



Biotech Daily

Friday December 4, 2015

Daily news on ASX-listed biotechnology companies

- * **ASX DOWN, BIOTECH EVEN: ELLEX UP 16%, PHARMAXIS DOWN 16%**
- * **CYTOMATRIX CREATES \$100m NOHLA FOR CORD-BLOOD STEM CELLS**
- * **S&P DOW JONES PROMOTE SIRTEX TO ASX100**
- * **BIONOMICS REQUESTS 'US PLACEMENT' TRADING HALT**
- * **MICHAEL CATANZARITI INCREASES, DILUTED TO 10.4% OF 3D**
- * **RESAPP RELEASES 9m ESCROW SHARES 19m OPTIONS**
- * **PHOSPHAGENICS ANNA LEGG REPLACES CO SEC MOURICE GARBUTT**
- * **GOLDMAN SACHS ABOVE 5% OF NANOSONICS**

MARKET REPORT

The Australian stock market fell 1.46 percent on Friday December 4, 2015 with the ASX200 down 76.1 points to 5,151.6 points.

For the second day in a row, 16 of the Biotech Daily Top 40 stocks were up, 16 fell, five traded unchanged, three were untraded and all three Big Caps fell.

Ellex was the best on a restatement of its market opportunity, up 9.5 cents or 16.2 percent to 68 cents with 412,915 shares traded, followed by Prima up 12.2 percent to 5.5 cents with 6.1 million shares traded.

Cellmid climbed 8.3 percent; Antisense and Polynovo were up more than seven percent; Biotron rose 5.8 percent; Admedus was up 4.8 percent; Clinuvel was up 3.45 percent; Living Cell and Mesoblast rose more than two percent; Acrux, Avita, Compumedics, Reva and Universal Biosensors were up more than one percent; with Nanosonics up 0.9 percent.

Yesterday's best, Pharmaxis, led the falls, retreating 4.5 cents or 15 percent to 25.5 cents with three million shares traded.

Optiscan and Prana lost eight percent or more; Oncosil fell 5.9 percent; Actinogen fell 4.2 percent; Genetic Technologies and Sirtex were down more than three percent; Atcor, Impedimed, Medical Developments, Resmed, Starpharma and Tissue Therapies shed more than two percent; Circadian, Cochlear, IDT and Pro Medicus lost more than one percent; with CSL and Viralytics down by less than one percent.

CYTOMATRIX, NOHLA THERAPEUTICS

The Melbourne-based Cytomatrix has established Nohla Therapeutics for a phase IIb licence and collaboration with the Fred Hutchinson Cancer Research Centre.

In a media release, the Seattle, Washington-based Nohla Therapeutics said that through the Fred Hutchinson transaction it acquired a 20-year worldwide exclusive licence to seven patent families and know-how relating to an ex-vivo expanded umbilical cord blood platform, along with two US Food and Drug Administration investigational new drug applications for the use of a non-human leukocyte antigen (HLA)-matched, expanded-cord blood product.

Nohla's head of corporate development Michael Sistenich was previously Bell Potter Securities director of corporate finance and was appointed a director of Circadian earlier this week (BD: Dec 1, 2015).

Mr Sistenich told Biotech Daily that Cytomatrix had established Nohla in Seattle to licence the Fred Hutchison assets and Nohla had acquired the Cytomatrix stem cell intellectual property assets under a structured note, along with its trials and research collaborations with Melbourne's Deakin University and Monash University, and leaving Cytomatrix with short nano-fibre assets for non-stem cell purposes and shares in Nohla Therapeutics.

Mr Sistenich said that Cytomatrix executive chair Benjamin Bergo has moved to Seattle as chief executive officer of Nohla, while other Cytomatrix staff transferred to Nohla Australia, chief scientific officer Prof Mark Kirkland, research manager Dr Guy Moeneclaey and clinical operations manager Dr Claudia Gregoria-King.

Nohla said that it expected to complete a \$US20 million (\$A27.3 million) investment shortly, which, along with the current valuation of \$US55 million, would create a \$100 million company.

He said the transaction included an on-going 160-patient, multi-centre, randomized phase IIb trial, in which patients undergoing a conventional cord blood transplant were randomized to receive the non-HLA matched ex-vivo expanded umbilical cord blood product as an adjuvant graft expected to report interim results by July 2016.

Mr Sistenich said that under a five-year sponsored research collaboration agreement with the Fred Hutchinson Centre, Nohla would pay the Centre \$US1.5 million a year for five years as well as milestone payments and royalties to accelerate pre-clinical and clinical research at the Centre.

