



Biotech Daily

Thursday January 22, 2015

Daily news on ASX-listed biotechnology companies

- * **ASX UP, BIOTECH DOWN: UNIVERSAL BIO UP 19%, OPTISCAN DOWN 9%**
- * **PHYTOTECH OPENS UP 60% FOR MEDICAL MARIJUANA**
- * **GENETIC TECHNOLOGIES TAKES KENTGROVE \$24m EQUITY FACILITY**
- * **ATCOR RECEIVES \$461k FEDERAL R&D TAX REFUND**
- * **SIENNA TO LOSE FOUNDING CEO DR KERRY HEGARTY**
- * **CEO ALAN SHORTALL TAKES 9% OF UNILIFE, FRONTIER TAKES 7%**
- * **CHRIS NTOUMENOPOULOS REPLACES NARHEX'S CYRIL D'SILVA**
- * **MURDOCH CHILDREN'S A FINALIST FOR OZAPP PRIZE**

MARKET REPORT

The Australian stock market climbed 0.49 percent on Thursday January 22, 2015 with the S&P ASX 200 up 26.5 points to 5,419.9 points.

Twelve of the Biotech Daily Top 40 stocks were up, 15 fell, six traded unchanged and seven were untraded.

Universal Biosensors was the best, up four cents or 19.05 percent to 25 cents with 569,090 shares traded, followed by Viralytics up 13.1 percent to 34.5 cents with 717,375 shares traded.

Avita and Genetic Technologies climbed more than seven percent; Anteo, Oncosil and Phosphagenics rose five percent or more; GI Dynamics was up four percent; Bionomics and Cellmid were up more than three percent; with Clinuvel, Mesoblast and Resmed up by less than one percent.

Optiscan led the falls, down 0.6 cents or 9.4 percent to 5.8 cents with 12.2 million shares traded.

IDT lost 6.25 percent; Patrys, Prana and Prima fell more than five percent; Acrux, Biotron, Pharmaxis and Starpharma fell four percent or more; Analytica was down 3.45 percent; Cochlear shed two percent; Impedimed, Nanosonics, Sirtex and Tissue Therapies were down more than one percent; with Benitec and CSL down by less than one percent.

PHYTOTECH MEDICAL

Phytotech says it is the first Australian-owned medical cannabis company to list on the ASX opening at 32 cents - a 60 percent premium to its initial public offer at 20 cents. Phytotech said that it raised \$5.9 million in the "significantly oversubscribed [offer] demonstrating the high level of demand in the market to invest in [medical cannabis] stocks and the calibre of the offering".

Phytotech is listed under the ASX code PYL.

The company said it was "taking advantage of the burgeoning medical cannabis market, with the goal to supply medical grade cannabis based therapeutics products to the rapidly growing international market, with regulated medical cannabis legislation".

Phytotech said its core focus was to research, develop and commercialize cannabis products for the administration of medical grade cannabis and develop new treatments utilizing medical grade cannabis therapeutic components for various medical conditions. The company said it aimed to grow proprietary strains of medical grade cannabis in California, Uruguay and other jurisdictions.

Phytotech said that using proprietary technology, it would administer "ground-breaking health benefits of cannabinoids in oral preparations, vapor form and other routes of administration in safe and effective ways".

The company said it had an exclusive research and licencing agreement with the Hebrew University in Jerusalem's research and development company and technology transfer company, the Yisum Institute.

Phytotech non-executive chairman Peter Wall said that the partnership with Yisum was "integral to Phytotech's operations".

"Yisum's experience in product and technology development is market leading and, through this agreement, Phytotech will begin the research, development and commercialization of therapeutic products for administering medical grade cannabis," Mr Wall said.

Phytotech's directors include chief executive officer Boaz Wachtel, along with former Incitive and Bioprospect director Winton Willesee and entrepreneur Ross Smith.

A letter from Yisum said that Phytotech had a licence with Yisum "to all intellectual property and know-how rights held by Yisum in respect of an inner cheek patch (buccal mucoshesive patch) for the delivery of [cannabinoid or tetrahydrocannabinols] for the treatment or prevention of any medical condition or disease in humans, but excluding the treatment and/or relief of sleep apnea, snoring and/or any sleep disorder and/or any other disorder that occurs during sleep ... and agreed to collaborate with Yisum to undertake the research program".

Yisum said that the licence agreement had been amended to include an additional oral formulation as part of the licenced technology.

Mr Wachtel told Biotech Daily that the funds would be used to take the drug delivery systems up to phase I trials.

