Biotech Daily

Wednesday January 31, 2018

Daily news on ASX-listed biotechnology companies

*** ASX UP, BIOTECH DOWN: SIRTEX UP 46%; USCOM DOWN 11%**

*** SIRTEX EXPECTS $1.6b VARIAN OFFER TO COMPLETE BY JUNE**

*** DR BOREHAM'S WHITE-HOT CRUCIBLE: SIRTEX MEDICAL**

*** STARPHARMA READY FOR DEP-CABAZITAXEL SOLID TUMOR TRIAL**

*** GENETIC TECHNOLOGIES: 57% BACK BOARD SPILL, SUSPENSION**

*** PATRYS FILES PATENT APPLICATION FOR HUMANIZED 3E10, PAT-DX1**

*** CANADA COMPLETES ORTHOCELL ORTHO-ATI PATENT SUITE**

*** MMJ 10-PATIENT DATA: 'PTL101 REDUCES PAEDIATRIC EPILEPSY'**

*** IMMURON ENROLS 1st IMM-529 CLOSTRIDIUM DIFFICILE PATIENTS**

*** CLINUVEL H1 RECEIPTS DOWN 2% TO $10m**

*** BIONOMICS H1 RECEIPTS DOWN 49% TO $3.4m; TIMING**

*** MEDLAB H1 RECEIPTS UP 63% TO $2.4m**

*** DORSAVI H1 RECEIPTS UP 19% TO $2.3m; Q2 CASH-FLOW POSITIVE**

*** IQ3 H1 RECEIPTS UP 12% TO $2.3m**

*** ADHERIUM H1 RECEIPTS DOWN 27% TO $1.2m**

*** RESONANCE H1 RECEIPTS UP 7% TO $1.2m**

*** GI DYNAMICS HAS TWO QUARTERS CASH WITH PLACEMENT**

*** RHS HAS LESS THAN TWO QUARTERS CASH; GRANT APPLICATIONS**

MARKET REPORT

The Australian stock market was up 0.25 percent on Wednesday January 31, 2018, with the ASX200 up 14.9 points to 6,037.7 points. Eight of the Biotech Daily Top 40 stocks were up, 20 fell, nine traded unchanged and three were untraded.

Sirtex was the best, up $8.62 or 45.8 percent to $27.45 with 8.6 million shares traded. Oncosil climbed 13.8 percent; Osprey rose 8.6 percent; Airxpanders, Avita and Reva were up more than three percent; Clinuvel, Cochlear and Resmed rose more than one percent; with Nanosonics up 0.35 percent.

Uscom led the falls, down 2.5 cents or 10.9 percent to 20.5 cents with 164,872 shares traded. Admedus and LBT fell more than seven percent; Prana lost 5.3 percent; ITL, Immutep (Prima), Impedimed, Orthocell and Polynovo fell four percent or more; Ellex, Medical Developments, Starpharma and Telix were down more than three percent; Mesoblast shed 2.9 percent; Bionomics, Neuren, Opthea and Optiscan were down more than one percent; with CSL, Pro Medicus and Volpara down by less than one percent.

SIRTEX MEDICAL

Sirtex says its board unanimously recommends that shareholders accept the Varian Medical Systems offer of $28 a share valuing the company at $1.56 billion.

In a media release and teleconference, Sirtex said that the Palo Alto, California-based Varian was “a leader in developing and delivering cancer care solutions” with 6,500 staff around the world, was listed on the New York Stock Exchange and had a market capitalization of about $US11.8 billon ($A14.6 billion).

Sirtex said that should the scheme proceed as expected there would be a shareholder meeting for approval in early May with the sale completed by the end of May 2018.

Sirtex chief executive officer Andrew McLean told the teleconference that the company had received a number of unsolicited offers and at no time did it undertake any process to sell the company.

Mr McLean said that the company had accepted the Varian $28 a share bid which was the highest of several proposals made to the company.

Sirtex said that the offer of $28.00 per share was a 49 percent premium to the closing price of $18.83 on January 29, 2018, the last trading day before the announcement and a 53 percent premium to the volume weighted average price since its trading update on January 17, 2018 as well as a 60 percent premium to the one-month volume-weighted average price to January 29, 2018.

Sirtex has traded from as low as $3.00 in 2006 to a high $41.33 in December 2015, or from a market capitalization of $123 million to $2.3 billion.

