Action Week underway
- Dementia research is also finding its way onto the ASX, with companies involved in Alzheimer's trials and developing potential treatments

Dementia remains one of the toughest challenges in medicine, with limited treatment options despite decades of research.

The search for better ways to detect, treat and manage dementia is gathering pace, as the disease remains a major cause of death, disability and dependency among older people.

In Australia, [dementia is the leading cause of death](#), while globally it ranks among the major causes of disability and dependency in older people.

That research effort includes Australia, which is marking Dementia Action Week. To coincide with the week, seven Australian startups were announced as recipients of a combined \$15.6 million in funding to accelerate the development of new treatments, diagnostics and technologies for dementia and cognitive decline.

The funding is the second round for the Australian Government's Medical Research Future Fund (MRFF) CUREator+ Dementia & Cognitive Decline national program, run by Brandon BioCatalyst in partnership with ANDHealth and Dementia Australia.

"Dementia and cognitive decline are incredibly complex challenges and there will not be a single solution," said CUREator program head Dr Amanda Vrselja.

"We need innovation across the spectrum – from detecting disease earlier to developing new therapies capable of slowing or changing its progression."

The expanding research effort is also reflected in the global Alzheimer's drug development pipeline, with 192 clinical trials testing 158 drugs in 2026, according to an annual report led by Alzheimer's researcher Dr Jeffrey Cummings.

For ASX investors, the opportunity extends from cognitive assessments in Alzheimer's trials to potential treatments and therapies targeting the shared biology underlying multiple neurodegenerative diseases.

Morgans senior healthcare analyst Scott Power told Stockhead dementia was a major area of unmet need, with significant investment around the world focused on tackling the disease.

"If you get close to cracking the nut or providing some sort of treatment options for patients that is going to be extremely valuable," he said.

Cogstate at forefront of Alzheimer's clinical trials

[Cogstate \(ASX:CGS\)](#) is working with several big pharma companies as they work to develop potential treatments for Alzheimer's disease, which is the most common cause of dementia, including US-based Eli Lilly and Japanese drug developer, Eisai.

CEO Brad O'Connor told Stockhead CGS managed the cognitive endpoints and data quality for Lilly's successful pivotal phase III trial of donanemab (brand name Kisunla).

The drug received FDA approval in 2024 as a disease-modifying treatment for people with early Alzheimer's disease.

Donanemab is a monoclonal antibody administered by intravenous (IV) infusion and designed to target and remove amyloid plaques from the brain.

The phase III trial assessed whether removing the plaques could slow cognitive and functional decline in people with early Alzheimer's disease.

Eisai is the developer of lecanemab (Leqembi), another disease-modifying Alzheimer's treatment which targets amyloid in the brain, and was approved by the FDA in 2023.

CGS manages cognitive endpoints on behalf of pharmaceutical companies, using a combination of technology and human services to ensure the quality of data collected at clinical trial sites for Alzheimer's and other neurodegenerative diseases.

"We're essentially a one-part technology, one part services business," O'Connor said.

"We're managing, on behalf of the pharmaceutical companies, all of the cognitive endpoints, to ensure the accuracy and quality of the data that's being collected."

He said that work includes:

- Training staff at clinical trial sites (research hospitals)
- Monitoring (auditing) of that data to ensure quality
- Delivery of telehealth-style assessments by Cogstate's 400-plus consulting neuropsychologists
- Algorithmic and human monitoring of data

O'Connor said all these services and technology were designed to identify potential errors in the data.

CGS is now managing cognitive endpoints and ensuring data quality for both Lilly and Eisai as they investigate whether their approved early Alzheimer's treatments can be used even earlier.

O'Connor said the companies were moving into treating "pre-symptomatic" or "pre-clinical" Alzheimer's disease, where people may have amyloid plaques in their brains but do not yet have the memory impairment associated with dementia.

"It's sort of akin to treating cholesterol to prevent heart disease," O'Connor said, referring to the prospect of treating amyloid accumulation before significant cognitive symptoms develop.

"These plaques can occur up to 20 years before symptoms arrive.

"The hypothesis is that if removed through treatment before symptoms, can the symptoms be stopped from ever occurring."

He said the shift toward treating Alzheimer's earlier was also being enabled by advances in blood-based biomarkers.