Mr Wachtel said that the first indications for the company's medical marijuana would be cancer-related and chronic pain, to be followed by neurological diseases such as multiple sclerosis and degenerative diseases.

The prospectus said that Phytotech would concentrate on non-smoking delivery products such as nasal spray, trans-dermal patch and other delivery forms to address medical establishment and consumer preferences and the company said it was also developing a wholly-owned single use, specific dose, disposable vapor-cap device.

Phytotech said that the capital raising was led by BBY stockbrokers.

Phytotech climbed as high as 44 cents before closing up 22 cents or 110 percent from the 20 cent initial public offer price to 42 cents with 13.0 million shares traded.

GENETIC TECHNOLOGIES

Genetic Technologies says it has a \$24 million standby equity placement facility with the Melbourne-based Kentgrove Capital Growth Fund.

Genetic Technologies said that Kentgrove could provide up to \$24 million over the next 24 months for its Brevagenplus breast cancer risk test and for general working capital.

The company said it could determine whether or not it would request a subscription from Kentgrove Capital, could set the time period of the placements, the maximum amount of the placements and the minimum issue price.

Genetic Technologies said that for each placement, shares would be issued at a five percent discount to a volume weighted average price.

Genetic Technologies was up 0.1 cents or 7.1 percent to 1.5 cents.

ATCOR MEDICAL

Atcor says it has received \$461,182 from the Australian Tax Office under the Federal Government Research and Development Tax Incentive program.

Atcor was unchanged at 10 cents.

SIENNA CANCER DIAGNOSTICS

Sienna says that managing director and chief executive officer Dr Kerry Hegarty will stand down from her position after 10 years in the role.

Sienna said that Dr Hegarty's resignation followed "recent transformational events", had the support of the board and was part of a long-term strategic plan (BD: Dec 2, 2014).

The company said that Dr Hegarty would continue in her role while a search for a new chief executive officer was underway.

Sienna chairman Dr Geoff Cumming said that Dr Hegarty had been "central to the success of Sienna over the past decade, in particular recent events representing key partnering deals and first revenues".

Sienna is a public unlisted company.

UNILIFE

Unilife chief executive officer Alan Shortall has increased his holding in the company from 6,709,043 shares (6.7%) to 10,709,043 shares (9.2%).

In a substantial shareholder notice filed by Unilife, Frontier Capital Management said it had increased its holding from 4,505,989 shares (5.41%) to 8,386,779 shares (7.2%).

Frontier's website says the company is based in Boston, Massachusetts.

Unilife fell two cents or 2.2 percent to 89 cents.

NARHEX LIFE SCIENCES

Narhex says that Chris Ntoumenopoulos has been appointed as a non-executive director replacing Cyril D'Silva.

Narhex said that non-executive director Adam Sierakowski had been appointed chairman.

Last year, Narhex said it would change direction from HIV research and development as well as coal gold and diamond mining to develop mobile telephone respiratory applications (BD: Oct 2, 2014).

Narhex was unchanged at 0.6 cents with 1.9 million shares traded.

MURDOCH CHILDREN'S RESEARCH INSTITUTE

The Murdoch Children's Research Institute says it is one of 20 finalists in the Ozapp Awards for the development of its Peers tablet-based computer application.

The Institute said that the paediatric evaluation of emotions relationships and socialization (Peers) would be the first clinically-validated, digital assessment tool available to psychologists, educators and health professionals to assess social impairment and mental illness in children and adolescents, with future extension to adults.

The Institute said that Peers would facilitate early intervention and targeted treatment for children and adolescents with autistic spectrum disorders, depression, attention deficit hyperactivity disorder (ADHD), learning and language difficulties and a range of other social, medical and psychiatric conditions.

The Murdoch Children's Research Institute said that 75 percent of mental health problems occurred before the age of 25 and mental illness contributed to nearly half of the burden of disease in young people.

The projects chief investigator Prof Vicki Anderson said that there were no valid, comprehensive assessment tools to directly assess social skills and identify social impairments in children and youth.

"Peers is a novel and innovative assessment tool that takes advantage of technology and allows early individually-tailored intervention," Prof Anderson said.

The Institute said that it led the Peers project in collaboration with clinicians and researchers from Canada, the UK and the US, with product design and software development undertaken by Melbourne-based software company, Curve Tomorrow.

The Institute said that the top 20 Ozapp finalists would each receive \$24,000 in technical support prizes and it was in the running for the main prize of \$US100,000 (\$A123,510) to support further development.