



# Biotech Daily

Tuesday September 6, 2016

*Daily news on ASX-listed biotechnology companies*

- \* **ASX, BIOTECH DOWN: DIMERIX UP 18%, ATCOR DOWN 12.5%**
- \* **WEHI STUDIES COELIAC DISEASE GLUTEN-FREE FAILURE, OATS SAFETY**
- \* **MEDICAL DEVELOPMENTS: BL&H FOR SOUTH KOREA PENTHROX**
- \* **ELLEX TO LAUNCH 'EYE ONE' PORTABLE EYE EXAMINATION SYSTEM**
- \* **INVITROCUE TO SUPPLY NON-ANIMAL CHEMICAL TESTING PLATES**
- \* **NOVOGEN ISSUES DR LEONG 2m OPTIONS, ADVISERS 400k SHARES**
- \* **PROTEOMICS, UWA SEARCH FOR MESOTHELIOMA BIOMARKERS**
- \* **MACH7 IMAGING PLATFORM AT QATAR'S SIDRA MEDICAL CENTRE**
- \* **IDT WINS \$266k VICTORIA FUTURE INDUSTRIES LAB UPGRADE GRANT**
- \* **ROSS HIMSTEDT TAKES 5% OF INVION**

## MARKET REPORT

The Australian stock market fell 0.29 percent on Tuesday September 6, 2016 with the ASX200 down 16.0 points to 5,413.6 points. Thirteen of the Biotech Daily Top 40 stocks were up, 19 fell, six traded unchanged and two were untraded.

Dimerix was the best, up 0.2 cents or 18.2 percent to 1.3 cents with 14.9 million shares traded.

Uscom climbed 9.6 percent; Actinogen and Medical Developments were up more than eight percent; Bionomics was up 5.8 percent; Genetic Signatures, IDT and Mesoblast were up four percent or more; Factor Therapeutics and Osprey rose two percent or more; Avita and Impedimed were up more than one percent; with Airxpanders up 0.4 percent.

Atcor led the falls, down 1.5 cents or 12.5 percent to 10.5 cents with 1.3 million shares traded.

Neuren fell 4.55 percent; Acrux, Cellmid and Living Cell lost more than three percent; Admedus, Compumedics, Pro Medicus and Psivida shed two percent or more; CSL, Orthocell, Pharmaxis, Reva and Universal Biosensors were down more than one percent; with Clinuvel, Cochlear, Ellex, Nanosonics, Opthea, Sirtex and Starpharma down by less than one percent.

## THE WALTER AND ELIZA HALL INSTITUTE OF MEDICAL RESEARCH

The Walter and Eliza Hall Institute says it will conduct two studies into the efficacy of gluten-free diets for people with coeliac disease.

The Institute said that coeliac disease was “an autoimmune condition caused by gluten, a food protein found in wheat, rye, barley and oats ... [which in turn caused] digestive symptoms such as bloating, abdominal pain and diarrhoea .. [and could] cause anaemia, low iron levels and excessive tiredness.

WEHI said that one in 60 women and one in 80 men in Australia had coeliac disease but 80 percent remain undiagnosed.

The Institute said that its coeliac disease research team, led by gastroenterologist Dr Jason Tye-Din, would examine the safety of oats for people with coeliac disease and the reasons why gluten-free diets did not result in complete reversal of the condition.

WEHI said that oats were highly nutritious but in Australia and New Zealand coeliac patients were encouraged to exclude them from their diet as they were potentially harmful to some coeliac patients.

The Institute said that Dr Melinda Hardy and her team would explore why some people with coeliac disease get sick when eating oats, but others did not; whether there was a dose of oats that could be safely consumed by all coeliac patients; and the feasibility of developing a test to identify the unsafe parts of oats.

Dr Hardy said the study would help doctors manage patients and guide approaches that might enable oats to be reintroduced safely into the gluten-free diet.

WEHI said that the second study the team would investigate why half of all Australian adults with coeliac disease fail to get full healing of their bowel or suffer symptoms after many years on a gluten free diet.

The Institute said that the studies were funded by Coeliac Australia.

WEHI said that dietitian Dr Emma Halmos and her team were investigating why the gluten-free diet did not always work, with some reasons to be explored including food labelled as gluten-free contained gluten; food handling practices; patient knowledge of and compliance with a gluten-free diet; and the accuracy of tests to measure gluten levels.

