



# Biotech Daily

Thursday May 7, 2015

*Daily news on ASX-listed biotechnology companies*

- \* **ASX DOWN, BIOTECH EVEN: ANALYTICA UP 6%  
- ACTINOGEN, AVITA DOWN 6%**
- \* **COMPUMEDICS WINS \$1m US HOSPITAL EEG CONTRACT**
- \* **DORSAVI SIGNS CATERPILLAR AS 1<sup>st</sup> US HEALTH, SAFETY CONTRACT**
- \* **POLYNOVO CLOSES AOD9604 SALE TO LATERAL**
- \* **PHYTOTECH EXTENDS YISSUM LICENCE TO NANO-CANNABIS**
- \* **MYHEALTHTEST TAKES CHAIRMAN BILL MOBBS TO 44% OF ITL**
- \* **3D MEDICAL APPOINTS DR NIGEL FINCH DIRECTOR**
- \* **BIONICS INSTITUTE HOSTS PROF MARK DODGSON ON INNOVATION**

## MARKET REPORT

The Australian stock market fell 0.82 percent on Thursday May 7, 2015 with the S&P ASX 200 down 46.5 points to 5,645.7 points.

Fifteen of the Biotech Daily Top 40 stocks were up, 14 fell, eight traded unchanged and three were untraded. All three Big Caps fell.

Analytica was the best, up 0.1 cents or 5.6 percent to 1.9 cents with 1.6 million shares traded.

Compumedics climbed 4.55 percent; Antisense, Circadian, Clinuvel and Starpharma were up more than three percent; Bionomics, Genetic Technologies, Medical Developments and Tissue Therapies rose more than two percent; Admedus, IDT and Universal Biosensors were up more than one percent; with Benitec and Sirtex up by less than one percent.

Actinogen and Avita led the falls, both down 6.4 percent to 8.8 cents and 7.3 cents, respectively, with 3.5 million shares and 146,000 shares traded, respectively.

Ellex lost 5.6 percent; Cellmid, Oncosil, Optiscan and Prima fell four percent or more; GI Dynamics was down 3.85 percent; Cochlear, Nanosonics and Neuren shed more than two percent; Acrux, Impedimed and Viralytics were down more than one percent; with CSL, Mesoblast and Resmed down by less than one percent.

### COMPUMEDICS

Compumedics says it has a \$1.0 million contract to supply an unnamed US-based hospital group with its Graef and Neuvo electroencephalogram (EEG) neurology systems.

Compumedics executive chairman Dr David Burton said his company had “invested significantly, over many years, developing the current neurology diagnostic and monitoring systems and it is pleasing to see the recent acceptance of this technology in two key growth markets for the company, being the US and China”.

“As a result, Compumedics is well positioned to continue to deliver growth ... by building its position as the technologically innovative vendor of choice in global neurology diagnostic and monitoring markets,” Dr Burton said.

Compumedics said that the unnamed hospital group was important because it would drive decision-making in affiliated hospital networks.

The company said that the US market for neurology diagnostic and monitoring devices is estimated at \$US300 million a year and it had “a small but growing share of this market”.

Compumedics was up one cent or 4.55 percent to 23 cents.

### DORSAVI

Dorsavi says it has its first US occupational health and safety contract with construction and mining equipment manufacturer Caterpillar Inc to use its Visafe diagnostic system.

Dorsavi did not disclose the value of the contract but said that Caterpillar’s seals metal casting facility in Toccoa, Georgia would use the Visafe wearable sensor technology to evaluate and define the best practice for workers using heavy material handling equipment.

The company said the Visafe system would monitor workers to provide an assessment of the movement of their lower back, shoulder elevation and relevant muscle activity and would evaluate and measure core components of manual handling, regular work tasks, recent workplace changes and contrast the new modified work stations against previous designs.

Dorsavi said that based on the aggregated data and under the scope of the contract, it aimed to develop a plan to improve or modify equipment to increase workplace safety and would assist the planning of education and training in manual handling and the implementation of potential interventions.

Dorsavi occupational health and safety and compliance business manager Mark Heaysman said the company was “confident we can add significant value to their business and workers and we look forward to seeing the real-life benefits from the implementation of our innovative workplace changes”.

“Dorsavi is combining established field-based protocols with innovative technology, which informs strategic and financial decisions to improve workplace safety and reduce costs,” Mr Heaysman said.

“The Caterpillar team has embraced our Visafe technology and shared their vision for creating the safest workplace possible,” Mr Heaysman said.

Dorsavi was unchanged at 30 cents.

### POLNOVO (FORMERLY CALZADA, FORMERLY METABOLIC PHARMACEUTICALS)

Polynovo says it has settled the \$1.5 million sale of its interest in AOD9604 to Lateral Pharma a company associated with former director David Kenley (BD: Apr 30, 2015).

Polynovo fell 0.1 cents or 1.2 percent to eight cents.

## PHYTOTECH MEDICAL

Phytotech said it has extended its licencing and collaboration agreement with the Hebrew University of Jerusalem's Yissum Research Development Co.

Phytotech said that the extended agreement included licencing rights of "an improved nano-particle delivery formulation", developed by the University's Prof Abraham Domb and Prof Amnon Hoffman.

