



Biotech Daily

Thursday August 3, 2017

Daily news on ASX-listed biotechnology companies

- * **ASX DOWN, BIOTECH EVEN: DIMERIX UP 9%, BENITEC DOWN 7%**
- * **SIENNA FALLS 30% ON \$5m TELOMERASE CANCER TEST IPO**
- * **CSL TAKES \$444m, 80% STAKE IN CHINA'S WUHAN RUIDE FOR PLASMA**
- * **NEIMAN MARCUS TO SELL CELLMID EVOLIS HAIR GROWTH PRODUCTS**
- * **UNILIFE EXTINGUISHED**
- * **PARADIGM TO RELEASE 34m ESCROW SHARES**
- * **CONSONANCE TAKES 5% OF SIRTEX**
- * **IMMURON LOSES CEO THOMAS LIQUARD, DR JERRY KANELLOS INTERIM**
- * **BRAIN APPOINTS MATTHEW MUND COO, MARCEL LEGRAND REVENUE**

MARKET REPORT

The Australian stock market slipped 0.16 percent on Thursday August 3, 2017 with the ASX200 down 9.1 points to 5,735.1 points.

Thirteen of the Biotech Daily Top 40 stocks were up, 14 fell, nine traded unchanged and four were untraded.

Dimerix was the best, up 0.1 cents or 9.1 percent to 1.2 cents with 725,782 shares traded.

Airxpanders and Polynovo climbed more than five percent; Atcor improved 4.2 percent; Avita, Cellmid and Neuren were up more than three percent; Nanosonics, Orthocell, Pharmaxis, Resmed and Starpharma rose more than one percent; with Cochlear, Medical Developments and Viralytics up by less than one percent.

Benitec led the falls, down one cent or 7.4 percent to 12.5 cents with 128,963 shares traded.

LBT lost 6.35 percent; Psivida was down 5.9 percent; Oncosil and Opthea fell four percent or more; Prana lost 3.6 percent; Impedimed, Mesoblast and Uscom shed two percent or more; Compumedics, ITL and Sirtex were down one percent or more; with CSL, Ellex and Pro Medicus down by less than one percent.

SIENNA CANCER DIAGNOSTICS

Sienna fell 30 percent to 14 cents following its \$4,597,600 initial public offer at 20 cents to list on the ASX with the code SDX to develop cancer diagnostics.

Sienna previously said it had hoped to raise up to \$6 million to commercialize its DNA telomerase-based adjunct diagnostic for bladder cancer, developed under former chief executive officer Dr Kerry Hegarty and later approved in the US, Europe and Australia (BD: Dec 2, 2014; Dec 22, 2015; Nov 15, Dec 12, 15, 2016; Jun 8, 2017).

The Sienna prospectus said that the company had 157,274,327 existing shares, and with the 22,988,000 offer shares it would have an implied market capitalization of \$36.05 million at the IPO price of 20 cents a share.

The company chairman is former Roche executive and Anteo chief executive officer Dr Geoff Cumming with directors Dr John Chiplin, Carl Stubbings and Dr David Earp.

In April, Sienna appointed chief operating officer Matthew Hoskins as its chief executive officer having appointed former Acrux chief financial officer Tony Di Pietro chief financial officer and company secretary in 2014 (BD: Nov 12, 2014; Apr 19, 2017).

Sienna said the Sydney-based Sequoia Corporate Finance was the offer's lead manager. Sienna closed down six cents or 30 percent at 14 cents with 4.5 million shares traded.

CSL

CSL says it has acquired 80 percent of plasma therapies manufacturer Wuhan Zhong Yuan Rui De Biological Products Co from Humanwell Healthcare for \$US352 million.

In June, CSL said the \$A444.1 million transaction would provide "a strategic presence in the Chinese domestic plasma fractionation market" and complemented CSL Behring as a 20-year provider of imported albumin in China (BD: Jun 13, 2017).

Today, CSL said the transaction had been completed and it had "taken operational responsibility for the Ruide business".

The company said that the Wuhan, Central China-based based Wuhan Zhong Yuan Rui De Biological Products Co, known as Ruide, developed, manufactured and commercialized plasma-derived products for the Chinese domestic market, including albumin, immunoglobulin for intra-venous injection, as well as several hyperimmune immunoglobulin products.

CSL said that Ruide had a manufacturing facility and four plasma collection centres and an advanced pipeline of multiple coagulation factor products that it planned to launch, including plasma-derived factor VIII.

