



Biotech Daily

Thursday November 30, 2017

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH DOWN: PRIMA UP 9%; BENITEC DOWN 11%**
- * **CANN \$60m MARIJUANA PRODUCTION CAPITAL RAISING**
- * **VICTORIA \$2m FOR MCRI 100k BABY FIVE-YEAR STUDY**
- * **AVIRAGEN TESLEXIVIR (BTA074) ANOGENITAL WARTS TRIAL ENROLLED**
- * **CE MARK FOR G MEDICAL PATCH**
- * **SUDA RECEIVES \$662k FEDERAL R&D TAX INCENTIVE**
- * **ANTISENSE AGM LOSES 2nd STRIKE VOTE, WINS SPILL VOTE**
- * **ATCOR AGM UP TO 48% DISSENT, 43% REMUNERATION 1st STRIKE**
- * **MEDIGARD AGM 28% REMUNERATION 1ST STRIKE**
- * **AVITA AGM SURVIVES 20% REMUNERATION REPORT DISSENT**
- * **INVION AGM BACKS CHO GROUP, DROPS 100-TO-1 CONSOLIDATION**
- * **MEMPHASYS DIRECTOR ANDREW GOODALL DILUTED TO 34%**
- * **ATCOR APPOINTS CRAIG COOPER CEO ON \$395k, DUNCAN ROSS STAYS**
- * **RESONANCE: AGHA PERVEZ, ADRIAN BOWERS, SANDER BANGMA**
- * **GOODBYE MEDICAL AUSTRALIA**
- * **RESPIRI MOVES BOARD SPILL AGM**

MARKET REPORT

The Australian stock market fell 0.69 percent on Thursday November 30, 2017, with the ASX200 down 41.2 points to 5,969.9 points. Twelve of the Biotech Daily Top 40 stocks were up, 20 fell, six traded unchanged and two were untraded.

Prima was the best, up 0.2 cents or 8.7 percent to 2.5 cents with 961,828 shares traded. Impedimed climbed 7.2 percent; Avita was up 6.6 percent; Actinogen and Volpara were up more than four percent; Admedus improved 3.6 percent; Mesoblast rose 2.7 percent; Airxpanders, Compumedics and Psivida were up more than one percent; with Neuren, Resmed and Sirtex up by less than one percent.

Benitec led the falls, down 2.5 cents or 11.4 percent to 19.5 cents with 580,841 shares traded. Clinuvel lost 10.6 percent; ITL shed 9.5 percent; Cyclopharm, LBT, Medical Developments and Opthea were down more than five percent; Starpharma fell 4.1 percent; Bionomics, Dimerix, Living Cell, Polynovo and Pro Medicus were down more than three percent; both Cellmid and Orthocell shed 2.6 percent; with Cochlear, CSL, Nanosonics, Osprey and Pharmaxis down more than one percent.

CANN GROUP

Cann says it has a fully-underwritten \$50 million placement and \$10 million share plan at \$2.50 a share to fund an increase in marijuana production.

In an announcement after the market closed, Cann said that Cannacord Genuity (Australia) and PAC Partners were the joint lead managers.

Cann was in at trading halt for the announcement and last traded at \$3.00.

VICTORIA GOVERNMENT, MURDOCH CHILDREN'S RESEARCH INSTITUTE

The Victoria Government says it will provide \$2 million to the Murdoch Children's Research Institute 'Generation Victoria' longitudinal study of up to 100,000 babies.

A media release from Victoria Health Minister Jill Hennessy said the Government, MCRI and partner the Paul Ramsay Foundation hoped to enlist every baby born in 2020 and 2021 to be followed for five years "to create a holistic picture of the health and well-being and development of children, generating broad and continuously expanding data that can be used to inform policy and service delivery".

The media release said the Generation Victoria study would provide "comprehensive data to help guide researchers and governments in tackling issues including obesity, allergies, infection, social exclusion, poor mental health, learning and chronic health conditions such as diabetes and autism spectrum disorder".

AVIRAGEN THERAPEUTICS (FORMERLY BIOTA)

Aviragen says it has completed enrolment in its phase II trial of teslexivir (BTA074) for condyloma, or ano-genital warts, with top-line results expected by July 2018.