In 2015, the Sirtex share price fell 62.05 percent from $39.00 to $14.80 on news that its 500-patient trial of SIR-Spheres with chemotherapy “does not result in a statistically significant improvement in the overall progression-free survival” for metastatic colorectal cancer (BD: Mar 17 2015).

In 2017, the company fell as low as $10.45 on mixed trial results from several separate trials (BD: May 18, 2017).

Today, Sirtex said the offer implied an enterprise value of about $1.49 billion, a multiple of 18.6 times the mid-point of the forecast earnings before interest taxation, depreciation and amortization for the 2017-’18 financial year in its January 17, 2018 trading update.

The company said that subject to the independent expert determining that the scheme was in the best interests of shareholders and in the absence of a superior proposal, the directors unanimously recommended that shareholders vote for the scheme.

Sirtex said that other conditions included regulatory approvals, including Foreign Investment Review Board and competition authorities, as well as no material adverse change or prescribed occurrences provisions and court approval.

The company said it would be liable to a one percent break fee in certain circumstances, with a reverse break fee payable by Varian in certain circumstances.

Sirtex interim chairman Dr John Eady said that “whilst we remain confident that the company would continue to have a successful stand-alone future, we believe that the material premium provided by Varian and the certainty of all cash consideration is an attractive outcome for shareholders”.

Varian chief executive officer Dow Wilson said that Sirtex was “a highly complementary strategic fit with our existing solutions for the treatment of cancer”.

“We are excited by the opportunity to expand Sirtex's business and continue to provide physicians and patients around the world with smart, efficient and high-quality care,” Mr Wilson said.

Sirtex said that UBS AG Australia was its financial adviser with Watson Mangioni its legal adviser.

Sirtex climbed $8.62 or 45.8 percent to $27.45 with 8.6 million shares traded.

DR BOREHAM'S WHITE-HOT CRUCIBLE SPECIAL EDITION: SIRTEX MEDICAL

By TIM BOREHAM

Well, no-one saw this one coming - but perhaps we all should have.

That's because acquirers strike at a time of weakness for the prey, but not when all hope is lost, altogether. In that respect, Sirtex fits the menu nicely.

If Varian Medical Systems' $1.58 billion offer for Sirtex passes muster with shareholders and the Foreign Investment Review Board, the home-grown targeted radiation oncology house will be in the hands of the Californian giant by the end of May.

Sirtex is the biggest ASX-listed biotech, outside the Big Caps of CSL, Cochlear and Resmed. Another day of shame for the nation as a precious asset is sold on the cheap to offshore opportunists? Will Dick Smith chopper-in to save the day?

We think not. While some may contend the friendly deal is another victory for short termism, Sirtex looked to be struggling to regain its mojo after a series of setbacks.

Just to recap, the rot set in after a 2015 trial to extend the use of Sirtex's SIR-Spheres liver cancer treatment failed to show efficacy. SIR-Spheres offer a targeted second line (survival) therapy for advanced liver cancer patients. The 550-patient trial, called Sirflox, aimed to extend the drug to a first-line treatment of metastatic colorectal cancer, but failed to show a difference in "overall progression free survival".

In January 2017, long-term chief executive officer Gilman Wong was sacked after an internal review of his decision to offload some of his personal holding in Sirtex shares the previous October.

Shareholder class actions loom over the company's disclosure practices in 2016, with the company copping a $100,000 fine from the corporate cop last year for alleged continuous disclosure breaches.

Varian's $28 a share offer falls between the all-time high of just over $41 in November 2015 and $13 in June last year. Six years ago, the stock traded under $5 so take your pick on the most applicable time line.

Valuation wise, the offer is pitched at 18.6 times earnings before interest taxation depreciation and amortization (ebitda), based on the midpoint of January's full year guidance of $75 million to $85 million for 2017-'18. Apparently that multiple is in line with other recent global medical technology transactions.

In that context it's hardly a knock-out offer, but the parties were quick to highlight that it represents a 49 percent premium to Monday's close of $18.83. On a weighted three-month basis, the bid represents an irresistible 77 percent premium.

Nor is it a case of a dodgy jeweller offering a few bob for a little old lady's vintage mother of pearl necklace. We now know that several putative "credible" acquirers were sniffing around Sirtex late last year, so the board and its advisers were able to test the market.

