



Biotech Daily

Thursday September 22, 2016

Daily news on ASX-listed biotechnology companies

- * **ASX UP, BIOTECH DOWN: OSPREY UP 9%, BIONOMICS DOWN 9%**
- * **VICTORIA SIGNS NANJING TRANSLATIONAL MEDICINE DEAL**
- * **BLUECHIIP RIGHTS ISSUE RAISES \$1.5m**
- * **REDHILL RIZAPORT FOR MIGRAINE SOUTH KOREA LICENCE**
- * **EUROPEAN ADHESION PATENT FOR CELLMID MIDKINE ANTIBODIES**
- * **IMUGENE RECEIVES \$1.3m FEDERAL R&D TAX INCENTIVE**

MARKET REPORT

The Australian stock market was up 0.65 percent on Thursday September 22, 2016, with the ASX200 up 34.9 points to 5,374.5 points.

Thirteen of the Biotech Daily Top 40 companies were up, 16 fell, six traded unchanged and five were untraded.

Osprey was the best, up three cents or 8.8 percent to 37 cents with 122,724 shares traded.

Neuren climbed four percent; Actinogen, Benitec, Cellmid and Opthea were up more than three percent; Admedus, CSL, Factor Therapeutics, Impedimed, Medical Developments, Sirtex and Starpharma were up more than one percent; with Airxpanders and Cochlear up by less than one percent.

Yesterday's best, Bionomics, led the falls, down 3.5 cents or 9.2 percent to 34.5 cents with four million shares traded.

Dimerix lost 6.7 percent; Living Cell fell 4.6 percent; Acrux, Nanosonics, Orthocell and Prana shed more than two percent; Anteo, Atcor, Avita, Clinuvel, Pharmaxis, Pro Medicus, Uscom and Viralytics were down one percent or more; with Mesoblast and Resmed down by less than one percent.

VICTORIA GOVERNMENT

The Victoria Government says that medical researchers will partner with Nanjing University to accelerate more accessible medical preventions and treatments.

The Government said that the Joint Centre for Translational Medicine agreement was signed by a number of Victorian organisations, led by the Walter and Eliza Hall Institute and Nanjing University and announced by Victoria Premier Daniel Andrews at a primary healthcare symposium in Nanjing.

A Victoria Government media release said that the symposium was an “outcome of the health collaboration agreement signed between Victoria and Jiangsu during Mr Andrews visit in 2015.

The media release said that the Joint Centre for Translational Medicine would “aim to fast-track early stage research through advanced pre-clinical models and clinical trials, exchanging expertise through world-class research and training”.

The Victoria Government said that the agreement would “drive economic growth in both Victoria and Jiangsu from the commercialization of new medical technologies and exchange of leading health personnel”.

BLUECHIIP

Bluechiip says it has raised \$1,488,294 in its pro rata one-for-three non-renounceable rights issue and shortfall facility at 2.2 cents a share.

Bluechiip said that it received acceptances for 22,872,107 shares or \$503,186 with a further 12,046,708 shares or \$265,027 requested in the shortfall facility.

The company said that the shortfall and a placement raised a further \$720,080 taking the total to \$1,488,294.

Bluechiip said that chairman Iain Kirkwood and director Michael Ohanessian applied for 10,001,444 of the shares worth \$220,032.

Bluechiip chief executive officer Andrew McLellan said the company was “very pleased with the successful completion of the Rights Issue and are delighted with the continued support we received from our shareholders, many of whom have committed additional funds over and above their existing entitlements”.

The company said the funds would be used “primarily to complete the development through to launch of Bluechiip's technology with partner Genea Biomedx and to complete and convert current trials with pipeline partners” (BD: Aug 15, 2016).

Bluechiip was up 0.2 cents or 8.3 percent to 2.6 cents.

REDHILL BIOPHARMA

Israel's Redhill says it has a binding term sheet to licence Rizaport, or RHB-103, for migraine to the Seoul-based Pharmatronic Co for South Korea.

Redhill said that under the 10-year agreement, it and its co-development partner, the Montreal, Quebec-based Intelgenx Corp would receive an upfront payment and be eligible to for milestone payments for regulatory and commercial targets, as well as tiered royalties.

The company said that the detailed financial terms were not disclosed.

Redhill said that Rizaport was expected to be launched in South Korea by April 2019.

In 2010, Redhill bought Myoconda (RHB-104), Heliconda (RHB-105) and Picoconda (RHB-106) from Sydney's Giaconda (BD: Aug 17, 2010).

On the Nasdaq, Redhill fell one US cent or 0.07 percent to \$US14.69 (\$A19.24) with 22,490 shares traded.

CELLMID

Cellmid says the European Patents Office has allowed a patent entitled 'Preventative for Adhesion Following Abdominal Surgery' providing protection to 2031.

Cellmid said that patent covered "the use of antibodies or nucleotide based drugs targeting midkine that prevent the formation of surgical adhesions".

The company said that the patent complemented granted US patent entitled 'Agents for Preventing Post-Laparotomy Adhesions' which covered the use of midkine antibodies (BD: Apr 18, 2012).

Cellmid said that with patents granted in the US and Japan, the European patent was the last in the family, "enabling extensive coverage of [its] anti-midkine agents for application in a major area of unmet clinical need".

The company said that surgical adhesion patents made up one of the eight key patent families which provided its dominant intellectual property position over the treatment of inflammatory and autoimmune diseases, cancer and bone disorders by targeting midkine. Cellmid said that surgical adhesion was the build-up of internal scarring following surgery and adhesions frequently occurred between different organs or between organs and the abdominal wall, causing pain and infertility in women.

The company said that adhesions occurred in more than 95 percent of abdominal operations, but they accounted for six percent of all readmissions following surgery and the post-surgical anti-adhesion market was estimated at \$US3 billion in the US and \$US5 billion globally.

Cellmid said that surgical adhesion was most frequently treated by further surgery to sever the adhesions, but about 85 percent of interventions "simply results in more adhesions" and there were no drugs for preventing surgical adhesions.

The company said that a leading method for preventing abdominal surgical adhesions is insertion of bio-absorbable barriers during surgery, which was often ineffective, relied on surgeons being trained in the proper use of the barriers and extended operating time and associated costs and risks.

Cellmid said that its wholly-owned subsidiary Lynamid was preparing its anti-midkine antibody program for first-in-class clinical trials to demonstrate that midkine could be a safe therapeutic target.

The company said that evidence of safety of an anti-midkine agent "could open up opportunities for a number of pipeline products due to the strong intellectual property position Lynamid holds around this novel disease target".

Cellmid was up 0.1 cents or 3.45 percent to three cents.

IMUGENE

Imugene says it has received \$1,297,738 from the Australian Tax Office under the Federal Government Research and Development Tax Incentive program.

Imugene was unchanged at 0.9 cents with 4.6 million shares traded.