Aviragen said the 'CT4' trial was a double-blind, randomized, multi-centre, placebo-controlled trial to evaluate the safety, tolerability and efficacy of a five percent teslexivir gel dosed twice daily for up to 16 weeks in male and female patients with ano-genital warts.

The company said the primary efficacy endpoint was the complete clearance rate for baseline ano-genital warts from the start to the end of treatment, with secondary efficacy endpoints including assessments of clearance and wart area reduction and condyloma recurrence over three months follow-up, in patients who experienced clearance.

Last month, Aviragen said it would merge with Vaxart Inc which was developing oral recombinant vaccines to become Vaxart Inc, whose chief executive officer Dr Wouter Latour said the company was interested in "Aviragen's antiviral assets, including their BTA074 phase II program for the treatment of condyloma" (BD: Oct 31, 2017).

Aviragen said in October that Vaxart's security-holders would own about 60 percent of the combined company and Aviragen investors 40 percent.

In 2012, Biota moved to the Nasdaq to merge with Nabi Pharmaceuticals for its \$US54 million in cash, settling for \$US27 million, and was renamed Biota Pharmaceuticals and then renamed Aviragen (BD: Apr 23, Sep 18, Oct 26, 30, Nov 2012).

Following the move, Biota lost its \$US231 million contract with the US Office of Biomedical Advanced Research and Development Authority (BARDA) to develop its laninamivir anti-influenza drug (BD: Apr 1, 2011; Apr 30, May 1, May 9, 2014).

It is believed that about 10,000 Australian based Biota investors still hold shares in Aviragen with only several hundred establishing US accounts and selling their shares.

On the Nasdaq, Aviragen was up 7.4 US cents or 12.54 percent to 66.4 US cents (87.7 Australian cents, equivalent to 10.96 Australian cents prior to the Biota-Nabi merger, when it was trading around \$A1.00), with 1.7 million shares traded.

G (GEVA) MEDICAL INNOVATIONS

G Medical says it has been granted Conformité Européenne (CE) mark certification for its Patch with Extended Holter device for vital signs monitoring.

G Medical said the approval was “a key milestone” and the Patch complied with all relevant European medical and safety requirements as a class IIa medical device.

The company said that the certification allowed the vital signs monitoring system to be adopted across hospitals and clinics, healthcare and aged care facilities, as well as to be prescribed by doctors for remote patient monitoring and care throughout Europe and countries accepting CE mark certification.

G Medical chief executive officer Dr Yacov Geva said the Patch certification “unlocks the doorway to our full suite of medically certified devices”.

“With both the Patch and the Prizma we effectively provide total solutions from hospitals through to individual consumers, monitoring and collecting medically relevant and certified data across a broad spectrum of chronic health conditions and vital signs monitoring requirements,” Dr Geva said. “We do this in a disruptive and highly cost effective and scalable manner and this certification allows us to adopt the Company’s full business and revenue models in these territories.”

G Medical was unchanged at 40.5 cents with 1.9 million shares traded.

SUDA

Suda says it has received \$662,877 from the Australian Tax Office under the Federal Government Research and Development Tax Incentive program.

Suda said the rebate related to research and development expenditure for the year to June 30, 2017.

Suda chief executive officer Stephen Carter said the Research and Development Tax Incentive provided “a valuable benefit for companies such as Suda, so that we can invest more in our Oromist technology and pipeline of novel oral sprays”.

Suda fell 0.1 cents or 5.9 percent to 1.6 cents with 7.7 million shares traded.

ANTISENSE THERAPEUTICS

Antisense lost its ‘second strike’ remuneration vote with 28.48 percent opposed but easily won the consequent spill resolution with 72.03 percent of the vote.

Under the Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act 2011 any company sustaining a vote of 25 percent or more against the remuneration report in two successive annual meetings is required to vote on a board spill and, if passed by more than 50 percent of votes, the directors must stand for reelection at a subsequent meeting within 90 days.

Antisense had more than 25 percent vote against the remuneration report last year and yesterday’s vote triggered an automatic spill resolution.

