



Biotech Daily

Wednesday October 12, 2016

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH DOWN: VIRALYTICS UP 13%; AVITA DOWN 8%**
- * **MEDADVISOR 'TAP TO REFILL' PROCESSES 2m SCRIPTS WORTH \$80m**
- * **NUHEARA SELLS-OUT \$1m OF IQBUDS**
- * **CSL REMUNERATION 1st STRIKE, 34% OPPOSE DIRECTORS FEE HIKE**
- * **RESAPP WINS SLATTERY IT, TECH23 GONG**
- * **ADMEDUS APPOINTS MAJA MCGUIRE CO SEC**

MARKET REPORT

The Australian stock market slipped 0.09 percent on Wednesday October 12, 2016 with the ASX200 down 5.2 points to 5,474.6 points.

Thirteen of the Biotech Daily Top 40 stocks were up, 17 fell, eight traded unchanged and two were untraded.

Viralytics was the best, up 13 cents or 13.1 percent to \$1.12 with 1.7 million shares traded.

Acrux climbed 7.35 percent; Compumedics improved 6.15 percent; Factor Therapeutics was up 5.9 percent; Cellmid was up three percent; Opthea rose 2.9 percent; Clinuvel, CSL, Genetic Signatures, Medical Developments, Nanosonics and Polynovo were up one percent or more; with Airxpanders, Cochlear and Mesoblast up by less than one percent.

Avita led the falls, down one cent or 8.3 percent to 11 cents, with 275,381 shares traded.

Neuren lost 6.1 percent; Uscom fell 5.3 percent; Bionomics and Universal Biosensors fell four percent or more; Living Cell, Orthocell and Starpharma were down more than three percent; Actinogen shed 2.1 percent; Admedus, Anteo, Atcor, Benitec, Impedimed, Osprey and Resmed were down one percent or more; with Reva and Sirtex down by less than one percent.

MEDADVISOR

Medadvisor says it has processed more than two million prescriptions worth more than \$80 million through its 'Tap to Refill' mobile telephone application function.

Medadvisor chief executive officer Robert Read told Biotech Daily that in the three months to September 30, 2016, the company had processed about 750,000 prescriptions at an average value of \$40 per prescription, an increase of 118 percent of the three months to September 30, 2015.

Mr Read said that the medication adherence program was increasing its reach with partnerships with not-for-profit groups like the Diabetes Australia and Glaucoma Australia to raise awareness of both gaps in adherence and the availability of the company's technology.

Mr Read said that about half of all drug prescriptions were not taken as directed and up to 90 percent of asthmatics were not using their puffers properly.

Mr Read said that the Tap to Refill system allowed patients to order prescription repeats to be dispensed in advance at their pharmacy, to be picked up by the patient or delivered by the pharmacist.

In a media release, Medadvisor said that the Tap to Refill function was currently being used by about 40 percent of its 230,000 patients and this was expected to grow and users increase.

The company said that the Tap to Refill feature was being used by diabetes patients, and carers to reserve their National Diabetes Services Scheme products remotely, ensuring accurate supply in their pharmacy.

Medadvisor said that on completion of the acquisition of Healthnotes and the integration of its users, it would have a total of more than 500,000 users on the platform, expecting more than \$160 million in annualised prescription value to pass through the Tap to Refill feature. The company said it continued to extend its patient engagement programs.

Medadvisor was up 0.2 cents or five percent to 4.2 cents with 1.1 million shares traded.

NUHEARA

Nuheara says that it has sold-out of its Iqbud sound filtering and device ear bud allocation for 2016.

In April the company said it had crowd-sourced \$500,000 in orders in two weeks on the Indiegogo website at \$US199 a pair, discounted from the retail price of \$US299 a pair, which increased to \$1 million in June (BD: Apr 18, Jun 9, 2016).

Today, Nuheara said that it had "commitments of nearly 4,000 units from 3,500 backers in 82 countries from its Indiegogo campaign" and had orders from retailers in the US and Australia.

Nuheara chief executive officer Justin Miller said that 2016 "has been an exciting year for Nuheara".

"We were really pleased with response to the Indiegogo campaign, which ended up generating pre-orders of over \$1 million," Mr Miller said.

"We are now pursuing a hybrid go-to-market approach with sales through our online store and sales through the channel," Mr Miller said.

