



# Biotech Daily

Thursday July 14, 2016

*Daily news on ASX-listed biotechnology companies*

- \* **ASX UP, BIOTECH DOWN: LIVING CELL UP 13%; FACTOR DOWN 14%**
- \* **NHMRC TOP AWARDS FOR MENZIES SCHOOL OF HEALTH RESEARCH**
- \* **VOLPARA LAUNCHES SOFTWARE, HIRES SALES STAFF**
- \* **REDHILL, US NIAID COLLABORATION ON EBOLA**
- \* **UNIVERSAL BIOSENSORS RECORD HI, Q2 SALES - CASH FLOW POSITIVE**
- \* **CYCLOPHARM APPOINTS DR MICHAEL GUO CLINICAL PROGRAM HEAD**

## MARKET REPORT

The Australian stock market was up 0.43 percent on Thursday July 14, 2016 with the ASX200 up 23.1 points to 5,411.6 points.

Eleven of the Biotech Daily Top 40 stocks were up, 13 fell, 11 traded unchanged and five were untraded. All three Big Caps were up.

Living Cell was the best, up 1.3 cents or 13.4 percent to 11 cents with 649,894 shares traded.

Orthocell and Uscom climbed more than seven percent; Bionomics was up five percent; Actinogen was up 4.2 percent; Starpharma was up 3.8 percent; Avita, Cochlear, CSL, Pro Medicus and Sirtex rose more than one percent; with Clinuvel, Resmed and Viralytics up by less than one percent.

Factor Therapeutics led the falls, down 0.6 cents or 13.95 percent to 3.7 cents, with 1.2 million shares traded.

Atcor, Ellex and IDT lost more than three percent; Benitec and Mesoblast shed more than two percent; Impedimed, Nanosonics and Universal Biosensors fell more than one percent; with Acrux, Medical Developments, Opthea and Reva down by less than one percent.

## NATIONAL HEALTH AND MEDICAL RESEARCH COUNCIL

The National Health and Medical Research Council says Darwin's Menzies School of Health Research's Prof Gail Garvey and Dr Robert Commons have won its top awards. The NHMRC said that 17 researchers won awards for their "outstanding performance and excellence in health and medical research and innovation".

The Council's chief executive officer Prof Anne Kelso said the awards were "an opportunity for the health and medical research community to come together to recognise each other's achievements".

"Of all human endeavours, health and medical research has some of the greatest potential to improve the quality of human life," Prof Kelso said.

The Council said that the winners "were assessed by their peers as meeting the highest national and international standards for their research ... [and were] the top 17 applicants from more than 6,000 funding applications ... received in 2015" and the awards were attached to grants but carried no extra funding.

The NHMRC said the Rising Star Award for the top-ranked application by an indigenous researcher in the Early Career Fellowship scheme, was won by the Menzies School of Health Research's Prof Gail Garvey for a project entitled 'Improving health outcomes for Aboriginal and Torres Strait Islander Australians with cancer'.

The Gustav Nossal Award for the highest ranked postgraduate scholarship was won by Menzies School of Health Research's Dr Robert Commons for work on 'Primaquine radical cure of Plasmodium vivax malaria: a risk-benefit analysis'.

The Barry Marshall and Robin Warren Award for the most innovative and potentially transformative application was awarded to the University of Queensland's Prof Justin Cooper-White Targeted for a project entitled 'Targeted direct reprogramming of adult cardiac fibroblasts to functional cardiomyocytes'.

The Project Grant for "the best investigator-initiated research project ... [for] the highest ranked applicant in NHMRC's Project Grant scheme" was won by Monash University's Prof Peter Currie for 'Mechanisms of muscle stem cell action in injury and disease'.

The Program Grant for "teams of high calibre researchers to pursue broad based, multi-disciplinary and collaborative research" was won by the University of Melbourne's Prof Stephen Davis as chief investigator on 'Saving brain and changing practice in stroke'.

The Council said that the Development Grant to support the commercial development of a product, procedure or service that would result in improved health care, disease prevention or provide health cost savings was awarded to the University of Queensland's Prof Kirill Alexandrov for 'Next generation personal diagnostic devices'.

The Elizabeth Blackburn fellowships were won by Walter and Eliza Hall Institute of Medical Research's Prof Jane Visvader for 'Deciphering breast cancer heterogeneity to improve breast cancer outcome' and Melbourne's Centre for Eye Research Australia's Prof Robyn Guymer for 'Age-related macular degeneration: A cause and a cure', along with the University of Melbourne's Prof Billie Giles-Corti for 'Building urban planning and health evidence to inform policy and practice that creates healthy, liveable and equitable communities designed to prevent non-communicable diseases'.

The University of Tasmania's Prof Alex Hewitt won a Practitioner Fellowship for 'Molecular profiling to identify therapeutic targets for blinding diseases'; the South Australian Health and Medical Research Institute's Prof Stephen Nicholls won the Research Fellowship Award for 'Developing innovative pathways for the prevention of lifelong cardiovascular risk'; with Fellowships awarded to the University of Queensland's Dr Joseph Powell, the University of Sydney's Prof Jean Yang; the University of Melbourne's Prof Bruce Campbell; Neuroscience Research Australia's Dr Kim Delbaere; the University of Sydney's Prof Anne Tiedemann; and Deakin University's Prof Felice Jacka.

## VOLPARA HEALTH TECHNOLOGIES

Volpara says it has begun the roll-out of its Enterprise breast cancer detection software with the appointment of seven direct sales staff.