The company said the delivery formulation was intended to further increase the oral bioavailability of drugs with poor water solubility and limited bioavailability.

Phytotech said that the active ingredients in cannabis, cannabidiol and tetrahyrocannabidiol, showed very low levels of oral bioavailability of about six percent which had "led to the drug historically being unsuitable for oral administration".

The company said that the formulation contained a modification to the formulation already licenced to further enhance the bioavailability by increasing the absorption of the drug from the gastrointestinal tracts, thereby reducing the required dose of the drug and enhancing its reproducibility.

Phytotech said that the two formulations would be tested in a phase I clinical study, due to begin by October 2015, the first in a series of studies aimed at developing a product for the treatment of pain and spasticity in multiple sclerosis patients.

Phytotech said it would assign the rights and obligations to its wholly-owned subsidiary Phytotech Therapeutics, allowing the Israeli business to exploit the licence and the product once developed.

The company said that the Israeli company would be eligible to apply for research and development grants from Israel's Office of the Chief Scientist, which provided financing of 20 percent to 50 percent to approved programs, as well as from Horizon 2020, the European Union research and innovation program.

Phytotech managing director Boaz Wachtel said that the oral bioavailability of cannabidiol and tetrahyrocannabidiol was "inherently low and by utilising this new formulation we believe there will be synergistic enhancements, improving the bioavailability of the cannabis when administered to patients".

Phytotech fell half a cent or 1.6 percent to 31 cents.

## ITL

The Myhealthtest acquisition has increased ITL executive chairman William Mobbs holding from 32,997,746 shares (38.63%) to 37,032,654 shares (43.67%).

Mr Mobbs substantial shareholder notice did not explain clearly the acquisition of the 4,034,908 shares, but said that on October 16, 2014 he acquired 12,670 shares for \$2,597 or 20.5 cents in an "off-market purchase of shares from [an] overseas employee".

The notice said that the registered holders of the shares included Bilbo Holdings for the Bilbo Family Account, Mr Mobbs for the Bilbo Super Fund and Hastcombe Pty Ltd.

The notice said that Craig Wilson, Stephanie Norrell, Lucas Woolmer and Monica Meyers, Desmond Walker, Nicholas Cemeaz and Lousie Bresnahan held a relevant interest in separate holdings totaling 4,022,238 shares and all, along with Mr Mobbs and Bilbo Holdings were parties to a subscription and option agreement dated April 29, 2015 which granted ITL a call option to buy their respective shares in Myhealthtest Pty Ltd.

Last week, ITL said it expected to acquire the related-party Myhealthtest consumer pathology test provider, for up to \$3,350,000 through a series of milestone-based call options (BD: Apr 29, 2015).

ITL said at that time that Mr Mobbs owned 67 percent of Myhealthtest.

ITL was up half a cent or 2.2 percent to 23 cents.

### 3D MEDICAL

3D Medical says it has appointed Dr Nigel Finch as a director.

3D said that Dr Finch was an investor and advisor to emerging enterprises and was the principal of consulting firm Saki Partners.

The company said that Dr Finch had held director and senior management roles in early-stage and mature firms across a range of sectors and had experience in economic development and institution building throughout Asian markets.

3D said that previously Dr Finch was the University of Sydney Business School associate dean and was currently a non-executive director of Skydive the Beach Group and a number of private companies.

The company said that Dr Finch held degrees in accounting, business and law and a Doctorate of Philosophy.

3D was unchanged at 11 cents.

### BIONICS INSTITUTE

The Bionics Institute says University of Queensland professor of innovation studies Prof Mark Dodgson will deliver the 2015 public lecture on June 3, 2015.

The Institute said that Prof Dodgson who was also a Visiting Professor at Imperial College London would discuss the need for successful economies to innovate continually at the lecture to be held at the Melbourne Museum.

"For Australia to be internationally competitive we need to be extremely smart and exceptionally well connected in what and how we innovate," Prof Dodgson said.

"At present we are neither," Prof Dodgson said.

"Our efforts are relatively small scale and highly vulnerable and we suffer a chronic lack of leadership in the area," Prof Dodgson said. "Our poor connections between business and research are a particular concern."

"This lecture outlines the scale of the problem and discusses the business strategies and government policies necessary for innovation to flourish in a modern productive Australian economy," Prof Dodgson said.

The Bionics Institute said that there would be the opportunity to ask Prof Dodgson questions following his lecture.

The Institute said that Prof Dodgson had researched innovation in more than 60 countries and produced 12 books and more than 100 articles on the subject.

The Institute said that Prof Dodgson was formerly a director of Nestlé Australia, Thiess, the Think, Play, Do Group and advises companies and government agencies on innovation strategies.

The Bionics Institute said that Victoria Parliamentary Secretary for Medical Research Frank McGuire would open the event.

The Institute said that the Lecture would be held at the Melbourne Museum, Nicholson St., Carlton, on June 3, 2015 at 5:30pm for refreshments and the lecture for 6pm to 7pm.

For more information go to: [www.bionicsinstitute.org](http://www.bionicsinstitute.org) or contact Berenice Hale by telephone on +613 9667 7513.

The Institute said that the lecture was free, but seating was limited. RSVP to [kcampitelli@bionicsinstitute.org](mailto:kcampitelli@bionicsinstitute.org) by May 27, 2015.