



Biotech Daily

Thursday September 14, 2017

Daily news on ASX-listed biotechnology companies

- * **ASX DOWN, BIOTECH EVEN: DIMERIX UP 12.5%, LIVING CELL DOWN 10%**
- * **PATRY'S PAT-DX1 KILLS CANCER CELLS, IN-VITRO, IN MICE; UP 400%**
- * **POLYNOVO: 'TWO MORE US NOVOSORB ORDERS WORTH \$300k'**
- * **MÉDECINS SANS FRONTIÈRES CANCELS RESAPP FIELD EVALUATION**
- * **PARADIGM TREATS 6 ROSS RIVER VIRUS PATIENTS, NEW TRIAL SITES**
- * **ADDENDUM: PARADIGM CASE STUDY PUBLISHED**
- * **OPTISCAN SIGNS CHINA GATE SCIENTIFIC AS VIEWNIVO DISTRIBUTOR**
- * **RHINOMED APPOINTS BROJAW TO DISTRIBUTE MUTE IN TAIWAN**
- * **VIKING YACHT ADDS ATCOR SPHYGMOCOR TO HEALTH PROGRAM**
- * **MEDICAL AUSTRALIA, ICU SCHEME OF ARRANGEMENT**
- * **EPAT REQUESTS CAPITAL RAISING TRADING HALT**
- * **NEUROTECH APPOINTS MEDILINK AUSTRALIAN DISTRIBUTOR**
- * **AUSCANN APPOINTS 3 'MEDICAL LIAISON MANAGERS'**

MARKET REPORT

The Australian stock market fell 0.1 percent on Thursday September 14, 2017 with the ASX200 down 5.6 points to 5,738.7 points. Fourteen of the Biotech Daily Top 40 stocks were up, 13 fell, 10 traded unchanged and three were untraded. All three Big Caps fell.

Dimerix was the best, up 0.1 cents or 12.5 percent to 0.9 cents with 4.4 million shares traded. Impedimed climbed 9.9 percent; Polynovo was up 7.55 percent; Benitec improved 4.2 percent; Atcor and Orthocell were up three percent or more; Genetic Signatures rose 2.6 percent, again; Bionomics, Factor Therapeutics, Opthea, Prana and Pro Medicus were up more than one percent; with Mesoblast and Viralytics up by less than one percent.

Living Cell led the falls, down 1.5 cents or 10 percent to 13.5 cents with 1.2 million shares traded. Sirtex lost 6.15 percent; Neuren, Oncosil and Reva were down more than three percent; Compumedics, ITL and Uscom shed more than two percent; LBT, Medical Developments and Starpharma fell more than one percent; with Airxpanders, Cochlear, CSL, Nanosonics and Resmed down by less than one percent.

PATRY'S

Patrys jumped 400 percent on news that in-vitro and mouse pre-clinical data shows that PAT-DX1 selectively causes cell death in human cancer models.

Patrys said the studies showed that PAT-DX1 could be taken-up and kill cancer cells, confirming the successful humanization and de-immunization of 3E10-derived antibody fragments with conserved structural properties and enhanced in-vitro activity.

The company said it worked with contract research organizations and collaborators at Yale University to show that a manufactured batch of PAT-DX1 outperformed the non-humanized 3E10 antibody in cell penetration and cancer cell death assays.

Patrys said that the pre-clinical studies confirmed that PAT-DX1 had the ability to kill colon cancer cells that lacked key DNA repair enzymes such as BRCA2, a modality consistent with the understanding that PAT-DX1 bound to nuclear DNA and blocked DNA repair.

The company said that PAT-DX1 was shown to be active against primary human glioblastoma tumor cells from patients, with five of seven glioblastoma tumor explants treated with PAT-DX1 showing significant cancer cell death.

Patrys said that histology studies confirmed that PAT-DX1 was taken into the nuclei of the glioblastoma cancer cells.

The company said that the first animal study using PAT-DX1 was a mouse model of triple negative breast cancer, which showed "signals of efficacy" and would guide dosing and route of administration for PAT-DX1 in future animal studies.

