



Biotech Daily

Monday March 6, 2017

Daily news on ASX-listed biotechnology companies

- * **ASX UP, BIOTECH DOWN: OPTHEA UP 8%, DIMERIX DOWN 12.5%**
- * **UNISEED RAISES \$20m 'FOR LOWER RISK, LATER STAGE INVESTMENTS'**
- * **PHARMAUST SHORTFALL RAISES \$534k, TOTAL\$3.2m**
- * **US PATENT FOR USCOM BP+**
- * **MEDADVISOR 500k CUSTOMERS, 5m CEO ROBERT READ RIGHTS VEST**
- * **MEDLAB CONTRACTS ZENITH FOR STATIN SPRAY**
- * **UNISUPER TAKES 5% OF VIRALYTICS**
- * **WASHINGTON H SOUL PATTINSON, HUNTER HALL TAKE 6% OF SIRTEX**
- * **WASHINGTON H SOUL PATTINSON, HUNTER HALL TAKE 17% OF AVITA**

MARKET REPORT

The Australian stock market was up 0.29 percent on Monday March 6, 2017 with the ASX200 up 16.9 points to 5,746.5 points.

Seven of the Biotech Daily Top 40 stocks were up, 23 fell, eight traded unchanged and two were untraded. All three Big Caps fell.

Opthea was the best of the few, up seven cents or 7.8 percent to 97 cents with 66,369 shares traded.

Neuren climbed 5.6 percent; both Atcor and IDT were up 3.3 percent; Airxpanders and Reva rose two percent or more; with Mesoblast up 0.3 percent.

Dimerix led the falls, down 0.1 cents or 12.5 percent to 0.7 cents with 100,000 shares traded, followed by Benitec down 10.5 percent to 17 cents with 154,493 shares traded.

Living Cell lost 9.1 percent; Cellmid and Prana were down more than six percent; Avita, Factor Therapeutics and Medical Developments fell more than four percent; Cochlear, Compumedics, Pro Medicus, Uscom and Viralytics shed two percent or more; Admedus, Bionomics, Cyclopharm, ITL, Nanosonics, Oncosil, Pharmaxis, Polynovo and Sirtex were down more than one percent; with Clinuvel, CSL, Resmed and Starpharma down by less than one percent.

UNISEED

Uniseed says four partner universities have committed \$20 million for a follow-on fund for lower risk, later stage investments.

Uniseed said that the University of Melbourne, University of New South Wales, University of Sydney, University of Queensland had each committed \$5 million over the next 10 years for the fund for Uniseed investee companies.

The venture fund said it operating at the four universities, as well as the Commonwealth Scientific and Industrial Research Organisation.

Uniseed said the new funding would provide additional capital to supplement investment from its \$50 million Commercialization Fund (Fund-3), with the potential for better returns through greater access to capital for investee companies, further strengthen its long-term deal alignment and improve the investment to fee ratio for its members.

The venture fund said its research partners collectively accounted for more than \$4 billion in annual research expenditure, or 40 percent of all research expenditure at Australian research organisations.

Uniseed said it had “a first look right to technologies arising from Australia’s leading research organisations”, with a proven track record selecting and developing start-up companies that resulted in highly profitable exits, including Fibrotech in 2014, and Spinifex and Hatchtech, both in 2015 (BD: May 2, 2014, Jun 29, Sep 14, 2015).

Uniseed chief executive officer Dr Peter Devine said that the venture fund “takes early stage risk to facilitate commercialization of member organization intellectual property”.

“With early investment moving technology out of the laboratory, across the valley-of-death to the traditional capital markets, our new follow-on fund will allow Uniseed to participate more fully in later stage investment rounds and take our investee companies further along their path to commercialization,” Dr Devine said.

“It is very pleasing to see continued support of the Uniseed model from our research partners with their additional funding commitment, while also continuing to invest in the strong [intellectual property] pipeline they generate,” Dr Devine said.

PHARMAUST

Pharmaust says it has raised \$533,733 through the placement of 10,674,650 shortfall shares at five cents each,

Pharmaust said that shares came with one attaching option for each parcel of three shares, exercisable at 12 cents each by November 31, 2019.

The company said that the placement took the total raised in its rights issue to \$3.24 million (BD: Dec 8, 2016; Jan 22, 2017).