“We accepted the best overall bid with the highest price,” said Mr McLean, who otherwise pleaded the Fifth on the nature of the alternative potential suitors.

Before The Troubles, Sirtex shares traded on a growth multiple and this was justified with management delivering steady earnings and revenue increments. But the company has hit a growth wall, evidenced by the January 17 trading update pointing to flat SIR-Spheres sales for the first half (albeit with forecast growth for the second half).

Bear in mind that post the Gilman Wong debacle, new management under Andrew McLean has curtailed R&D and cut costs as part of a ‘back to basics’ program.

Mr Wong had championed the 2020 Vision, a sweeping plan to expand the use of the spheres and commercialise multiple products.

Now, that one’s more a case of ‘should have gone to Specsavers’.

Dr Boreham’s diagnosis:

As we said at the outset, all is not lost for Sirtex. After all, why would Varian want to buy the company if it were a basket case?

SIR-Spheres generate around $230 million of revenue annually, with 80,000 doses dispensed across 1,090 medical centres in 40 countries. Varian is confident of finding growth, by using its superior sales reach and possibly working on those expanded indications.

For Sirtex’s 16,600 shareholders, their enthusiasm for the deal will depend on when they bought the stock. Long term investors such as Allan Gray (formerly Orbis) bought at lower levels, so would be happy to tick the ‘yes’ box at the scheme of arrangement meeting scheduled for late May. Long-term holder Hunter Hall (now Pengana Capital) sold below substantial status last June - when the shares were close to those recent lows. D’oh!

Mr McLean is confident that the deal will sail through, despite the need for regulatory approvals and defeating conditions such as a precipitous plunge in Ebitda or a horrible and early class action outcome.

“We believe the risks this transaction will not complete are very low,” he said.

In our inaugural Crucible column in January last year, your good doctor opined that Sirtex “needed a period of rest and recuperation and investors should tip-toe past the recovery ward to healthier exposures”. At the time the shares changed hands for $15, which just goes to show that doctors - especially fake***** ones - can get the wrong end of the stethoscope at times.

We reckon shareholders should sit tight and wait for the paperwork.

**** Disclosure: Dr Boreham is not a qualified medical practitioner and does not possess a doctorate of any sort. Nor is he a licensed financial adviser and nor is he infallible.***

STARPHARMA

Starpharma says it has regulatory and ethics approvals for its 35-patient, open-label, phase I/II dose-escalation trial of dendrimer enhanced-cabazitaxel for solid tumors.

Starpharma said that the trial objectives were to evaluate the safety, tolerability and pharmacokinetics of DEP-cabazitaxel to define a recommended phase II dose and then to determine anti-tumor efficacy of the product in selected tumor types.

The company said that the trial would be conducted at multiple sites, with London's Guy's Hospital and University College London Hospital the first to open for recruitment.

Starpharma said that cabazitaxel was marketed by Sanofi Aventis as Jevtana for advanced prostate cancer and its dendrimer enhanced version was detergent-free.

Starpharma said that cabazitaxel was in clinical development for other cancer types, including testicular, ovarian, breast, bladder, and head and neck.

The company said that DEP-cabazitaxel was the second product from its dendrimer enhanced product (DEP) platform to enter the clinic, following DEP-docetaxel, which delivered positive phase I clinical results in 2017 and recently progressed to a phase II trial.

Last September, Starpharma said its 27-patient phase I trial of dendrimer-enhanced docetaxel showed it was safe with "encouraging signs of efficacy … [with] no reports of neutropenia, a life-threatening toxicity seen in virtually all patients treated with conventional docetaxel formulations (BD: Sep 22, 2017).

Today, the company said that "the reproducible benefits observed for DEP-docetaxel and DEP-cabazitaxel in pre-clinical models include decreased bone marrow toxicity and enhanced efficacy and in both cases DEP has also allowed for a detergent-free formulation resulting in significant additional benefits for patients".

Starpharma said that Astrazeneca's first DEP product AZD0466 had been developed under licence with Starpharma and had demonstrated pre-clinical improvements consistent with findings for DEP-docetaxel and DEP-cabazitaxel.

The company said that in the phase I part of the study DEP-cabazitaxel would be administered once every three weeks at escalating doses to determine any dose limiting toxicities and establish the maximum tolerated dose, with characterization of the safety, tolerability and pharmacokinetics of DEP-cabazitaxel to establish and characterise the recommended phase II dose.