“The cause of on-going intestinal inflammation or symptoms in people with coeliac disease is often attributed to accidental or low amounts of gluten exposure but why this happens and what causes it is poorly understood,” Dr Halmos said. “Persistent intestinal inflammation due to inadequately treated coeliac disease is a major concern as it substantially increases the risk of complications.”

WEHI said that people with coeliac disease interested in participating in either study should contact coeliac research nurse Cathy Pizzey on [coeliac@wehi.edu.au](mailto:coeliac@wehi.edu.au).

## MEDICAL DEVELOPMENTS INTERNATIONAL

Medical Developments says that the Seoul-based BL&H Co Ltd will be the exclusive distributor of its Pentrox inhaled analgesic in South Korea.

Medical Developments said that BL&H would pay \$1.2 million in upfront and milestone payments and would manage the registration, reimbursement and approval process of Pentrox in South Korea.

The company said that it expected BL&H to obtain approval and launch Pentrox in Korea by July 2018.

Medical Developments chief executive officer John Sharman said that South Korea was an important market in Asia and BL&H believed Pentrox was “an attractive commercial opportunity with sales potential of circa 300,000 units per annum”.

Medical Developments was up 40 cents or 8.25 percent to \$5.25.

### ELLEX MEDICAL LASERS

Ellex says it will launch its Eye One portable ultrasound platform covering all ocular examination and measurement modes in Denmark this weekend.

Ellex said that Eye One had “the same power and precision imaging as [its] industry-leading Eye Cubed ultrasound system, built into a compact, portable platform” and was designed for retinal specialists and cataract and refractive specialists, as well as the general ophthalmologist.

The company said it would be launched at the European Society of Cataract and Refractive Surgeons meeting in Copenhagen, September 10 to 14, 2016.

Ellex chief executive officer Tom Spurling said that ultrasound played “a fundamental role in the diagnosis and monitoring of ophthalmic diseases and disorders” and was a key revenue component for the company, with ultrasound revenue up 18 percent to \$10 million for the year to June 30, 2016.

“Ultrasound ... offers both qualitative and quantitative analysis and is the only imaging technique that can be performed in the presence of opaque as well as clear media,” Mr Spurling said.

Ellex said its Eye Cubed was “the industry’s pre-eminent ultrasound platform, with thousands of systems installed in hospitals and teaching institutions worldwide”.

The company said that the Eye One would expand its market reach to include physicians in private practice, for whom versatility and ease of transportation were increasingly important.

“Many of our ophthalmologist customers consult across multiple clinics or surgery centres,” Mr Spurling said.

“The ability to easily transport the Eye One, whilst maintaining the entire functionality of ... the Eye Cubed, is a huge draw-card for these physicians,” Mr Spurling said.

Ellex fell one cent or 0.9 percent to \$1.09.

### INVITROCUE

Invitrocue says it will supply Singapore’s Institute of Bioengineering and Nanotechnology equipment for non-animal research into chemical safety testing.

Invitrocue said the Institute was part of the Agency for Science, Technology and Research and it would supply its Hepatocue 96-well plates and 3D-Cellusponge 96-well plates.

The company said that research into non-animal approaches to chemical safety testing was part of a collaboration with the US Environmental Protection Agency.

Invitrocue said it had developed in-vitro cell-based testing technologies including its three-dimensional cell-based scaffold technology to grow in-vivo human liver and patient-derived cancer cells to be cultured in laboratories for testing against a panel of drugs.

Invitrocue was untraded at 7.7 cents.

### NOVOGEN

Novogen says it has issued 2,000,000 unlisted options to chief business officer Dr Peng Leong and 100,000 shares to each member of its scientific advisory board.

Novogen appointed Dr Leong in August and yesterday said the advisory board would comprise Prof Peter Gunning, Prof Murray Brennan, Dr Karen Ferrante and Prof Alex Matter (BD: Aug 29, Sep 5, 2016).

The company said that Dr Leong’s options would vest over four years and would be exercisable at 16.34 cents by September 5, 2021.

Novogen was unchanged at 10.5 cents.

## PROTEOMICS INTERNATIONAL LABORATORIES

Proteomics says it has a collaboration with the University of Western Australia to search for proteins associated with asbestos-related cancer mesothelioma.

