



Biotech Daily

Wednesday September 20, 2017

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH DOWN: FACTOR THERA UP 7%, DIMERIX DOWN 12.5%**
- * **CYCLOPHARM BUYS IC MEDICAL FOR \$599k; RON VAN LOON EURO G-M**
- * **TELIx, CELLSIGHT COLLABORATE TO IMAGE CANCER, T-CELLS**
- * **ASIC \$100k WRIST-SLAP FOR SIRTEX**
- * **BRI REWORKS PHARMAUST MONEPANTEL (PPL-1) TASTE, STRENGTH**
- * **ESENSE OPENS REHOVOT R&D, CUSTOMER SUPPORT FACILITY**
- * **GREY INNOVATION TAKES 7% OF NOVITA**
- * **SIRTEX CHAIRMAN RICHARD HILL TO RETIRE, DR JOHN EADY INTERIM**
- * **REVA'S RAY LARKIN JR REPLACES CHAIRMAN BRIAN DOVEY**

MARKET REPORT

The Australian stock market slipped 0.08 percent on Wednesday September 20, 2017 with the ASX200 down 4.5 points to 5,709.1 points.

Eleven of the Biotech Daily Top 40 stocks were up, 14 fell, 12 traded unchanged and three were untraded.

Factor Therapeutics was the best, up 0.4 cents or 7.1 percent to six cents with 158,135 shares traded.

ITL and Oncosil climbed more than five percent; Benitec, Cellmid, Osprey and Psivida improved four percent or more; Impedimed and Living Cell were up more than three percent; CSL rose 2.1 percent; Actinogen was up 1.7 percent; with Cochlear and Medical Developments up by less than one percent.

Dimerix led the falls, down 0.1 cent or 12.5 percent to 0.7 cents with 2.6 million shares traded.

Prima fell 4.55 percent; Acrux, Neuren and Pharmaxis lost more than three percent; Cyclopharm, Mesoblast and Nanosonics shed more than two percent; Admedus, Prana, Resmed, Sirtex and Starpharma were down one percent or more; with Clinuvel and Pro Medicus down by less than one percent.

CYCLOPHARM

Cyclopharm says it will buy IC Medical Inter Commerce Medical bvba for EUR400,000 (\$A599,345) and appoint its owner Ron van Loon as Europe general-manager.

Cyclopharm said that the Vosselaar, Belgium-based IC Medical was founded in 2006 and as well as being its Technegas agent for Belgium, the Netherlands and Luxembourg the company provided sales and marketing support to companies manufacturing products for nuclear medicine.

The company said that IC Medical specialized in nuclear medicine single photon emission computed tomography (SPECT) and positron emission tomography (PET) imaging products and products used for both diagnostic and therapeutic procedures.

Cyclopharm managing-director James McBrayer said the acquisition “aligns with our strategic objectives, is expected to be [earnings per share] positive in year two and will enhance shareholder value through capturing agency commissions and providing control over distribution and pricing”.

“IC Medical’s presence in the BeNeLux market will assist us to expand the use of Technegas to new indications by providing direct access to referring respiratory physicians; expedite commercialization of Ultralute in those markets; and expand our product offerings through its agency agreements with manufacturers of other non-competing nuclear medicine products”.

The company said that Mr van Loon had been involved in the nuclear medicine industry for more than 30 years, holding management positions including as Mallinckrodt Medical sales director.

Cyclopharm said that the acquisition would be effective from October 1, 2017, with the payment in three instalments of EUR200,000 upfront and two additional payments, subject to performance objectives, of about EUR100,000 in the second and third years after the acquisition, which would be funded from cash reserves.

Cyclopharm fell two cents or 2.7 percent to 73 cents.

TELIX PHARMACEUTICALS

Telix says it has a collaboration and licencing agreement with CellSight Technologies relating to the visualization of immune cells using positron emission tomography.

Telix said that the San Francisco, California-based CellSight’s Visact immune-positron emission tomography imaging technology allowed for the visualization of activated T-cells, which was “an important imaging modality in the management of cancer”.

The company said that the agreement would allow Telix to use the Visact imaging technology to develop its portfolio of molecularly-targeted radiation therapeutics.

Telix said there was “a significant immune response component to the therapeutic use of targeted radiation” and the Visact technology would help understand the optimal dose and delivery of therapeutics, including in combination with checkpoint inhibitors.

Telix chief executive officer Dr Christian Behrenbruch said the imaging of immune function with positron emission tomography (PET) had “the potential to greatly enhance the optimization of our therapeutic products”.

Telix said it had the right to use the Visact technology with its own product development, as well as rights to manufacture and sell the technology in Australia and New Zealand.

The company said it would work with Melbourne’s Cyclotek to make the Visact technology available for domestic commercial and academic clinical trials, including Australian clinical sites that have been recruited as part of larger multinational immuno-oncology trials.

Telix said it would pay CellSight undisclosed milestone and royalty payments.

Telix is a public unlisted company.

AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION, SIRTEX MEDICAL

The Australian Securities and Investments Commission says Sirtex has paid \$100,000 for “an alleged failure to comply with continuous disclosure obligations”.

