



Biotech Daily

Thursday April 20, 2017

Daily news on ASX-listed biotechnology companies

- * **ASX UP, BIOTECH DOWN: UNIVERSAL BIOSENSORS UP 7%
- COMPUMEDICS DOWN 8%**
- * **ASTRAZENECA \$2.7m FOR STARPHARMA CANCER DRUG MILESTONE**
- * **INNATE COMPLETES MS TRIAL, AWAITING RESULTS**
- * **SPECIALISED THERA ABRAXANE FOR ONCOSIL PANCREATIC TRIAL**
- * **RECCE CALLS FOR AUSTRALIAN INVESTMENT IN NEW ANTIBIOTICS**
- * **ESENSE SHIPS CANNABIS TERPENE SAMPLES TO POTENTIAL PARTNERS**
- * **MEDIBIO CFO BRIAN MOWER STARTS ON \$351k**
- * **INNATE GRANTS CEO SIMON WILKINSON 500k OPTIONS**
- * **OBJ REQUESTS '2nd TECHNOLOGY LICENCE' TRADING HALT**

MARKET REPORT

The Australian stock market was up 0.3 percent on Thursday April 20, 2017 with the ASX200 up 17.4 points to 5,821.4 points.

Fourteen of the Biotech Daily Top 40 stocks were up, 16 fell, eight traded unchanged and two were untraded. All three Big Caps were up.

Universal Biosensors was the best, up three cents or 6.7 percent to 48 cents with 256,867 shares traded.

Orthocell and Sirtex were up more than four percent; Cellmid, Pharmaxis and Psivida were up more than three percent; Cyclopharm and Viralytics rose more than two percent; Actinogen, Avita, Cochlear, Factor Therapeutics, Nanosonics, Resmed and Starpharma were up more than one percent; with Clinuvel and CSL up by less than one percent.

Compumedics led the falls, down four cents or 8.2 percent to 45 cents with 66,568 shares traded.

Oncosil, Osprey and Polynovo fell four percent or more; Atcor, Mesoblast and Prana lost more than three percent; Ellex, ITL, Neuren and Pro Medicus shed more than two percent; Acrux and Admedus were down more than one percent; with Impedimed, Medical Developments and Opthea down by less than one percent.

STARPHARMA

Starpharma says a pre-clinical milestone for its Astrazeneca dendrimer drug delivery oncology collaboration has triggered a \$US2 million (\$A2.7 million) payment.

Last year, Starpharma said it had expanded its 2015 potentially more than \$US126 million dendrimer-enhanced product (DEP) licence with Astrazeneca for a further compound from Astrazeneca's drug portfolio (BD: Sep 7, Dec 2, 2015; Jul 28, 2016).

The company said last year that its DEP technology was designed to improve the performance of pharmaceuticals and the licence allowed Astrazeneca to develop and commercialize compounds directed at a defined family of targets.

Today, Starpharma said that \$US2 million payment was the final pre-clinical milestone prior to advancing the first candidate to clinical trials for cancer and followed the completion of extensive testing and scale up activities.

The company did not name the type of cancers targeted.

Starpharma said that under the licence, it was eligible to receive potential development, launch and sales milestones of \$US124 million for this product and \$US93.3 million for each subsequent qualifying product, as well as tiered royalties on net sales on the resultant Astrazeneca DEP products.

Starpharma chief executive officer Dr Jackie Fairley said that "both parties are extremely impressed by how well the DEP candidate is performing and we look forward to seeing this initial compound advance to the clinic".

"The advancing Astrazeneca DEP candidate provides further validation of the utility and consistent performance of the DEP platform, which we also see in other partner programs and our expanding internal programs," Dr Fairley said.

Astrazeneca head of the oncology innovative medicines Dr Susan Galbraith said the company was "continuing to investigate the potential of DEP more broadly across molecules within our oncology portfolio".

Starpharma said that under the licence, Astrazeneca would fund all development and commercialization costs for the products under the agreement.

Starpharma was up one cent or 1.5 percent to 68.5 cents with 1.05 million shares traded.

INNATE IMMUNOTHERAPEUTICS

Innate says the last of 93 patients in its phase IIb trial of MIS416 for secondary progressive multiple sclerosis has completed their last study-related clinical visit.

Innate chief executive officer Simon Wilkinson said the last study visit was "an important milestone in the development of MIS416 and we have many parties to thank".

"In particular we express our gratitude to the investigators, coordinators, and nursing staff at the seven sites where the study has been conducted [and] above all else, we say thank you to all those who participated in this significant study," Mr Wilkinson said.

Innate said that with the clinical phase completed, the focus was on completion of data entry and analysis, with a final expected in late August or during September, but top-line data might become available earlier (BD: Feb 28, 2017).

The company said that each patient who completed all 61 scheduled visits over 12 months generated about 400 pages of data which had to be monitored for accuracy before analysis could begin.

Innate said that the study was investigating safety and efficacy including several measures of neuromuscular function as well as changes in magnetic resonance imaging markers including lesions, whole brain atrophy and magnetization transfer ratio and patient-reported effect on disability and health status.

Innate fell 5.5 cents or 6.9 percent to 74.5 cents.

