



Biotech Daily

Friday October 16, 2015

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH UP: ATCOR UP 14%; USCOM DOWN 11%**
- * **REVA CLAIMS 'EXCELLENT ACUTE OUTCOMES, SAFETY'**
- * **MELBOURNE UNI'S PROF JOHN HOPPER WINS \$50k VICTORIA PRIZE**
- * **MESOBLAST, CELGENE EXTEND GVHD OPTION ANOTHER 6 MONTHS**
- * **BIO-MELBOURNE, STC TAKE VICTORIA TO US ADVAMED**
- * **PROGEN TO BACK-DOOR MEDIGEN'S TBG FOR IMMUNE MATCHING KITS**
- * **AVITA REQUESTS 'EQUITY PLACEMENT' TRADING HALT**
- * **STARPHARMA 1.1m MORE CEO 'PERFORMANCE RIGHTS' AGM**
- * **PHARMAXIS AGM FOR 1.6m CEO 'PERFORMANCE RIGHTS'**
- * **BIONOMICS AGM TO ELECT DR ALAN DUNTON, ISSUE 560k OPTIONS**
- * **GOLDMAN SACHS BELOW 5% OF NANOSONICS**

MARKET REPORT

The Australian stock market was up 0.73 percent on Friday October 16, 2015, with the ASX200 up 38.2 points to 5,268.2 points. Twenty of the Biotech Daily Top 40 stocks were up, eight fell, nine traded unchanged and three were untraded.

Atcor was the best for the second day in a row, up four cents or 13.8 percent to 33 cents, with 698,267 shares traded, followed by Antisense up 12.5 percent to nine cents with 121,296 shares traded.

Compumedics climbed 9.2 percent; Optiscan and Reva were up more than seven percent; Nanosonics improved 6.8 percent; Mesoblast and Neuren were up five percent or more; Pro Medicus, Psivida and Viralytics were up four percent or more; Oncosil, Polynovo and Tissue Therapies were up more than three percent; Bionomics and Ellex rose more than two percent; Anteo, Biotron and Sirtex were up more than one percent with CSL, Impedimed and Resmed up by less than one percent.

Uscom led the falls, down two cents or 11.4 percent to 15.5 cents with 37,847 shares traded. Genetic Technologies lost 5.3 percent; Cellmid fell 3.2 percent; Acrux and Starpharma shed more than two percent; Medical Developments, Orthocell and Prima were down more than one percent; with Cochlear down 0.4 percent.

REVA MEDICAL

Reva says its pilot and Conformité Européenne (CE) mark trials show “excellent acute procedural outcomes and safety results” for its Fantom bio-resorbable coronary stent. Reva said the initial results confirmed sustained restoration of blood flow and very low reported major adverse cardiac events to date.

The company said that the Sao Paulo, Brazil-based Institute Dante Pazzanese of Cardiology’s Dr Jose Ribamar Costa presented the results of the Fantom trials at the Transcatheter Cardiovascular Therapeutics conference in San Francisco, California, on October 15, 2015.

Reva said that the Fantom I pilot study enrolled seven patients, all of whom had completed their follow-up evaluations through the six-month time point, including the primary imaging assessment at four months.

The company said that the Fantom II CE mark trial had completed enrolment of 110 patients who would have their primary follow-up evaluations during the next six months. Reva said that data from the Fantom II six-month primary endpoint was scheduled to be presented at EuroPCR, in Paris, France in May 2016 and the data would be the basis of its CE mark application, which was planned for mid-2016.

The presentation materials are available at: <http://bit.ly/1hHDWqA>.

Reva was up six cents or 7.5 percent to 86 cents.

VICTORIA GOVERNMENT

The University of Melbourne’s Prof John Hopper has won a \$50,000 Victoria Prize for his work on genetic and environmental factors affecting cancer and other diseases.

Victoria Minister for Industry Lily D’Ambrosio awarded \$50,000 Victoria Prizes for Science and Innovation and 12 Victoria travel fellowship worth up to \$18,000 each.