The company said that customers could pre-order Iqbuds for \$US299 and the product would be available for purchase at retail locations in Australia and the US by April 2017.

Nuheara was up 0.2 cents or 3.2 percent to 6.4 cents with 1.7 million shares traded.

CSL

CSL has a remuneration report first strike with the annual general meeting voting 65,666,474 votes (26.02%) against the report and 186,699,022 votes (73.98%) in favor. Under the Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act 2011 any company sustaining a vote of 25 percent or more against the remuneration report in two successive annual meetings is required to vote on a board spill and at the later meeting and if passed by more than 50 percent of votes the directors must stand for reelection at a subsequent meeting within 90 days.

CSL most recent Appendix 3B new issue announcement said that the company had 455,920,280 shares on issue, meaning that the 65,666,474 votes against the remuneration report amounted to 14.4 percent of the company, sufficient to request extraordinary general meetings.

Last month, CSL proposed to issue chief executive officer Paul Perreault performance shares and options worth \$6,636,637 and increase directors' fees 33.3 percent to \$4,000,000 (BD: Sep 9, 2016).

CSL said that 87,030,803 votes (33.82%) opposed the director fee hike with 170,289,124 votes (66.18%) in favor, while Mr Perreault's performance rights and options were opposed by 27.25 percent of votes and supported by 72.75 percent.

CSL said that directors Marie McDonald, Dr Megan Clark and Dr Tadataka Yamada were elected overwhelmingly.

In previous years, resolutions to issue 'performance' stock to Mr Perreault were passed but the resolutions faced opposition from up to 19.5 percent of voting shareholders (BD: Oct 16, 2013; Oct 15, 2014; Oct 15, 2015).

Today, CSL chairman John Shine said he was "pleased ... that approximately three quarters of our shareholders have voted for CSL's remuneration report".

"Disappointingly ... just over 25 percent have voted against," Prof Shine said. "I don't believe that this has resulted from shareholder concern about the performance of CSL, rather, while we have endeavoured to explain our approach to globalizing the way we remunerate our executives, we clearly have some more work to do."

Prof Shine said that more than 90 percent of revenue and profit was derived outside Australia and the company needed to ensure its remuneration practices were "appropriate, appealing and competitive in each of the locations in which we operate". CSL was up \$1.06 or one percent to \$106.54 with 727,073 shares traded.

RESAPP HEALTH

Resapp says it has won the Slattery Information Technology Tech23 innovation excellence award for its smartphone technology for the diagnosis of respiratory disease. The Melbourne-based Slattery IT communications, marketing and event management company said it had run the Tech23 award for eight years and was sponsored by the Federal Government and Commonwealth Scientific and Industrial Research Organisation. Slattery IT said that more than 200 emerging technology companies applied to be among the final 23, which then vied for the awards.

Slattery IT said the Federal Government's Austrade best start-up award of a 90-day residency at one of its "landing pads" went to the CSIRO spin-out Cardihab which had invented a mobile telephone application to record blood pressure, weight, sleep and cardiac symptoms, which was sent to the patient's clinician.

The Oneventures prize for best potential growth company went to Sydney's Lorica Health for its health insurance claims analytics.

Resapp was unchanged at 50.5 cents with 3.2 million shares traded.

ADMEDUS

Admedus says that Maja McGuire has been appointed as company secretary.

Admedus said that Ms McGuire's appointment followed the departure of chief financial officer and company secretary Stephen Mann, with Mark Ziirsen appointed chief financial officer "as noted in the company's announcement on August 26, 2016".

In August, Admedus said that Mr Mann had been the chief financial officer and company secretary for five years and would "continue to work with Admedus through this transition until the end of the year" (BD: Aug 26, 2016).

Today, Admedus said that Ms McGuire had been with the company for about three years and would combine company secretarial duties with her role as legal counsel.

The company said that Ms McGuire held a Bachelor of Laws and a Bachelor of Commerce from the University of Western Australia and had more than nine years' experience in the provision of corporate and compliance advice to ASX companies.

Admedus said that previously Ms McGuire worked for the Perth office of Clayton Utz lawyers and the Canadian Bankers Association in Toronto.

Admedus fell half a cent or 1.5 percent to 32.5 cents.