Starpharma said that the phase II part of the study would enrol an initial up-to 20 patients to determine the anti-tumor efficacy of DEP-cabazitaxel in specific tumour types and to further characterise the safety, tolerability and pharmacokinetics of the product.

The company said that as the trial progressed, decisions would be made about which tumor types to focus and any additional patients required to further characterize efficacy in specific tumor types.

Starpharma chief executive officer Dr Jackie Fairley said that DEP-cabazitaxel had delivered "exciting pre-clinical results showing sustained efficacy and survival benefits, as well as eliminating neutropenia, which is a significant dose-limiting side effect of many anti-cancer drugs, including Jevtana".

"These benefits for DEP-cabazitaxel are consistent with the recent positive phase I results for our lead internal DEP-product, DEP-docetaxel and findings in partnered DEP-programs," Dr Fairley said.

"The growing body of data from our DEP-products illustrates the broad applicability of the DEP-platform and the compelling commercial advantages of enhancing drug performance and reducing toxicity for patients, while extending patent life," Dr Fairley said.

Starpharma fell six cents or 3.7 percent to $1.58 with 1.4 million shares traded.

GENETIC TECHNOLOGIES

Genetic Technologies has removed chief executive officer Eutillio Buccilli as a director and appointed Samuel Xue Lee, Peter Irwin Rubenstein and Jerzy Muchnicki.
Yesterday, Genetic Technologies said that Dr Malcolm Brandon and director Grahame Leonard have resigned ahead of today's board spill meeting.
In December, the company said it had received a notice calling for the meeting to remove Dr Brandon, Mr Leonard and Mr Buccilli as directors and appoint Mr Lee, Mr Rubenstein and Mr Muchnicki in their place (BD: Dec 1, 2017).
Genetic Technologies said that the resolutions to remove Dr Brandon and Mr Leonard were withdrawn prior to the meeting and the resolutions to remove Mr Buccilli and appoint Mr Lee, Mr Rubenstein and Mr Muchnicki were passed with more than 344 million votes (56.8%) in favor and more than 259 million votes (42.8%) against.
The company said it had 2,435,282,724 shares on issue.
In December, Genetic Technologies said that the requisition notice was received from Antanas Guoga, Ugnius Simelionis, Security and Equity Resources, SH Rayburn Nominees Pty Ltd, Irwin Biotech Nominees Pty Ltd, MJGD Nominees Pty Ltd and Samuel Lee who claimed to hold about 5.5 percent of the issued shares of the company.
Genetic Technologies requested a voluntary suspension from trading "pending an announcement of a proposed capital raising and strategic alliance".
Genetic Technologies last traded at 1.55 cents.

PATRYS

Patrys says it has described the humanization of its Deoxymab 3E10 to select PAT-DX1 for cancer treatment in a journal article and filed a US patent application.
Patrys said the article, entitled 'Re-engineering and evaluation of anti-DNA autoantibody 3E10 for therapeutic applications' was published in the journal Biochemical and Biophysical Research Communications and an abstract is available at: https://www.ncbi.nlm.nih.gov/pubmed/29374508.
The company said that it licenced the Deoxymab 3E10 technology from Yale University in 2016 and completed a comprehensive in-silico, or computer simulation, design and optimization program for the antibody.
Patrys said that the research article, co-authored by chief executive officer Dr James Campbell with the head of business development and intellectual property Dr Deanne Greenwood, described the design, expression and testing of a panel of humanized 3E10 antibodies that led to the selection of PAT-DX1 as its lead candidate in April 2017.
The company said that the publication described how variants were expressed in a modified Chinese hamster ovary (CHO) expression system and evaluated in a number of functional assays for their physiochemical attributes and ability to penetrate nuclei to selectively cause DNA damage.
Patrys said there was "significant variability in capacity to penetrate the nucleus, most likely due to differential DNA binding affinity and ability to access and utilize the transport pathways into the cell".
The company said that the humanized version of Deoxymab 3E10 acted "similarly to, or better than, the original murine [mouse] version".
Dr Campbell said that with Yale University the company had filed a provisional patent application to protect the panel of 3E10 variants generated.
Patrys did not disclose the title of the patent application but Dr Campbell said that if it was granted it would provide intellectual property protection until 2037.
Patrys was up 0.2 cents or 9.1 percent to 2.4 cents with 3.9 million shares traded.