In July 2026, Australia's Therapeutic Goods Administration (TGA) approved a blood test that can help identify amyloid pathology associated with Alzheimer's disease.

Roche's Elecsys Phospho-Tau (217P) Plasma (pTau217) test was developed in collaboration with Eli Lilly and was also cleared in August by the FDA.

"Eli Lilly's and Eisai's phase III trials are expected to conclude in 2027 and if they work Alzheimer's has changed forever because we now start treating people at the pre-symptomatic stage," O'Connor said.

CGS also has a Cognigram Digital Cognitive Assessment System, used by physicians to measure cognitive function and detect changes over time.

It assesses areas including processing speed, attention, visual learning, working memory, visual motor function and executive function.

The test can be used to assess cognition at a single point in time or track cognitive change through periodic assessments.

"There is a potential future where a simple blood test can identify the formation of plaques in the brain," O'Connor said.

"Cogstate digital assessments can then identify any functional impairment which will provide insight into the potential rate of decline.

"Then, through drugs approved for use in this earlier stage of disease, we can remove plaques before the horrendous memory impairment takes hold. It is super exciting."

Countdown to Actinogen's phase III Alzheimer's trial readout

[Actinogen Medical \(ASX:ACW\)](#) is the only ASX-listed healthcare company with an advanced program focused on Alzheimer's disease.

ACW's lead candidate Xanamem is in a phase 2b/3 trial dubbed XanaMIA, with topline results expected in November.

Xanamem is described by the company as the "first and only potent oral inhibitor of 11 β -HSD1", an enzyme involved in regulating cortisol in brain regions linked to memory and mood.

The oral drug candidate is designed to reduce excess cortisol production in the brain while preserving normal cortisol levels elsewhere in the body, with the aim of slowing cognitive decline.

"As national conversations around brain health take centre stage for Dementia Action Week, our team is staying sharply focused on our November trial readout," ACW chief financial officer Will Souter told Stockhead.

"We are rapidly approaching a pivotal moment that we hope will deliver a meaningful new treatment option for patients and their families."

"Dementia Action Week is a timely reminder of why we do what we do every day at Actinogen.

With trial sites fully enrolled and our upcoming November results on track, we are working hard to advance Xanamem toward becoming a potential breakthrough in Alzheimer's care."

Alterity eyes broader dementia potential for lead drug

[Alterity Therapeutics \(ASX:ATH\)](#) is developing its lead asset ATH434 for multiple system atrophy (MSA), a rare and aggressive Parkinsonian disorder.

The neurodegenerative disease, which affects up to 50,000 patients in the US, is characterised by the build-up of excess iron and aggregation of a protein called alpha-synuclein in the central nervous system (CNS).

ATH said the underlying biology is relevant across a broader group of neurodegenerative diseases.

Alpha-synuclein is a shared hallmark of MSA, Parkinson's disease, and dementia with Lewy bodies, one of the most common forms of dementia after Alzheimer's disease. Alzheimer's itself is driven by different proteins, amyloid-beta and tau.

The company describes ATH434 as an "iron chaperone", an orally administered small molecule designed to redistribute excess reactive iron within brain cells.

"ATH434 targets excess reactive iron in the brain, a key driver of alpha-synuclein misfolding," CEO Dr David Stamler told Stockhead.

"Right now our focus is on Multiple System Atrophy, a rapidly progressing disease with no approved therapy.

"The alpha-synuclein protein misfolds in a number of other neurodegenerative diseases, including dementia with Lewy bodies and in Parkinson's disease, where many patients develop dementia."

In preclinical models of MSA and Parkinson's disease, ATH434 reduced alpha-synuclein aggregation, preserved neurons, and improved motor function.

ATH is preparing for a phase III trial of ATH434 in MSA after reaching agreement with the US Food and Drug Administration (FDA) at an End-of-Phase 2 meeting on key elements of the study design, including the dose and primary endpoint. ATH434 has FDA Fast Track designation and orphan drug designation in the US and EU.

While MSA is ATH's immediate focus, the company sees potential for ATH434 to be explored in other neurodegenerative diseases, including dementia with Lewy Bodies.

"The biology we are targeting is shared across these conditions, which is why the mechanism is relevant well beyond MSA," Stamler said.

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