A media release from Ms D’Ambrosia said that Prof Hopper was the research director at the University’s Centre for Molecular, Environmental and Genetic and Analytic Epidemiology and had made an “outstanding contribution to understanding the roles of genetic and environmental factors on Australia’s major cancers and other diseases with significant clinical and population health benefits”.

The media release said that Royal Melbourne Institute of Technology University’s research and innovation deputy vice-chancellor Prof Calum Drummond won the \$50,000 physical sciences Victoria Prize for “advancing the understanding of the factors governing molecular assembly, and particle and surface interactions in liquids”.

The Victoria life sciences fellowship winners were the University of Melbourne’s Dr Lauren Ayton and Danielle Ingle, Deakin University’s Daniel Corp and Dr Severine Lamon, Latrobe University’s Dr Jodie McClelland and Monash University’s Dr Janine Trevillyan.

There were six fellowships awarded for research physical sciences.

MESOBLAST

Mesoblast says it has extended Celgene Corp’s option on its mesenchymal stem cell candidates for graft versus host disease and other diseases.

In April, Mesoblast said the New Jersey-based Celgene would acquire 4.5 percent of the company, or 15.3 million shares for \$58.5 million, and had taken an option on its mesenchymal stem cells for graft versus host disease, oncologic diseases, inflammatory bowel diseases and organ transplant rejection (BD: Apr 13, 2015).

The company said in April that Celgene had taken a six month option.

Mesoblast was up 19 cents or 5.9 percent to \$3.41 with 663,526 shares traded.

BIO-MELBOURNE NETWORK, SMALL TECHNOLOGIES CLUSTER

The Bio-Melbourne Network says a delegation of 18 Victorian medical technology companies had high-level meetings at Advamed in San Diego, California, last week. Bio-Melbourne chief executive officer Dr Krystal Evans told Biotech Daily that with the Small Technologies Cluster, her organization led the delegation on behalf of the Victoria Government and was the largest international delegation at the US meeting. Dr Evans said the conference provided a platform to engage with “global multinational players and explore opportunities for investment, licencing, partnering, business development and distribution”.

“It’s a medtech conference for senior executives, and some great connections were made,” Dr Evans said. “In the words of one of our delegates: ‘How many other events give you the opportunity to have a beer with the CEO of a multi-billion dollar company?’”

Dr Evans said that delegates secured meetings with companies including Medtronic, Smiths Medical, Mayo Clinic and St Jude Medical, with further discussions planned. She said that there was “considerable interest from the US market in the [research and development] services that Victoria has to offer including clinical trials, medical device engineering and design.

“People are the best brand ambassadors for the vibrant Melbourne Medtech scene, and trade missions such as this put Melbourne, Victoria and Australia in the global spotlight,” Dr Evans said.

“This trip has certainly raised the profile of the medical technology innovation that’s happening down under,” Dr Evans said.

Dr Evans said that following the Advamed conference, the delegation spent two days in ‘Medical Alley’, Minneapolis, Minnesota, “a region which has the highest number of FDA clearances and pre-market approvals for medical devices in the US, and the greatest concentration of medtech workers in North America”.

PROGEN PHARMACEUTICALS

Progen says it will acquire TBG Inc from Taiwan’s Medigen Biotechnology Corp for issue 101,722,974 new shares and raise up to \$14.5 million at 21 cents a share.

Progen said that TBG was founded by Medigen in 2006, was incorporated in the Cayman Islands and had three wholly-owned subsidiaries, Texas Biogene, TBG Biotechnology Corp and TBG Biotechnology Xiamen, based in the US, Taiwan and China respectively.

The company said that TBG had research and development, manufacturing and sales operations and was “one of the leading providers of quality human leukocyte antigen typing kits for immune matching of bone marrow, cord blood and solid organ transplants”.

In May, Progen said that Medigen held 19.7 percent of the company and following completion Medigen would hold 64.8 percent of Progen (BD: May 1, 2015).

The company said the acquisition was subject to conditions including regulatory and shareholder approvals, raising not less than \$10 million and up to \$14.5 million at 21 cents a share, ASX conditionally confirming it would re-admit the company to the Official List and Medigen entering into a restriction agreement in relation to the consideration shares.

