



Biotech Daily

Tuesday May 26, 2015

Daily news on ASX-listed biotechnology companies

- * **ASX UP, BIOTECH EVEN: PRIMA UP 8%, ANALYTICA DOWN 25%**
- * **ANTEO RAISES \$1m FOR BATTERY PROJECT**
- * **CYCLOPHARM 26% REMUNERATION 1st STRIKE**
- * **PARMAUST FACES 11% OPPOSITION TO \$3m PLACEMENT**
- * **ANALYTICA PLEADS SCHULTZ, 'SMALL ADVISOR' TO 37.5% FALL QUERY**
- * **COCHLEAR TO LOSE DR CHRIS ROBERTS, CHRIS SMITH STARTS ON \$1.5m**
- * **CELLMID: GRAEME KAUFMAN, MARTIN ROGERS OUT; BRUCE GORDON IN**
- * **PRESIDENT APPOINTS MOFFITT PROF SAID SEBTI CSO**
- * **ALLAN GRAY REDUCES TO 16.5% OF IMPEDIMED**
- * **PHYTOTECH MMJ 68m SHARE MERGER, RIGHTS, OPTIONS, NAME AGM**
- * **ALCHEMY TAKES 'ROYALTIES' TRADING HALT TO SUSPENSION**

MARKET REPORT

The Australian stock market climbed 0.91 percent on Tuesday May 26, 2015 with the S&P ASX 200 up 51.9 points to 5,773.4 points. Ten of the Biotech Daily Top 40 stocks were up, 11 fell, 16 were unchanged and three traded unchanged. All three Big Caps were up.

Prima was the best for the second day in a row, up one cent or 8.3 percent to 13 cents with 43.6 million shares traded.

Optiscan climbed 7.8 percent; Impedimed was up 5.4 percent; Viralytics rose 4.8 percent; Starpharma climbed 2.6 percent; Cochlear, Medical Developments and Universal Biosensors were up more than one percent; with CSL, Mesoblast, Osprey, Resmed and Sirtex up by less than one percent.

Analytica led the falls, down 0.4 cents or 25 percent to 1.2 cents with 17.1 million shares traded.

Admedus lost 5.6 percent; Benitec fell three percent; Bionomics, Clinuvel and Genetic Technologies shed more than two percent; with Actinogen, Compumedics, Nanosonics, Neuren and Tissue Therapies down more than one percent.

ANTEO DIAGNOSTICS

Anteo says it has raised \$1 million through a placement at eight cents a share to develop its nano-glue technology in the battery sector.

Anteo said its investors had been encouraged by the prospects for Anteo Energy and were “keen to see the potential commercial opportunities of Anteo’s nano-glue technology in the battery market”.

Anteo chief executive officer Dr Geoff Cumming said that early data gave confidence “that we can provide a commercially relevant technology that ... will enhance batteries of today and the future, providing greater capacity, improved efficiency and longer life”.

Anteo was unchanged at 8.8 cents with 1.2 million shares traded.

CYCLOPHARM

Cyclopharm has a remuneration report first strike with the annual general meeting voting 10,984,944 votes (25.8%) against the report and 31,662,895 votes (74.2%) in favor.

Under the Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act 2011 any company sustaining a vote of 25 percent or more against the remuneration report in two successive annual meetings is required to vote on a board spill and at the later meeting and if passed by more than 50 percent of votes the directors must stand for re-election at a subsequent meeting within 90 days.

Cyclopharm’s most recent Appendix 3B announcement said the company had 59,171,992 shares on issue, meaning that the votes against the remuneration report amounted to 18.6 percent of the company, sufficient to requisition extraordinary general meetings .

The company said that director David Heaney was elected with no votes against, but the share buy-back proposal, the increase in the directors remuneration pool and resolutions on the long-term incentive plan faced stronger opposition than the remuneration report. The issue of shares to managing director James McBrayer was supported by more than 42.5 million votes and opposed by 50,804 votes.

Cyclopharm was up 6.5 cents or 14.3 percent to 52 cents.

PHARMAUST

Pharmaust says it faced 11.3 percent opposition to the ratification of the first tranche of its \$3.14 million placement and the issue of the second tranche shares (BD: Mar 16, 2015).

Pharmaust said that 427,793,544 votes (88.7%) supported the placement resolutions with 54,628,062 votes (11.3%) opposing.

According to the company’s most recent Appendix 3B new issue announcement, the company had 1,656,006,606 shares on offer, meaning that the votes against, amounted to 3.3 percent of the company, not sufficient to request extraordinary general meetings.

Pharmaust fell 0.1 cents or 8.3 percent to 1.1 cents with 3.4 million shares traded.

ANALYTICA

Analytica has told the ASX that it is not aware of any information it has not announced which, if known, could explain recent trading in its securities.

The ASX said the company’s share price fell 37.5 percent from 1.6 cents on May 20 to 1.0 cent on May 26, 2015 and noted an increase in trading volume.

Analytica said it was aware of “a small speculative advisor overnight changing his recommendation”.

Analytica fell 0.4 cents or 25 percent to 1.2 cents with 17.1 million shares traded.

COCHLEAR

Cochlear says that chief executive officer Dr Chris Roberts will retire at the end of August, with Chris Smith appointed chief executive officer effective from September 1, 2015.

Cochlear said that Dr Roberts was appointed chief executive officer and company president on February 1, 2004.

The company said that Mr Smith would be deputy chief executive officer from July 1, 2015, allowing for a smooth transition and his base salary would be \$1,450,000 a year, with eligibility for a short-term incentive of \$1,450,000 comprising \$1,115,385 in cash and \$334,615 in deferred performance rights and a long-term incentive target grant of a further \$1,450,000 subject to performance hurdles and shareholder approval.