The Nohla media release said that the ex-vivo expanded allogeneic cord-blood product could be manufactured to provide an off-the-shelf cell therapy distinct from several other emerging technologies and a pilot safety trial showed that rates of acute graft-versus-host disease were significantly lowered and so too were rates of transplant related mortality in addition to enhancing the kinetics of haematopoietic recovery.

Nohla said the goal was to transform the medical options for patients with the cord blood product which multiplied the number of stem cells in cord blood donations up to 500 times, making cord blood the preferred alternative to adult bone marrow for transplants.

Nohla said that Fred Hutchinson technology co-inventors Dr Colleen Delaney and Dr Irwin Bernstein had been appointed chief medical officer and a scientific advisor, respectively along interim chair of the scientific and clinical advisory boards Dr Shelly Heimfeld.

Nohla said that Darren Scotti had been appointed chief financial officer and company secretary, with former Fred Hutchinson manufacturing director Dr Jason Carstens appointed head of manufacturing and Heather Brammer appointed program management director.

Nohla is a private company.

Cytomatrix is a public unlisted company.

SIRTEX, STANDARD & POOR'S DOW JONES INDICES

Standard & Poor's Dow Jones Indices say that on December 18, 2015 Sirtex will be promoted into the S&P ASX100.

The S&P Dow Jones Indices said that Australian Pharmaceutical Industries would be promoted into the S&P ASX200.

There were no other changes affecting biotechnology companies.

Sirtex fell \$1.53 or 3.8 percent to \$38.42 with 503,152 shares traded.

BIONOMICS

Bionomics has requested a trading halt "pending an announcement ... regarding the issue of securities, share placement, to institutional US investors".

Trading will resume on December 8, 2015 or on an earlier announcement.

Bionomics last traded at 48 cents.

3D MEDICAL

Michael Catanzariti says he has increased his holding in 3D from 44,482,035 shares to 44,612,035 shares but has been diluted from 11.92 percent to 10.40 percent.

The North Melbourne-based Mr Catanzariti said the shares were held in his own name as well as through Ty Webb Pty Ltd, Swooper Pty Ltd, Super Impose Investments and Clemenza.

Mr Catanzariti said that on August 27, 2015 he bought 130,000 shares on market for \$7,607 or 5.85 cents each and was diluted in the \$3,984,080 capital raising at 7.5 cents a share (BD: Oct 28, Nov 12, 2015).

3D was up 0.1 cents or 1.5 percent to 6.9 cents with 1.2 million shares traded.

RESAPP HEALTH (FORMERLY NARHEX LIFE SCIENCES)

Resapp says that 8,750,000 shares and 18,750,000 unlisted options exercisable at 2.6 cents by December 31, 2016 will be released from escrow on December 19, 2015.

Resapp said the shares and options were issued under tranche 1 of a placement completed in December 2014.

Resapp chief executive officer Dr Tony Keating told Biotech Daily that following the December 19, release from escrow, the company would have 449,273,353 shares available for trading, with 55,312,500 shares escrowed until July 2, 2016 and 57,187,499 shares escrowed until July 14, 2017 not quoted on the ASX.

Resapp fell 0.1 cents or 1.2 percent to 8.1 cents with 5.7 million shares traded.

PHOSPHAGENICS

Phosphagenics says that chief financial officer Anna Legg will replace founding company secretary Mourice Garbutt, effective from today.

Phosphagenics thanked Mr Garbutt "for his long and valued contribution to the company".

Phosphagenics was unchanged at 1.5 cents.

NANOSONICS

The Delaware-based Goldman Sachs Group says that, yet again, it has become substantial in Nanosonics with 14,874,308 shares or 5.25 percent.

Throughout October and November, Goldman Sachs repeatedly increased above or reduced below the five percent substantial threshold in Nanosonics, primarily borrowing or returning shares "to the counterparty under a repurchase agreement" for no applicable consideration (BD: Oct 2, 5, 15, 16, 20, 23, 27, 28, Nov 5, 6, 9; Dec 2, 2015).

Today, Goldman Sachs reported more than 100 trades said that between August 6 and December 1, 2015 it bought and borrowed shares in more than 100 previously reported trades with the most recent the acquisition by Rothesay Life of 1,175,376 shares for no applicable cost.

Previously, under a counterparty agreement, Goldman Sachs returned, lent and borrowed shares held by subsidiaries, Rothesay Life, JP Morgan Chase, RBC Dexia Australia, HSBC Custody Nominees Australia and the Bank of New York Mellon (BD: Apr 13, 2015). Nanosonics was up 1.5 cents or 0.9 percent to \$1.615.