Antisense said that in a poll of votes, there were 31,343,648 votes (71.52%) in favor of the remuneration report with 12,482,852 votes (28.48%) against, but the board spill resolution failed with 31,602,310 votes (72.03%) against and 12,271,398 votes (27.97%) in favor.

The company said that the re-election of director Dr Graham Mitchell and the 10 percent placement capacity faced 16.4 percent and 15.0 percent opposition respectively.

Antisense’s most recent Appendix 3B new issue announcement said it had 161,559,408 shares on issue, meaning the votes against the remuneration report amounted to 7.7 percent of all shares on issue, sufficient to requisition extraordinary general meetings.

Antisense was unchanged at three cents.

ATCOR MEDICAL

Atcor's annual general meeting gave the remuneration report a 'first strike' with 56,793,750 votes (42.8%) against and 75,870,787 votes (57.2%) in favor.

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All resolutions faced strong dissent with 48.3 percent opposing the ratification of a prior share issue to re-set the 15 percent placement capacity, 34.6 percent opposing the re-election of chairman Donal O'Dwyer, 33.3 percent against the change to the proportional takeover provisions of the company's constitution, with the largest number of dissenting votes, 62,703,169 votes (50.5%) opposing the issue of 2,500,000 options to Taylor Collison.

Atcor's most recent Appendix 3B new issue announcement said that the company had 281,023,494 shares on issue, meaning that the 62,703,169 votes against the Taylor Collison options amounted to 22.3 percent of the company, sufficient to requisition extraordinary general meetings.

Atcor was up 0.3 cents or 13.0 percent to 2.6 cents with 1.5 million shares traded.

MEDIGARD

Medigard has earned a remuneration report first strike with the annual general meeting defeating the resolution 5,663,037 votes (72.1%) to 2,196,094 votes (27.9%).

Under the Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act 2011 any company sustaining a vote of 25 percent or more against the remuneration report in two successive annual meetings is required to vote on a board spill, and if passed by more than 50 percent of votes, the directors must stand for re-election at a subsequent meeting within 90 days.

Medigard said that all resolutions faced similar dissent with the largest opposition 2,403,429 votes against the approval of the issue of shares to unrelated parties.

The company's most recent Appendix 3B new issue announcement said it had 93,864,615 shares on issue, meaning that the votes against the remuneration report amounted to 2.6 percent of the company, not sufficient to requisition extraordinary general meetings.

Medigard fell 0.2 cents or 8.3 percent to 2.2 cents.

AVITA MEDICAL

Avita's annual general meeting survived a remuneration report first strike, with 59,039,191 votes (20.05%) against and 235,353,519 votes (79.95%) in favor.

Avita said that director Jeremy Curnock Cook was re-elected with 7.6 percent of votes against, with similar support for the ratification of a prior share and the 10 percent placement capacity with the approval of incentive rights to chief executive officer Mike Perry opposed by 11.7 percent of the meeting.

The company's most recent Appendix 3B new issue announcement said that Avita had 1,017,705,685 shares on issue meaning that the opposition to the remuneration report amounted to 5.8 percent of the company's total shares on issue, sufficient to requisition extraordinary general meetings.

Avita was up 0.4 cents or 6.6 percent to 6.5 cents with 3.5 million shares traded.

INVION

Invion says all annual general meeting resolutions were passed but it withdrew the 100-to-one share consolidation vote, following “feedback from shareholders”.

Invion’s 1,455,965,273 shares are trading around 0.5 cents, so post-consolidation the company would have had 14,559,653 shares trading at about 50 cents.

Biotech Daily is aware that some investors like large share-holdings and some do not understand that 1,000,000 shares at 0.5 cents is the same as 10,000 shares at 50 cents. Invion said the remuneration report faced 12.5 percent dissent, with similar opposition to most resolutions relating to the acquisition of the Cho Group “new generation photo dynamic therapy” (BD: Oct 30, 2017).

The company said that approval of the Cho Group as underwriter and the issue of 2,750,000,000 shares to the Cho Group had the largest opposition with 33,132,010 votes (13.7%) against, while director Warren Brown was re-elected overwhelmingly.

The votes against the Cho Group shares amounted to 2.3 percent of the company, not sufficient to requisition extraordinary general meetings.