Cochlear said that Mr Smith was currently the company's North America president, as well as Cochlear Bone Anchored Solutions senior vice-president and support operations senior vice-president, with more than 10 years of executive experience at the company and would relocate to Sydney to take up the chief executive officer position.

Cochlear chairman Rick Holliday-Smith said that Dr Roberts "leaves Cochlear with the board's best wishes and thanks".

"He has done a remarkable job in the more than 11 years as CEO; trebling cochlear implant unit sales and revenues and quadrupling net profit and the share price," Mr Holliday-Smith said.

"His commitment to innovation has helped maintain Cochlear as global market leader," Mr Holliday-Smith said.

"Over the last two years, Cochlear has released a comprehensive range of new products and services across its portfolio," Mr Holliday-Smith said.

"It is time to hand over the leadership baton," Dr Roberts said.

"It has been a privilege to lead this great global company for over a decade and to work with so many talented people," Dr Roberts said.

"In that time, Cochlear has been able to help hundreds of thousands of people hear," Dr Roberts said.

"The company is ideally placed to grow and continue bringing the gift of hearing to many more people around the world," Dr Roberts said.

Biotech Daily salutes Dr Roberts as a key executive and ambassador for our industry and wishes him the very best for his future.

Cochlear was up \$1.20 or 1.4 percent to \$88.66 with 188,871 shares traded.

CELLMID

Cellmid says directors Graeme Kaufman and Martin Rogers have resigned effective from June 30, 2015 to be replaced by Bruce Gordon from July 1, 2015.

"These changes reflect the company's focus on accelerating the expansion of its consumer health business," Cellmid said.

The company said that Mr Gordon had more than 25 years of audit and finance experience in the retail, healthcare, resources and manufacturing industries and was most recently the partner in charge of accountancy firm BDO Australia's national corporate finance team.

Cellmid said that Mr Gordon had "a long association" with the company through his roles at BDO and had a thorough understanding of its midkine and consumer health businesses.

Cellmid was unchanged at 2.4 cents with 1.6 million shares traded.

PRESCENT THERAPEUTICS (FORMERLY VIRAX HOLDINGS)

Prescient says it has appointed the Tampa, Florida-based Moffitt Cancer Center chair of drug discovery Prof Said Sebti as its chief scientific officer.

Prescient said that Prof Sebti was the co-inventor of two of its drug products and his "experience in drug discovery and cancer research are exemplary".

Prescient managing director Dr Robert Crombie said that Prof Sebti would "bring a wealth of expertise to Prescient, assisting the company's clinical stage cancer drug candidates through the clinical trial process towards commercialization".

The company said that Prof Sebti was formerly Moffitt's molecular oncology and drug discovery program leader and chemical biology and molecular medicine program leader.

Prescient said that Prof Sebti held a Bachelor of Science from Washington State University and a Doctorate of Philosophy from the West Lafayette, Indiana-based Purdue University and conducted a post-doctoral fellowship in pharmacology at Yale University.

The company said that Dr Sebti had won grants valued at more than \$US35 million, leading to more than 35 issued patents and 280 research articles.

Prescient was up 0.3 cents or 3.3 percent to 9.3 cents.

IMPEDIMED

Allan Gray Australia has reduced its substantial holding in Impedimed from 51,831,862 shares (17.68%) to 48,483,044 shares (16.53%).

Allan Gray said that it sold 3,348,818 shares between March 12 and May 22, 2015 for \$2,958,478 or an average price of 88.3 cents a share.

Last year, Impedimed raised \$32.5 million at 60 cents a share (BD: Nov 3, Dec 10, 2014). Impedimed climbed five cents or 5.4 percent to 97 cents with 1.9 million shares traded.

PHYTOTECH

Phytotech will vote to merge with MMJ Bioscience, change its name to MMJ Phytotech and grant 7,000,000 rights 9,850,000 options to executives and directors.

Phytotech said that shareholders would vote on 16 separate resolutions to acquire MMJ Bioscience for 68,000,000 shares and issue 2,040,000 shares as an introductory fee to Turul and OS Media SEZC.

The company said that investors would vote on the election of directors Andreas Gedeon, Jason Bednar and Ross McKay.

Phytotech proposed to issue 2,000,000 performance rights to chairman Peter Wall and 5,000,000 performance rights to chief executive officer Boaz Wachtel.

The company said the AGM would vote on the issue of 4,500,000 options exercisable at 20 cents each by May 6, 2019 to Israel chief executive officer Dr Daphna Heffetz, 1,500,000 options exercisable at 20 cents each within three years to Benad Goldwasser, with 1,500,000 options to Mr Bednar and 1,000,000 options to each of Mr McKay and Winton Willesee, exercisable at the lesser of 40 cents or 135 percent of the 30-day volume weighted average price to the date of the meeting and within three years of the grant, as well as 350,000 options exercisable at 31 cents each by May 6, 2019 to research head Dr Hagit Sacks.

The meeting will be held at 38 Station Street, Subiaco, Western Australia on June 29, 2015 at 10am (AWST).

Phytotech was up one cent or 3.4 percent to 30.5 cents.

ALCHEMIA

Alchemia has requested a voluntary suspension to follow the trading halt on May 22, pending an announcement “regarding its profit share on sales of its generic anti-coagulant drug fondaparinux” (BD: May 22, 2015).

Today the company said the announcement was expected on May 29, 2015.

Alchemia last traded at 8.3 cents.