Volpara said that five staff had been appointed in the US, one in the UK and one in Australia.

The company said the internet cloud-based Enterprise software helped breast screening clinics deliver “high-quality, personalized breast screening services that ensure women receive appropriate screening procedures with reduced discomfort”.

The company said that the software allowed clinics to use breast screening data to speed up and streamline operations and give better insight into equipment use and the need for additional systems.

Volpara said the platform provided a recurring revenue stream as clinics paid annual licence fees and a fee for each breast screening.

In March, Volpara said the US Food and Drug Administration-cleared software was able to analyze breast density, which was a risk factor for cancer, indicating a likely higher incidence of breast cancer and a characteristic which could hide cancer in a mammogram (BD: Mar 1, 2016).

The company said at that time that the software transformed a digital mammogram, from any supported x-ray vendor, into quantitative, standardised information about the breast, to inform decision-making about next steps in cancer detection, including controlling radiation doses for scans.

Today, Volpara chief executive officer Dr Ralph Highnam said that Enterprise “seamlessly integrates our established suite of breast imaging software into a robust platform that checks for quality issues with every woman imaged”.

“Plus, it identifies women who have dense breasts and may need further testing to assess whether they have early signs of breast cancer,” Dr Highnam said.

The company said the software had “already helped sites improve productivity, quality assurance and cancer detection rates.

Volpara said that one facility “discovered that a mammography system was using an incorrect dose setting, over-exposing patients compared to the same machine type and same patient body habitus in similar facilities”.

The company said that a second facility discovered it did not need to buy an additional mammography machine because the software demonstrated that utilisation was below the breakeven point.

Volpara said that one customer discovered that of 900 dose alerts, all were from the same unit and described the information as “priceless”.

The Greenville, North Carolina Breast Imaging Specialists’ Dr Bruce Schroeder said the Enterprise software was “the first comprehensive tool to analyze clinical, quality and business data that impact nearly every aspect of a breast imaging practice”.

“There is a tremendous amount of data that we’ve never been to access easily,” Dr Schroeder said. “The ability to track trends for hundreds of quality metrics over time can dramatically enhance our ability to maintain quality patient care as well as reduce the amount of time our staff spends on quality assurance.”

Dr Highnam said that the Enterprise software was an important part of the company’s growth strategy and would increase the appeal and use of the products by optimizing productivity, quality assurance and patient care.

“There is an increasing trend among healthcare organisations, especially in the US, to take up [software as a service] platforms for their ability to lower costs, increase efficiencies and ease software upgrades,” Dr Highnam said.

Volpara was unchanged at 34.5 cents.

### REDHILL BIOPHARMA

Israel's Redhill says it has signed a collaboration with the US National Institute of Allergy and Infectious Diseases to evaluate its experimental therapy for Ebola virus.

Redhill said the collaboration, with the sub-division of the US National Institutes of Health, followed results from preliminary non-clinical studies with the Institute.

The company said it would evaluate survival outcome and assess disease severity through comparison of viral loads and cytokine levels and provide data for US Food and Drug Administration discussion on potential use of the animal rule pathway for approval.

Redhill said the FDA animal rule pathway could be pursued only if human efficacy studies could not be conducted because such trials would be unethical or not feasible.

The company said that Ebola was an often fatal illness which could cause severe haemorrhagic fever in humans and had a mortality rate ranging from 25 percent to 90 percent with no FDA-approved treatment for the disease.

Redhill is developing a pipeline of drugs including three acquired from Sydney's Giaconda and RP101 which was being developed by Acuvax (BD: Mar 31, May 5, 2016).

Last night on the Nasdaq, Redhill closed down 21 US cents or 1.78 percent at \$US11.55 (\$A15.27) with 23,274 shares traded.

### UNIVERSAL BIOSENSORS

Universal Biosensors says it has had record blood glucose test strip sales and quarterly service fees and is cash flow positive for the three months to June 30, 2016.

Universal Biosensors said that for its first half year to June 30, 2016 quarterly service fees from Johnson & Johnson for the Lifescan Onetouch Verio blood glucose test strips was up 58.1 percent to \$10,316,000.

The company said that service fee revenue for the 12 months to June 30, 2016 was up 59.95 percent to \$16,619,000, compared to the 12 months to June 30, 2015.

Universal Biosensors reports its full year results to December 31.

The company said that a Johnson & Johnson presentation in May 2016 said that Verio "was the fastest growing blood glucose monitoring volume in 2015 and that the company was moving away from Ultra to Verio".

Universal Biosensors fell half a cent or 1.6 percent to 30.5 cents.

### CYCLOPHARM

Cyclopharm says it has appointed Dr Michael Guo as its clinical program director, responsible for supervising its clinical trial program.

Cyclopharm said that the program included expanding clinical indications and applications for its Technegas diagnostic to diseases such as chronic obstructive pulmonary disease, asthma, lung cancer and pulmonary hypertension and Dr Guo would support efforts to enter the People's Republic of China and the US.

The company said Dr Guo held a medical degree from Shanghai's Jiao Tong University and a Masters of Health Information Management from the University of Sydney.

Cyclopharm said that Dr Guo had worked for the National Health & Medical Research Council and the National E-Health Transition Authority and was previously a Woolcock Institute of Medical Research clinical research scientist and network coordinator.

Cyclopharm was untraded at \$1.00.