Invion was up 0.1 cents or 20 percent to 0.6 cents with 1.4 million shares traded.

MEMPHASYS (FORMERLY NUSEP)

Memphasys director Andrew Goodall says his substantial shareholding of 240,102,598 shares has been diluted from 36.0 percent to 34.31 percent.

Mr Goodall said that in an off-market transfer he moved 30,322,061 shares from his indirect interest through Ti Rakau Developments and Aemagood Pty Ltd to a direct interest of 236,641,403 shares with Marjorie Anne Goodall holding 3,461,195 shares. Memphasys is conducting a \$3.75 million capital raising and has issued 699,821,360 shares in a rights issue at 0.1 cents a share (BD: Nov 22, 2017).

Memphasys was up 0.1 cents or 2.2 percent to 4.7 cents.

ATCOR MEDICAL

Atcor says it has appointed Craig Cooper as its chief executive officer and a director, effective from December 1, 2017, with Duncan Ross continuing as a director.

In August, Atcor said that Mr Ross would be replaced by and Australia-based chief executive officer and would focus on assisting sales (BD: Aug 2, 2017).

Today, the company said that Mr Cooper would have a base annual salary of \$US300,000 (\$A395,282) with 6,000,000 free shares, subject to shareholder approval, pending share price rises to 30-day volume-weighted averages of five cents, eight cents and 12 cents.

Atcor said that Mr Cooper would focus on strengthening the company “as the leader in hypertension management” expanding products into new health professional markets and geographies, leveraging the existing patents and technologies into new devices and products including wearables for both the clinical and consumer markets and identifying new opportunities in health and medical technologies.

The company said Mr Cooper founded health, digital media and technology businesses and was the co-founder of the telecommunications company Boost Mobile USA.

Atcor said that Mr Cooper’s venture capital funds raised more than \$1 billion and he was the co-founder of power producer NRG Asia-Pacific.

The company said that Mr Cooper held a Bachelor of Law and a Bachelor of Economics from the University of Sydney and would to divide his time between Sydney and Los Angeles, California.

[RESONANCE HEALTH](#)

Resonance says Agha Shahzad Pervez will replace Adrian Bowers as chief financial officer and company secretary and general-manager Sander Bangma has left the company.

Resonance said that the change of chief financial officer and company secretary was effective immediately.

The company said that Mr Bangma left the company on November 23, 2017.

Resonance said that Mr Bangma had been with the company for 12 years and had taken a new position with another organization.

The company said it “sincerely thanks Sander and Adrian for their services”.

Resonance was up 0.1 cents or 3.85 percent to 2.7 cents.

[MEDICAL AUSTRALIA](#)

The ASX says that Medical Australia will be removed from the official list at the close of trading today, Thursday November 30 2017.

The ASX said the removal followed the implementation of the scheme of arrangement in which the company's was acquired by ICU Medical Inc (BD: Aug 10, 2017).

Medical Australia last traded at 8.5 cents.

[RESPIRI \(FORMERLY ISONEA, PREVIOUSLY KARMELSONIX\)](#)

Respiri says it has moved the venue for its board spill annual general meeting from the Boardroom, Level 2, 62 Lygon Street, Carlton to the RACV Club in the Melbourne.

The meeting will be held in Bourke Room 2, Level 2, 501 Bourke Street, Melbourne, on December 14, 2017 at 3.30pm (AEDT).

Earlier this month, Respiri said the meeting would vote on a proposed board spill as well as to grant three directors 34,000,000 options exercisable at three cents each, linked to share price rises (BD: Oct 17, Nov 14, 2017).

Respiri's former company secretarial services, the CFO Solution, has offices at 62 Lygon Street, Carlton.

In August, Respiri said that it had moved its registered office from the CFO Solution which was formerly in High Street, Armadale, to Jeffrey Thomas & Partners, Level 10, 446 Collins Street, Melbourne.

In May, the company replaced CFO Solution company secretaries Peter Vaughan and Phillip Hains with Jenni Lightowlers of FAL Lawyers.

Respiri was up 0.7 cents or 18.9 percent to 4.4 cents.