ONCOSIL MEDICAL

Oncosil says that Specialised Therapeutics Australia will support its pancreatic cancer trial by supplying the Abraxane chemotherapy.

Oncosil said that Specialised Therapeutics was an independent biopharmaceutical company and would supply “significantly-subsidized” Abraxane, or protein-bound paclitaxel, for the Australian sites in the study of its Brachysil radiotherapy in combination with different chemotherapy regimens.

The company said that Specialised Therapeutics marketed Abraxane in Australia and New Zealand under licence from Celgene Corp.

Oncosil said that Australian study participants would receive Brachysil plus folinic acid, fluorouracil, irinotecan and oxaliplatin, or folfirinox, or Brachysil plus a gemcitabine/Abraxane combination chemotherapy treatment, with most Australian patients receiving the gemcitabine/Abraxane combination.

Specialised Therapeutics chief executive officer Carlo Montagner said he looked forward to potentially changing treatment paradigms for pancreatic cancer.

“Despite incremental advances, pancreatic cancer continues to have one of the lowest survival rates in oncology,” Mr Montagner said.

Oncosil said that Abraxane was listed on the Australian Pharmaceutical Benefits Schedule for patients with metastatic pancreatic cancer in 2014, following a pivotal phase III study demonstrating that Abraxane plus gemcitabine significantly improved overall survival, progression free survival and response rates compared to gemcitabine alone.

Oncosil fell half a cent or four percent to 12 cents.

RECCE

Recce says it backs calls for greater investment in new antibiotics to combat bacterial resistance.

Recce said it was development “a new class of synthetic antibiotics to treat serious infections ... [and] welcomed calls by the Australasian Society for Infectious Diseases and the Australian Medical Association for Australia to do more to address the growing problem of bacterial resistance to antibiotics”.

The company said that Medical Journal of Australia editorial by Australasian Society for Infectious Diseases president Prof Cheryl Jones warned of the dangers of not urgently addressing the issue.

Recce executive chairman Dr Graham Melrose said that “any way that we can stem the rapid rise in bacterial resistance to the current arsenal of antibiotics is ... very welcome”.

“What we urgently need in the medium and longer term is investment in [research and development] that can deliver a pipeline of new antibiotics for the future,” Dr Melrose said.

Dr Melrose said that resistance was a natural phenomenon and that due to a lack of investment in research and development by Governments and drug companies there had been no completely new class of antibiotic launched for more than 30 years.

Recce said that the Australian Medical Association had called for the establishment of an Australian National Centre for Disease Control, similar to the US Centers for Disease Control and Prevention, with a focus on current and emerging disease threats.

“Epidemiological monitoring is extremely helpful in containing outbreaks and in helping to direct resources where the problem of resistance is greatest,” Dr Melrose said.

Dr Melrose said that Recce had demonstrated in-vitro or in-vivo efficacy against seven of the top 12 priority list of antimicrobial resistant bacteria in a recent World Health Organisation report.

Recce fell half a cent or 2.6 percent to 19 cents.

[ESENSE-LAB](#)

Esense says it has begun shipment of samples of its cannabis terpene profiles to more than 200 potential partners and distributors in North America and Europe.

Esense said that more than 1,000 commercial samples had been sent, comprised of a selection of its 10 medical cannabis terpene profiles, including profiles of five of the world's most popular medical cannabis strains.

The company said the shipments would allow for product testing and to further solidify relationships with the recipients, with the goal to enter into commercial arrangements.

Esense said that it used plant profiling technology to reverse engineer and replicate desired components of certain plants and the replicated plant components were produced from readily available, cheaper alternative plants, were 100 percent natural, virtually indistinguishable from the originals and could be produced at a fraction of the cost.

Esense chief executive officer Haim Cohen said that shipping commercial samples was "an important step forward as we progress with the rapid commercialization of our products".

Esense climbed six cents or 20 percent to 36 cents.

[MEDIBIO](#)

Medibio says it has appointed Brian Mower as its Minnesota -based chief financial officer, starting on \$US264,400 (\$A351,436), effective from April 24, 2017.

Medibio said that Mr Mower would "help drive delivery of the strategy that will place Medibio as the leader in objective mental health technology".

The company said that Mr Mower had more than 20 years' in finance and executive roles, including the past 17 years in medical device technology companies.

Medibio said that previously Mr Mower was Torax Medical's head of finance and international operations, Empi Inc's head of finance and lomed Inc's chief financial officer.

The company said that Mr Mower would start on \$US250,000 a year with a \$US1,200 monthly health stipend, a short term incentives of 40 percent of base salary payable in shares on performance milestones and a long-term incentive of 5,000,000 options exercisable at 45 cents each within five years, with 1,000,000 options to vest each year.

Medibio was unchanged at 35 cents.

[INNATE IMMUNOTHERAPEUTICS](#)

Innate says it has granted 500,000 options to chief executive officer Simon Wilkinson exercisable at 80 cents each, by August 31, 2018.

Innate said that the option grant was subject to shareholder approval at the annual general meeting on August 30, 2017.

[OBJ](#)

OBJ has requested a trading halt "pending the release of an announcement to the market in relation to the licensing of a second technology".

Trading will resume on April 24, 2017 or on an earlier announcement.

OBJ last traded at 6.7 cents.