Proteomics said that the research aimed to develop a simple blood test for the disease, which could lead to early diagnosis for some of the thousands of people who were undiagnosed but would die from mesothelioma each year.

The company said it had secured clinical samples for the work and would undertake the research with the University's School of Medicine and Pharmacology

Proteomics managing-director Dr Richard Lipscombe said patients were usually diagnosed later in life, often in their 70s, because there was a long latency period between asbestos exposure and the manifestation of symptoms.

"Early detection is crucial because there is a strong correlation between the age of diagnosis and survival," Dr Lipscombe said.

"Patients will often only survive for one to two years after diagnosis," Dr Lipscombe said.

Proteomics said that the economic impact of asbestos-related conditions in 2008, estimated the direct economic consequence was \$US2.4 billion and asbestos accounted for more than half of the work-related cancer deaths in industrialized countries.

The University of Western Australia's Prof Bill Musk was the head of asbestos research and said that asbestos was "the only cause of mesothelioma so biomarker research could provide insight into the biological mechanism behind the cancer process in general".

"Treatments for mesothelioma are evolving and although there is no 'cure' there are some people who have a tumour response that may be improved by earlier diagnosis," Prof Musk said. "So screening asbestos-exposed people for the presence of a biomarker could allow earlier diagnosis and possible complete remission".

Prof Musk said that "because of Wittenoom and the high utilisation of asbestos in [Western Australia] we have many cases to study".

Proteomics said that its Promarker platform had been used to develop a test for diabetic kidney disease, was investigating biomarkers associated with endometriosis, and was "so versatile it can be used to map samples from any biological source".

Proteomics fell one cent or 3.85 percent to 25 cents.

## MACH7 TECHNOLOGIES

Mach7 says it has implemented its Enterprise Imaging Platform at the Doha, Qatar-based Sidra Medical and Research Centre, with a \$2 million minimum contract value.

Mach7 said that Sidra had a main hospital and a separate outpatient clinic and would initially have 400 beds with infrastructure to expand to 550 beds.

The company said that Sidra had dermatology, paediatric, general surgery and obstetrics clinics supported by radiology, pathology, pharmacy and laboratory facilities, with more clinics and services to be rolled this year.

Mach7 said it was engaged by Philips Medical Systems as a sub-contractor on the project and its Enterprise Imaging Platform would manage all imaging; radiology and non-radiology clinical media.

The company said that expected to recognize \$US1.2 million (\$A1.6 million) in revenue in the current financial year and earn an annual support fee of between \$US130,000 and \$US200,000.

Mach7 said it had been engaged to provide additional workflow products for deployment later this year.

Mach7 was up 0.1 cents or 2.3 percent to 4.5 cents with one million shares traded.

#### IDT AUSTRALIA, VICTORIA GOVERNMENT

IDT says it has won \$265,937 from the Victoria Government under its Future Industries Manufacturing Program to buy and upgrade laboratory equipment and infrastructure. IDT said that the upgrade would improve its analytical testing capabilities in readiness for the US launch of temozolomide as well as other priority drugs in the portfolio.

The company said it would match the grant funds with a co-contribution of \$3 for every \$1 of grant funding.

The company said that the Future Industries Manufacturing Program was an initiative under the Victorian Government's \$200 million Future Industries Fund to support high growth industry sectors that are critical to securing Victoria's future as a competitive, innovative and outward looking economy.

IDT managing-director Dr Paul MacLeman said the company was "delighted to receive this grant from the Victorian Government [and] the funds will be immediately put to work building needed analytical capability in anticipation of the US launch of IDT's first wave of generic drug products".

IDT was up one cent or 4.55 percent to 23 cents.

#### INVION

Ross Himstedt, through Himstedt Superannuation, has become a substantial shareholders in Invion with 62,272,876 shares or 5.03 percent of the company.

The Brisbane, Queensland-based Mr Himstedt said he acquired 36,301,369 shares on December 10, 2015, in a private placement and share plan at 0.07 cents a share.

In 2015, Invion said its placement and share purchase plan raised a total of \$2,128,493 at 0.73 cents a share (BD: Dec 10, 2015).

The substantial shareholder notice did not disclose the purchase dates or price of the balance of 25,971,507 shares as required under the Corporations Act.

Invion was unchanged at 0.4 cents.