ORTHOCELL

Orthocell says that Canada has granted a patent covering the method of manufacturing tenocytes to form its autologous tenocyte implantation (Ortho-ATI) product.
Orthocell said the patent, entitled 'Tenocyte cell culturing method' covered the method of manufacturing tenocytes to 2027 and it had secured patents in all key jurisdictions for tendon repair, "optimizing the global intellectual property position for Ortho-ATI".
The company said the patent had been granted in Canada, the US, European Union, Australia, New Zealand, China, Singapore and Hong Kong.
Orthocell managing-director Paul Anderson said that "securing a full suite of tenocyte patent protection ensures Orthocell is well-positioned to drive its novel world leading tendon repair product into the global market".
Orthocell fell 1.5 cents or 4.3 percent to 33.5 cents.

MMJ PHYTOTECH

MMJ says results from the first 10 of 15 patients show that its marijuana-derived PTL101 capsules reduce paediatric epilepsy following 12 weeks of treatment.
Last year, MMJ said it had begun a 15-patient, open label, phase II trial of PTL101 for children with epilepsy at the Tel Aviv, Israel-based Sourasky Medical Centre, with Prof Uri Kramer as primary investigator to evaluate the safety, tolerability and efficacy of oral administration of PTL101 as an adjunct treatment (BD: Feb 13, 2017).
MMJ said that the efficacy endpoints would assess the seizure frequency and global impression of improvement in patient's clinical condition.
Today, the company said that eight patients completed the study, while two patients were discontinued due to worsening seizures.
MMJ said that in six patients a reduction of 59 to 91 percent in mean monthly seizure frequency was observed following 12 weeks of treatment, with the median reduction of 79.5 percent in the 12-week treatment period compared to the four week observation period.
The company said that patients aged two to 15 years were eligible for the study if they had tried at least four prior anti-epileptic drugs, including one trial of a combination of two drugs, without successful seizure control, with daily doses were limited to 25mg/kg or 450mg, whichever was lower.
MMJ said that following 12 weeks of treatment, six of the eight patients were rated as "very much improved [or] improved" in overall condition on the Caregiver Global Impression of Improvement scale and 7/8 patients were rated as "very much reduced/reduced" on Caregiver Global Impression of Seizures Severity scale.
The company said that one patient had a 12 percent reduction in seizures and for one patient, the last five weeks of diary data was missing, destroyed in a fire.
MMJ said that the treatment with the capsules was generally safe and well tolerated with no serious adverse events observed, but 20 treatment-related adverse events reported or 1.5 percent of administrations.
The company said that most adverse events were mild, a few were moderate, and all transient.
MMJ said the study was expected to be completed by mid-2018.
MMJ fell one cent or 1.9 percent to 51 cents with 1.4 million shares traded.

IMMURON

Immuron says it has enrolled the first of 60-patients in its phase I/II trial of IMM-529 for the prevention of Clostridium difficile infection recurrence.
Last August, Immuron said it had opened the first clinical site for the trial at Jerusalem's Hadassah Medical Centre with the first patient expected to be enrolled in mid-September 2017 (BD: Aug 28, 2017).
Immuron previously said the study would evaluate the safety and efficacy of IMM-529 in combination with existing standards of care for acute and chronic Clostridium difficile infection, with results in mid-2018 (BD: May 10, 2017).
The company said that IMM-529 was a biological product intended to prevent and treat Clostridium difficile without destroying the microbiome, which antibiotic treatments did.
Immuron fell one cent or 3.4 percent to 28.5 cents with 1.1 million shares traded.

CLINUVEL PHARMACEUTICALS

Clinuvel says that customer receipts for the six months to December 31, 2017 fell 2.4 percent to $9,837,000 compared to previous corresponding period.
Clinuvel says that receipts for the three months to December 31, 2017 fell 3.5 percent to $4,199,000 compared to previous corresponding period.
Clinuvel said it had cash and cash equivalents of $27,938,000 at December 31, 2017, with an expected cash outflow for the coming three months of $3,220,000.
Clinuvel was up 15 cents or 1.7 percent to $8.90.