ASIC said that the payment followed an infringement notice issued after “an investigation into matters arising from an announcement on December 9, 2016 by Sirtex to the ASX stating that projected dose sales growth was likely to be in the order of four to six percent for the first half of the financial year ending June 30, 2017 and five to 11 percent for the full year” (BD: Aug 24, Dec 9, 2016; Jan 22, 23, 2017).

ASIC said that Sirtex had previously announced to the ASX that it expected “double digit dose sales growth will continue” for the 2017 financial year (BD: Aug 24, 2016).

The regulator said that dose sales growth for the previous financial year, ended June 30, 2016, was 16.4 percent.

ASIC said that by November 21, 2016, Sirtex ought to have been aware that for the financial year ending June 30, 2017 dose sales growth for the six months to December 31, 2016 was expected to be in the order of four to six percent and on a full-year basis, dose sales growth was expected to be in the order of five to 11 percent, compared to the previous announcements that it expected “double digit sales growth will continue”.

ASIC said that by failing to inform the ASX by November 21, 2016 of the lower projected dose sales growth, Sirtex was in breach of its continuous disclosure obligations between November 21, 2016 and December 8, 2016.

The regulator said that details of the infringement notice would be published in its Gazette.

ASIC said that section 674(2) of the Corporations Act and ASX Listing Rule 3.1 detailed listed companies’ continuous disclosure obligations and the Corporations Act said that compliance with infringement notices was not an admission of guilt or liability.

“Sirtex is not, by reason of its compliance with the notice, regarded as having contravened section 674(2) of the Corporations Act,” the Federal regulator said.

For the year to June 30, 2017, Sirtex posted a net profit after taxation of \$42,382,000.

Sirtex fell 25 cents or 1.7 percent to \$14.37 with 205,548 shares traded.

PHARMAUST

Pharmaust says BRI Pharmaceutical Research has reformulated monepantel to “overcome the unpleasant taste ... [and] increase the dose ... in each tablet or capsule”.

Pharmaust said that the dose increase was to reduce overall pill burden.

The company previously said that monepantel, or PPL-1, originally marketed by Novartis and now by Elanco as Zolvix for roundworm infestation in sheep, was unpalatable for both dogs and humans in earlier cancer trials (BD: Aug 7, Sep 9, 2014; Apr 15, 2015).

In June, Pharmaust said it appointed the Vancouver, British Columbia-based BRI to reformulate monepantel (BD: Jun 27, 2017).

Today, Pharmaust said the first progress report from BRI confirmed “substantial progress towards all key project milestones”.

The company said that BRI had shown that monepantel was amenable to reformulation as either liquid or dry powder, so it could be delivered as a capsule or a hard tablet depending on the route that best meets the company’s commercial objectives.

Pharmaust said that BRI has identified formulations that could deliver up to six times more drug per capsule, which was “very encouraging as it is approaching the company’s target dose of 10 times more drug per capsule”.

Pharmaust chief executive officer Dr Richard Hopkins said the company was “optimistic that this will be achieved with further optimization”.

Pharmaust was up 0.1 cents or 1.7 percent to six cents.

[ESENSE-LAB](#)

Esense says it has opened its new research and development and customer support facility in Israel.

Esense said the facility was one of its major expansion goals and it would be used to formulate and analyze new cannabis profiles, as well as for the development of new products and formulations for food additives, food and beverage and cosmetics.

The company said the facility had 500 square meters of space and was at the Daren Labs research and development hub, near Rehovot and the Weizmann Institute.

Esense said the facility would house its gas chromatography technology on a mass spectrometric detection unit and was equipped for physical and chemical characterization of materials, the support for food additive clients with prototypes, as well as formulation and process development.

Esense chief executive officer Haim Cohen said the facility would reduce monthly operational expenses by 76 percent.

Esense was up one cent or 5.4 percent to 19.5 cents.

[NOVITA HEALTHCARE \(FORMERLY AVEXA\)](#)

Grey Innovation Holdings and associates say they have become substantial shareholders in Novita with 25,322,110 shares or 7.0 percent of the company.

In a substantial shareholder notice signed by director Jefferson Harcourt, the Melbourne-based Grey Innovation said the shares were held with ACN 154 894 256 Pty Ltd and JH Super Nominees.

Grey said that 11,188,873 shares were acquired on August 24 and September 14, 2017 for \$335,666, including \$170,000 for professional services, or 3.0 cents a share.

Novita was up 0.3 cents or 9.7 percent to 3.4 cents.

[SIRTEX MEDICAL](#)

Sirtex says that chairman Richard Hill will retire following the October 24 annual general meeting, on October 28, 2017.

Sirtex said that deputy chairman Dr John Eady would be interim chairman while it conducted a search for a successor.

Dr Eady thanked Mr Hill "for all his tireless efforts over the last 13 years at Sirtex".

[REVA MEDICAL](#)

REVA says that director Ray Larkin Junior has been appointed chairman, replacing Brian Dovey, effective from September 18, 2017.

Reva said that Mr Dovey would continue as a director.

Reva appointed Mr Larkin as a director in July (BD: Jul 14, 2017).

Reva was unchanged at 73 cents.