Patrys said it was working to improve the stability of PAT-DX1 as part of a longer term program designed to inform formulation for clinical development.

Patrys chief executive officer Dr James Campbell said that "multiple studies with cultured cancer cells and human cancer tissue explants confirm that PAT-DX1 is able to penetrate into cell nuclei and cause cancer cell death".

"These observations are consistent with earlier published work on murine 3E10," Dr Campbell said. "There is a strong argument that PAT-DX1 could work synergistically with other inhibitors of DNA repair enzymes, such as [poly adenosine diphosphate ribose polymerase] inhibitors and this has attracted the attention of a number of international collaborators".

Patrys climbed 1.6 cents or 400 percent to two cents with 165.0 million shares traded, but according to Commsec Iress it climbed 1.55 cents or 344.4 percent to two cents with 295.4 million shares traded

POLYNOVO

Polynovo says it has two orders from US hospitals for its Novosorb BTM wound treatment a combined invoice value of about \$300,000.

Earlier this month, Polynovo said it had its first US Novosorb sales (BD: Sep 1, 2017).

Today, the company said the orders "underline management's optimism about the traction the company is getting and the momentum Polynovo is building in the US" with further orders expected in the near future.

Polynovo said it had employed two additional sales staff since September 1.

Polynovo chief executive officer Paul Brennan said that Novosorb BTM was "a paradigm shift within dermal scaffold [and] matrix segment".

Polynovo chairman David Williams said the decision "to build a direct sales model in the world's biggest market is proving the right strategy".

"We expect more hospitals to order before the end of 2017 and we also expect repeat orders from those that have ordered," Mr Williams said.

Polynovo was up two cents or 7.55 percent to 28.5 cents with 2.8 million shares traded.

RESAPP HEALTH

Resapp says that Médecins Sans Frontières (Doctors Without Borders) “will not proceed with its planned field evaluation of the Resappdx” respiratory diagnostic at this time.

In May, Resapp said it had a “collaboration” with Médecins Sans Frontières (MSF) to evaluate the cough-based diagnostic in lower income rural settings (BD: May 9, 2017).

Today, the company said that following the failure of the Resappdx to meet its endpoints in the US Smartcough-C trial, Médecins Sans Frontières “reaffirmed their belief in the potential of Resapp’s core technology, however after reviewing the issues identified by Resapp in its Smartcough-C study and the high cost of keeping the project open, MSF will not proceed with its planned field evaluation of the Resappdx at this point in time”.

The company said it was focused on the restart of the study this US winter and it would continue to collaborate with Médecins Sans Frontières “and seek opportunities for field testing the technology once issues identified in the ... study have been resolved”.

Resapp fell 0.7 cents or 8.3 percent to 7.8 cents with 23.5 million shares traded.

PARADIGM BIOPHARMACEUTICALS

Paradigm says it has treated six of 24 patients in its phase II trial of pentosan polysulfate sodium (PPS) for Ross River virus.

Paradigm said the six participants had been treated at sites in Geelong, Victoria and Brisbane following the trial’s August 2017 start (BD: Aug 9, 2017).

The company said a third site had been initiated in Echuca, Victoria, with the first patient expected to be dosed in the next few weeks, and a fourth trial site on the Queensland Gold Coast to be initiated over the coming weeks, with results expected in mid-2018.

Paradigm climbed seven cents or 18.9 percent to 44 cents.

PARADIGM BIOPHARMACEUTICALS

On Monday, Paradigm said a case study on pentosan polysulfate sodium for bone marrow oedema lesions in osteoarthritis had been accepted for publication (BD: Sep 11, 2017).

Today, Paradigm chief executive officer Paul Rennie told Biotech Daily the study had been published in the Biomed Central journal Musculoskeletal Disorders and was at:

<https://bmcmusculoskeletdisord.biomedcentral.com/articles/10.1186/s12891-017-1754-3>.

OPTISCAN IMAGING

Optiscan says it has signed a distribution agreement with China Gate Scientific (Shanghai) Co for its Viewnvivo preclinical research microscope system.

Optiscan said that the agreement had an initial term of three years with the option to extend for another two years and provided for significant milestone orders and installations.