BIONOMICS

Bionomics says that customer receipts for the six months to December 31, 2017 fell 49.0 percent to $3,438,000 compared to previous corresponding period.
Bionomics says that receipts for the three months to December 31, 2017 fell 58.8 percent to $1,683,000 compared to previous corresponding period.
Bionomics chief executive officer Dr Deborah Rathjen told Biotech Daily that the revenue was primarily payment for services including to Merck Sharp and Dohme payments and the total received was lower due to the timing of some payments.
The company said it had cash and cash equivalents of $32,021,000 at December 31, 2017, with a further $6,788,000 Federal Government R&D Tax Incentive received this month and an expected cash outflow for the coming three months of $7,133,000.
Bionomics fell half a cent or 1.3 percent to 37.5 cents.

MEDLAB CLINICAL

Medlab says that customer receipts for the six months to December 31, 2017 were up 63.4 percent to $2,361,000 compared to previous corresponding period.
Medlab says that receipts for the three months to December 31, 2017 were up 53.0 percent to $1,181,000 compared to previous corresponding period.
The company said it had cash and cash equivalents of $790,000 at December 31, 2017, with an expected cash outflow for the coming three months of $2,495,000.
Last week, Medlab said it raised $24 million in a placement (BD: Jan 25, 2018).
Medlab fell four cents or four percent to 96 cents.

DORSAVI

Dorsavi says that receipts from customers for the six months to December 31, 2017 were up 19.1 percent to $2,342,000 compared to previous corresponding period.
Dorsavi said that receipts from customers for the three months to December 31, 2017 were up 78.3 percent to $1,173,000 compared to previous corresponding period.
The company said it was cash-flow positive by $487,000 with cash and cash equivalents of $6,749,000 at December 31, 2017, with an expected outflow of $2,293,000 for the three months to March 31, 2018.
Dorsavi fell one cent or 3.7 percent to 26 cents.

IQ3 CORP

IQ3 says that customer receipts for the six months to December 31, 2017 were up 12.4 percent to $2,279,000 compared to previous corresponding period.
IQ3 says that receipts for the three months to December 31, 2017 were up 93.8 percent to $1,343,000 compared to previous corresponding period.
The company said it had cash and cash equivalents of $378,000 at December 31, 2017, with an expected cash outflow for the coming three months of $927,000.
IQ3 said it had 7,150,000 “loyalty” options available to be exercised at 30 cents each by May 14, 2018.
IQ3 was unchanged at 28.5 cents.

ADHERIUM

Adherium says that receipts from customers for the year to December 31, 2017 fell 26.9 percent to $1,174,000 compared to previous corresponding period.
Adherium said that receipts from customers for the three months to December 31, 2017 fell 57.0 percent to $552,000 compared to previous corresponding period.
The company said it had cash and cash equivalents of $14,935,000 at December 31, 2017, with an expected outflow of $3,900,000 for the three months to March 31, 2018.
Adherium was up half a cent or 5.6 percent to 9.5 cents.

RESONANCE HEALTH

Resonance says that customer receipts for the six months to December 31, 2017 rose 6.55 percent to $1,171,000 compared to previous corresponding period.
Resonance says that receipts for the three months to December 31, 2017 fell 27.4 percent to $563,000 compared to previous corresponding period.
Resonance said it had cash and cash equivalents of $1,116,000 at December 31, 2017, with an expected cash outflow for the coming three months of $45,000.
Resonance was unchanged at 2.2 cents.

GI DYNAMICS

GI Dynamics says its net operating cash burn for the three months to December 31, 2017 was $US2,481,000 ($A3,073,550) with cash at the end of the quarter of $US3,034,000.
GI Dynamics said it expected a cash burn for the coming three months of $US1,911,000.
Last week, the company said that it binding commitments to raise $A2,057,321 in a private placement at 3.5 cents per Chess depository instrument (BD: Jan 23, 2018).
GI Dynamics was up 0.2 cents or 9.5 percent to 2.3 cents.

RHS (FORMERLY REPRODUCTIVE HEALTH SCIENCE)

RHS says its net operating cash burn for the three months to December 31, 2017 was $512,000 with cash at the end of the quarter of $853,000.

RHS said it expected a cash outflow for the three months to March 31, 2018 of $815,000.

The company said it had submitted an Export Market Development Grant application and was preparing its R&D Tax Incentive application for the 2017 calendar year, which it expected to receive by June 30, 2018.

RHS was unchanged at 12.5 cents.