



Biotech Daily

Friday September 18, 2015

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH UP: IDT UP 9%; LIVING CELL DOWN 8%**
- * **JAPAN CONFIRMS MESOBLAST TEMCELL, JR-031 FOR GVHD**
- * **RHINOMED PLACES \$2.5m**
- * **STIRLING DOCA, PETER DYKES, PETER TORNEY, TIMOTHY SHAW**
- * **INNATE REQUESTS CAPITAL RAISING TRADING HALT**
- * **COGSTATE 1.1m CEO BRAD O'CONNOR, 300k DIRECTOR OPTIONS**
- * **PATRYS PLEADS JUNE NEWS TO ASX 30% QUERY**

MARKET REPORT

The Australian stock market was up 0.46 percent on Friday September 18, 2015 with the ASX200 up 43.7 points to 5,170.5 points. Fourteen of the Biotech Daily Top 40 stocks were up, nine fell, 12 traded unchanged and five were untraded.

IDT was the best for the third day in a row on an investor roadshow, up three cents or 8.6 percent to 38 cents, with 606,600 shares traded.

Mesoblast climbed 6.85 percent; Medical Developments was up 5.6 percent; Impedimed and Optiscan were up more than four percent; Cellmid was up 3.3 percent; Biotron, Nanosonics, Osprey, Starpharma and Universal Biosensors rose more than two percent; Compumedics was up 1.9 percent; with Acrux, Bionomics, Cochlear and CSL up by less than one percent.

Living Cell led the falls, down 0.3 cents or 7.9 percent to 3.5 cents with 121,177 shares traded.

Anteo lost 5.7 percent; Admedus fell 4.35 percent; Actinogen and Ellex were down more than three percent; Antisense shed 2.3 percent; Orthocell and Tissue Therapies were down more than one percent; with Sirtex down 0.2 percent.

MESOBLAST

Mesoblast says that Japan has approved licensee JCR Pharmaceuticals application for Temcell HS Injection, formerly known as JR-031, for graft versus host disease.

Mesoblast said the Japanese Ministry of Health, Labour and Welfare approved the allogeneic mesenchymal stem cell product following a recommendation earlier this month (BD: Sep 4, 2015).

The company said that Temcell was a treatment for children and adults with acute graft versus host disease, a severe complication arising from haematopoietic cell transplants, including bone marrow transplants, which JCR had been developing in Japan using technology under a licence from Mesoblast.

The company acquired the mesenchymal stem cell program and JCR as a partner when it bought the stem cell program from Osiris in 2013 (BD: Oct 11, 2013).

Mesoblast said it was entitled to a milestone payment on regulatory approval, as well as royalties and other payments at pre-defined thresholds of cumulative net sales.

Mesoblast climbed 22 cents or 6.85 percent to \$3.43 with 777,503 shares traded.

RHINOMED

Rhinomed says it has raised \$2.5 million through the placement of 78,125,000 shares at 3.2 cents a share to institutional, sophisticated, and offshore investors.

Rhinomed said that the placement “was corner-stoned by several existing foreign and domestic shareholders” and the funds would support distribution deals for its Mute nasal plugs with pharmacy chain Boots UK (BD: Aug 21, 2015).

The company said that it managed the raising with assistance from Baillieu Holst.

Rhinomed said that chairman Martin Rogers participated to the amount of \$100,000, subject to shareholder approval.

Rhinomed was up 0.3 cents or 8.6 percent to 3.8 cents with 1.9 million shares traded.

STIRLING PRODUCTS

Stirling Products trustee Robert Whitton of chartered accountants William Buck says the deed of company arrangement has been concluded.

Mr Whitton said that a creditors’ trust fund had been established, all creditor liabilities had been transferred to the creditors’ trust and control of the company returned to the company’s directors and officers, with Peter James Dykes, Peter Alan Torney and Timothy Shaw appointed as directors.

According to ASX data, Mr Dykes and Mr Torney are directors of Capital Mining, Mr Dykes is the chairman of the Sydney-based investment company Chapmans, which has underwritten a \$1.5 million raising by Capital Mining and according to his LinkedIn profile, Mr Torney was a private client advisor at brokers BBY before it went into administration. Attempts to contact the directors have been unsuccessful.

In 2011, Stirling was placed in administration having failed to commercialize the Kiev, Ukraine- acquired Immunoxel for AIDS, tuberculosis, kidney disease, H1N1 influenza, or ‘swine’ influenza (BD: Jul 26, 2011; Aug 6, 2015).

In 2009, Stirling claimed 100 percent efficacy for drug-resistant tuberculosis with the Immunoxel natural product citing a 12-patient Kiev, Ukraine trial (BD: Apr 16, 2009).

Stirling managing director and former Victoria Police officer Peter Boonen told Biotech Daily his company was involved in the commercialization of Immunoxel and the intellectual property was owned by the Kiev-based Ekomed.

Stirling was suspended at 0.2 cents, or \$4.00 following the 2,000-to-one consolidation.

INNATE IMMUNOTHERAPEUTICS

Innate has requested a trading halt pending the release of an announcement in relation to “a capital raising which will involve a book build process with investors from overseas”. Trading will resume on September 22, 2015 or on an earlier announcement. Innate last traded at 17.5 cents.

COGSTATE

Cogstate will vote to issue chief executive officer Brad O'Connor 1,100,000 options with a further 300,000 options for five directors.

Cogstate said that Mr O'Connor's options would be exercisable at 21 cents each by March 20, 2020, with 100,000 options for director David Dolby and 50,000 options each to directors Dr Alan Finkel, Martyn Myer, David Simpson and Richard van den Broek, all exercisable at 26 cents a share within five years of issue and vesting over three years. Cogstate notice of meeting said it would seek shareholder approval for approval of an additional 10 percent placement facility and vote on the election of directors Dr Finkel, Mr Simpson and Mr van den Broek.

The meeting will be held at Pitcher Partners, Level 19, 15 William Street Melbourne, on October 22, 2015 at 12.30pm (AEDT).

Cogstate was untraded at 21.5 cents.

PATRYS

Patrys 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 climbed 30 percent from 1.0 cents to 1.3 cents on September 17, 2015, and noted an increase in trading volumes.

Patrys said that in June it said it was “reviewing its strategy ... and continues to evaluate strategic collaborations and other complementary assets” as well as a collaboration with Hefei Co-source covering the exclusive development and commercialization rights for all oncology indications in China for PAT-SC1, which it expected to finalize by October 2015 (BD: Jun 11, 25, 2015).

Patrys fell 0.1 cents or 7.7 percent to 1.2 cents with 3.4 million shares traded.