CSL fell 48 cents or 0.4 percent to \$127.00 with 628,898 shares traded.

CELLMID

Cellmid says it will sell its Evolis hair growth products through the Dallas, Texas-based retailer Neiman Marcus.

Cellmid said that Neiman Marcus had 42 shops across the US and the hair care market was worth \$US13 billion.

The company said that the first order was shipped yesterday, August 2 and the distribution partnership would be launched on September 1, 2017, to sell the Evolis portfolio, including the promote, prevent and restore products.

Cellmid said that Neiman Marcus had a www.mytheresa.com business which was increasing its retail reach in Europe and China through digital marketing and social media influencers.

Cellmid was up 0.1 cents or 3.85 percent to 2.7 cents with five million shares traded.

UNILIFE CORPORATION

Unilife says its assets would be transferred to secured creditors under US Chapter 11 bankruptcy proceedings and it will delist from the ASX.

Unilife said that following the transfer of the assets the company and its subsidiaries would “no longer have any material assets”.

In April, Unilife said it did not have “sufficient liquidity to fund ... operations past the week ending April 7” and would have to sack staff and close facilities (BD: April 5, 13, 2017)

Unilife said that at March 31, 2017, its unaudited cash balance was about \$US6.3 million (\$A8.3 million), including \$US2.4 million of restricted cash, but by April 7 it would fall “below the minimum cash and restricted cash balance requirements of \$US5.1 million under its debt facilities”.

In February, Unilife said its revenue for the six months to December 31, 2016 was \$US4,053,000, with a loss of \$US33,282,000 and \$US9,309,000 in cash and equivalents, while revenue for the year to June 30, 2016 was \$US9,841,000 with net loss after tax of \$US79,451,000 (BD: Sep 1, 2016; Feb 10, 2017).

The company has faced legal action and the exit of executive director Alan Shortall departing with \$1,980,584 in termination pay (BD: Mar 15, 2016).

In 2016, Unilife said it had an up to \$US75 million collaboration with Amgen for its wearable injectable drug delivery systems Amgen had a \$US30 million “senior secured convertible note” with an option for a further \$US25 million in notes (BD: Feb 23, 2016).

Unilife last traded at 0.5 cents.

PARADIGM BIOPHARMA

Paradigm says 33,915,618 shares will be released from ASX escrow on August 19, 2017.

Paradigm said that following the release it would have 101,925,220 shares available for trading on the ASX and no other shares held in escrow.

Paradigm was up half a cent or 1.5 percent to 33 cents.

SIRTEX MEDICAL

The New York-based Consonance Capital Management says it has become a substantial shareholder in Sirtex with 2,942,594 shares or 5.13 percent.

Consonance said that Goldman Sachs was a registered holder of the shares with Mitchell Blutt, Kevin Livingston and Benny Soffer as associated holders.

Consonance said it bought the shares between June 30 and August 1, 2017 with the single largest acquisition 412,738 shares for \$6,713,741 or \$16.27 a share.

Sirtex fell 23 cents or 1.45 percent to \$15.62 with 234,090 shares traded.

IMMURON

Immuron says chief executive officer Thomas Liquard has resigned “due to personal reasons” with executive Dr Jerry Kanellos appointed as interim chief executive officer.

Immuron appointed Dr Kanellos as its chief operating and scientific officer in July 2015 and Mr Liquard as chief executive officer in August 2015, following his 2014 departure from Alchemia (BD: Nov 11, 2014; Jul 28, Aug 25, 2015).

Today the company said that Mr Liquard would continue as a contracted consultant for the next three months to assist in the transition.

Immuron said it would begin “a global search for its next permanent CEO”.

Immuron was up one cent or 5.3 percent to 20 cents.

BRAIN RESOURCE

Brain Resource says it has appointed Matthew Mund joins as chief operating officer and Marcel Legrand as head of revenue and corporate development.

Brain said that Mr Mund had more than 20 years experience as a digital business operator and was most recently Monster Worldwide chief product and marketing officer.

The company said that Mr Legrand had more than 25 years of executive operational and entrepreneurial experience in services, data and product sales and also worked for Monster Worldwide.

In May, Brain Resource appointed Louis Gagnon as its chief executive officer and said he was previously Monster Worldwide's head of products (BD: May 23, 2017).

Brain was untraded at 7.5 cents.