The company said that China Gate provided local representation in China with an organisation that had “the market coverage, relationships, complementary product and service offerings and preclinical research industry experience, backed by deep technical capability, in one of the largest global markets”.

Optiscan chief executive Archie Fraser said the company “set out this year with a number of specific targets”.

“One of our strategic goals was to position Optiscan and our technology into the market in China through the right partners,” Mr Fraser said.

Optiscan was untraded at 8.4 cents.

RHINOMED

Rhinomed says it has appointed Taiwan's Brojaw Inc to distribute its Mute snoring and nasal breathing product in Taiwan.

Rhinomed said that Brojaw would distribute Mute to ear, nose and throat clinics, sleep doctors, sleep centres, medical centres and sleep clinics, followed by distribution to drug stores and pharmacies.

The company said that an initial purchase order had been received.

Rhinomed said that Mute had Taiwan Food and Drug Administration regulatory approval as a class 1 medical device.

Rhinomed was up half a cent or 2.6 percent to 19.5 cents.

ATCOR MEDICAL

Atcor says the New Gretna, New Jersey-based Viking Yacht Company has added its Sphygmocor XCEL to its employee health program.

Atcor said that Viking was "a leader in semi-custom fiberglass yacht production" and would use the Sphygmocor central blood pressure and arterial stiffness diagnostic in its corporate health program.

Atcor chief executive officer Duncan Ross said the company was "very pleased that Sphygmocor has become part of Viking Yacht's investment in employee health and wellbeing".

"While we have sold Sphygmocor to several executive health practitioners, this is our first sale to a corporate [health] program which allows all employees to benefit," Mr Ross said. "Corporate [health] is an emerging part of the clinical market and we believe an important growth segment as companies seek to reduce employee absenteeism, illness and injuries," Mr Ross said.

Atcor was up 0.1 cents or 3.7 percent to 2.8 cents.

MEDICAL AUSTRALIA

Medical Australia says it intends to lodge a draft scheme booklet for its acquisition by ICU Medical with the Australian Securities and Investments Commission tomorrow.

In August, Medical Australia said the San Clemente, California-based ICU Medical offered 8.6 cents a share to buy the company, valuing it at \$11.8 million (BD: Aug 10, 2017).

Medical Australia chief executive officer Darryl Ellis said that having sold the Medivet section of the company, he had hoped that company would continue, but losing the Carefusion contract for transfusion pump sets had a major impact.

Today the company said that following a review by ASIC and subject to the approval by the Federal Court of Australia the scheme booklet was expected to be sent to shareholders on or around October 13, 2017.

Medical Australia was untraded at 8.2 cents.

EPAT TECHNOLOGIES

Epat has requested a trading halt pending "an announcement of a capital raising".

Trading will resume on September 18, 2017 or on an earlier announcement.

Epat last traded at 6.2 cents.

NEUROTECH INTERNATIONAL

Neurotech says it has appointed the Sydney-based Medilink Australia as its marketing and distribution partner for Australia.

The Malta-based Neurotech said that Medilink supplied products, services and support to the healthcare market, including radiological imaging and radiotherapy products, along with medical imaging consumable products.

The company said that Medilink staff would begin an initial marketing plan for its Mente Autism electro-encephalogram device that used neuro-feedback technology to help children with autism spectrum disorder.

Neurotech chief executive officer Wolfgang Storf said that appointing Medilink as the Australian distributor was “another milestone” following Australian Therapeutic Goods Administration registration.

The company said its Italian distributor Promosalute was ready to open three neurofeedback technology centres to build awareness and aid in education around autism and specifically the potential of neurofeedback and the Mente Autism device as a therapy. Neurotech was up one cent or 5.9 percent to 18 cents.

AUSCANN GROUP

Auscann says it has appointed three “medical liaison managers” to manage doctor communications for the prescription of its cannabinoid medicines in Australia.

Auscann did not name the appointees but said they had “an impressive resume and track record as representatives of medications governed by the Therapeutic Goods Administration”.

Auscann fell one cent or 1.9 percent to 50.5 cents with 1.3 million shares traded.