Pharmaust was up 0.1 cents or two percent to 5.1 cents.

MEDADVISOR

Medadvisor says that 5,000,000 chief executive officer Robert Read performance rights have vested, with the 500,000 active patients milestone achieved.

Medadvisor said that the rights or subsequent shares would remain in escrow until December 1, 2017.

The company provides a mobile telephone software program for reminding patients to re-fill their prescriptions.

Medadvisor was unchanged at 3.5 cents.

USCOM

Uscom says that the US Patent and Trademark Office has allowed a patent relating to its BP+ central blood pressure monitor.

Uscom said that the patent, entitled 'Method and apparatus for producing a central pressure wave form in an oscillometric blood pressure system' was expected to provide protection until August 1, 2036.

The company said the patent describes a method and apparatus for producing a central pressure waveform and was key to the BP+ technology.

Uscom said that the BP+ technologies improved the measurement of blood pressure, a fundamental clinical measurement of circulation, and were "some of the most advanced and innovative of cardiovascular technologies".

The company said that central pulse pressure wave measurements generated by the BP+ had application in the diagnosis and management of hypertension, heart failure and vascular health and previously were available only using cardiac catheters.

Uscom said that, in children, the device had been called the "non-invasive arterial line" for its potential to replace currently used arterial pressure catheters.

The company said its BP+ measured central and brachial blood pressure and pulse pressure waves using suprasystolic oscillometry and was in regulatory review in China, Europe and the US, with partnerships being negotiated for distribution.

Uscom said that by measuring directly into the aorta rather than measuring the arm BP, the Uscom BP+ provided potentially improved blood pressure monitoring measurements and the devices had been validated against catheters in children and adults.

Uscom fell half a cent or 2.2 percent to 22 cents.

MEDLAB CLINICAL

Medlab says that Zenith Technology will begin a study comparing its Nanostat atorvastatin oral spray against statin tablets, such as Lipitor.

Medlab said that the Dunedin New Zealand Zenith Technology Corp was a certified research organization undertaking clinical trials and analysis.

The company said its research showed that a more direct oral spray would enable smaller doses than oral tablets and by reducing dosage, remove much of the statin side effects, reported by about one-third of patients who take them to lower cholesterol levels.

Medlab chief executive officer Sean Hall said that laboratory testing of Nanocelle with statins had been promising but an independent study would provide objective evidence.

"Positive outcomes would lead to growing market interest in this development and wider application of the technology to other major off patent drugs," Mr Hall said.

Medlab said the predominantly tablet statin market, would be about \$US12 billion in 2018.

Medlab was up one cent or 1.2 percent to 85 cents.

VIRALYTICS

The Melbourne-based Unisuper says it has become a substantial shareholder in Viralytics with 14,312,957 shares or 5.96 percent.

Unisuper said that between November 14, 2016 and March 2, 2017, Quest Aasset Partners Pty Ltd acquired 5,326,849 shares for \$5,075,102 or 95.3 cents a share.

The Unisuper substantial shareholder notice said that the shares were held by the Sydney-based BNP Paribas Nominees as its custodian and that "various fund managers hold the shares as investment manager for Unisuper".

Viralytics fell 2.5 cents or 2.6 percent to 94.5 cents.

SIRTEX MEDICAL

Washington H Soul Pattinson and WHSP Hunter Hall say they have become substantial in Sirtex with 3,328,542 shares or 5.77 percent.

The Sydney-based Washington H Soul Pattinson said that the acquisition of a relevant interest was due to its acquisition of more than 20 percent of Hunter Hall.

Last year, Hunter Hall Investment Management said it had increased its substantial holding in Sirtex to 3,857,489 shares or 6.69% percent (BD: Dec 13, 2016).

Sirtex fell 24 cents or 1.45 percent to \$16.26 with 316,449 shares traded.

AVITA MEDICAL

Washington H Soul Pattinson and WHSP Hunter Hall say they have become substantial in Avita with 113,111,698 shares or 16.81 percent.

The Sydney-based Washington H Soul Pattinson said that the acquisition of a relevant interest was due to its acquisition of more than 20 percent of Hunter Hall.

Last year, Hunter Hall Investment Management said it had increased its substantial holding in Avita to 118,824,372 shares or 17.66 percent.

Avita fell half a cent or 4.55 percent to 10.5 cents.