Progen said that Medigen and TBG chairman Dr Stanley Chang would be appointed a Progen director with TBG chief executive officer Eugene Cheng appointed chief executive officer and managing director of Progen, Emily Lee appointed as an independent non-executive director and Jitto Arulampalam continuing as non-executive chairman.

The company said that Dr Hongjen Cheng and Dr Christopher Harvey would resign as directors subject to completion.

Progen was untraded at 16.5 cents.

AVITA MEDICAL

Avita has requested a trading halt pending an announcement regarding “an equity placement”.

Trading will resume on October 20, 2015 or on an earlier announcement.

Avita last traded at 12 cents.

STARPHARMA

Starpharma will vote to grant chief executive officer Dr Jackie Fairley 1,113,246 free ‘performance rights’ valued at \$675,000 pending performance conditions.

The Starpharma annual general meeting notice said that the shares would vest in two tranches on June 30, 2017 and September 30, 2018.

Last year, 29.1 percent of votes cast opposed the grant to Dr Fairley up to 1,500,000 performance rights in three tranches, pending performance and share price hurdles, with the 42,933,088 opposing votes amounting to 13.5 percent of the company’s shares on issue, sufficient to requisition extraordinary general meetings (BD: Oct 16, Nov 21, 2014) . Today, the company said that shareholders would also vote on the re-election of director Peter Turvey and the remuneration report.

The meeting will be held at the offices of Norton Rose Fulbright, Level 15, RACV Tower, 485 Burke Street, Melbourne on November 19, 2015 at 2pm (AEDT).

Starpharma fell two cents or 2.7 percent to 72 cents.

PHARMAXIS

Pharmaxis shareholders will vote to grant chief executive officer Gary Phillips 1,626,000 free ‘performance rights’ vesting in three tranches.

The Pharmaxis notice of annual general meeting said that the performance rights were “in recognition of Mr Phillips’ exceptional performance including the successful negotiation of multiple agreements, particularly the agreement with Boehringer Ingelheim and ... for the long term reward, incentive and retention of senior managers and other key employees”.

The company said the meeting would vote to approve the remuneration report, re-elect director Dr Simon Buckingham, renew takeover provisions and amend the constitution.

The meeting will be held at the Christie Conference Centre, 3 Spring Street, Sydney on November 19, 2015 at 2.30pm (AEDT).

Pharmaxis was unchanged at 22.5 cents.

BIONOMICS

Bionomics will vote to elect Dr Alan W Dunton as a non-executive director and issue him 500,000 options in five tranches exercisable at 53.89 cents each within five years of issue.

Bionomics said that annual general meeting would vote on resolutions to issue 60,000 options to chief executive officer Dr Deborah Rathjen exercisable at 42.11 cents each within five years of issue, ratify the issue of 21,659,230 shares to Merck Sharp and Dohme, re-elect chairman Graeme Kaufman and approve the remuneration report.

The meeting will be held at Crowne Plaza Adelaide, Level 15, Hindmarsh Rooms 1 and 2, 16 Hindmarsh Square Adelaide, on November 18, 2015 at 10am (ACDT).

Bionomics was up 1.5 cents or 2.9 percent to 52.5 cents.

NANOSONICS

The Delaware-based Goldman Sachs Group says it has ceased its substantial shareholding in Nanosonics, again.

Following yesterday morning's notice that it had again become substantial in Nanosonics with 14,520,706 shares (5.12%), Goldman Sachs said after the market closed that it had reduced its holding to below the five percent substantial threshold (BD: Oct 2, 5, 15, 2015).

Goldman Sachs said that it sold 20,173 shares for \$26,991 or \$1.338 a share, with 871,820 shares subject of a "return of shares to the counterparty under a repurchase agreement" for no applicable consideration.

Previously, under a counterparty agreement, Goldman Sachs said it had returned, lent and borrowed shares held by subsidiaries, Rothesay Life, JP Morgan Chase, RBC Dexia Australian, HSBC Custody Nominees Australia and the Bank of New York Mellon (BD: Apr 13, 2015).

Nanosonics was up nine cents or 6.8 percent to \$1.42.