



Biotech Daily

Thursday April 26, 2018

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH DOWN: EYEPOINT (PSIVIDA) UP 30%; OSPREY DOWN 29%**
- * **VICTORIA: 'CANOPY MAKES MELBOURNE MEDICAL MARIJUANA HUB'**
- * **PRESCIENT PROF SAID SEBTI: PRECISION ONCOLOGY TREATMENTS**
- * **EYEPOINT PLEADS SCHULTZ TO ASX 39% QUERY**
- * **IRISH TRIAL BACKS GENETIC SIGNATURES EASYSCREEN**
- * **HYDROPONICS PAYS \$2.55m FOR LEO PHARMA FACILITIES**
- * **RESAPP RECEIVES \$689k FEDERAL R&D TAX INCENTIVE**
- * **INNATE EGM APPROVES AMPLIA ACQUISITION, DIRECTORS**
- * **PHOSPHAGENICS POTENTIAL 2nd STRIKE BOARD SPILL AGM**
- * **FACTOR ENTITLEMENT ISSUE TAKES CASH TO \$8.8m**
- * **BIOTRON HAS LESS THAN 2 QUARTERS CASH**
- * **BENITEC REQUESTS 'CAPITAL RAISING' TRADING HALT**
- * **VOLPARA REQUESTS 'CAPITAL RAISING' TRADING HALT**
- * **OPTISCAN: '4 OF 5 STAFF WITHDRAW RESIGNATIONS'**
- * **BRONWYN LE GRICE REPLACES IMAGION DIRECTOR PETER DI CHIARA**
- * **DR HIS-KAI WAN TO REPLACE TBG DIRECTOR EDWARD CHANG**
- * **MEDIBIO APPOINTS SCIENTIFIC ADVISORY BOARD**

MARKET REPORT

The Australian stock market fell 0.18 percent on Thursday April 26, 2018 with the ASX200 down 10.8 points to 5,910.8 points. Ten of the Biotech Daily Top 40 stocks were up, 21 fell, six traded unchanged and three were untraded.

Eyepoint (Psvida) was the best, up 64 cents or 29.6 percent to \$2.80 with 55,034 shares traded. Optiscan climbed 5.3 percent; Immutep improved 4.35 percent; Compumedics, CSL and Pro Medicus rose more than two percent; Clinuvel and Cochlear were up more than one percent; with Sirtex, Starpharma, Telix and Viralytics up less than one percent.

Osprey led the falls, down seven cents or 28.6 percent to 17.5 cents with 2.2 million shares traded. Genetic Signatures lost 15.15 percent; Universal Biosensors fell 12.5 percent; Impedimed was down eight percent; Ellex and Uscom shed more than seven percent; Opthea and Pharmaxis fell more than four percent; Airxpanders, Bionomics, LBT, Orthocell and Polynovo were down more than three percent; Actinogen, Factor and Nanosonics shed more than two percent; with Admedus, ITL, Mesoblast and Resmed down more than one percent.

[VICTORIA GOVERNMENT, AUSCANN](#)

The Victoria Government says that “the world’s largest medicinal cannabis company” Canopy Growth Corp will establish its Asia-Pacific headquarters in Victoria.

The Smiths Falls, Ontario-based Canopy Growth Corp has a 10.65 percent substantial shareholding in Auscann (BD: Apr 24, 2018).

A media release from Victoria Agriculture Minister Jaala Pulford said that the headquarters and research and development centre would create more than 200 jobs, with the State Government supporting, the Canopy investment of \$16 million in the centre through its wholly-owned subsidiary Spectrum Cannabis Australia.

A spokesman for Ms Pulford told Biotech Daily that the location of the headquarters was “not decided at this stage ... [with] Canopy reviewing a number of sites in [metropolitan] and regional Victoria”.

The spokesman said that the 2016-'17 Victoria Budget allocated \$28.5 million across agriculture and health to enable access to medicinal cannabis, including funding to produce Australia’s first locally grown and manufactured medicinal cannabis product, in addition to the Government's support for Canopy Growth.

The spokesman said that in January 2018 the “Government signed a memorandum of understanding with Canopy “to further develop research and technical capabilities in the production of medicinal cannabis”.

The media release said the facility would enable the production of high quality medicinal cannabis for domestic and international patients as market opportunities arise.

The Government said that by exporting its products from Victoria, Spectrum would “create hundreds of new jobs across the supply chain and position the State as the Southern Hemisphere’s export hub for medicinal cannabis”.

“Hosting the company’s research and development centre in Victoria will further strengthen the research collaboration currently underway between Canopy and Agriculture Victoria and delivering world class results in the cultivation and production of medicinal cannabis,” the State Government said.

The Government said its Medical Cannabis Industry Development Strategy set out a plan to grow Victoria’s emerging medicinal cannabis industry into an established sector and attracting “the world’s largest firm to set up operations right here in Victoria is a major step towards that goal”.

The media release said that the strategy aimed to have Victoria supplying half of Australia’s medicinal cannabis by 2028, along with the creation of 500 jobs in Victoria.

The Government said that Victoria was the first state in Australia to legalize access to medicinal cannabis for patients in exceptional circumstances in 2016.

“We were the first state to legalize medicinal cannabis and now we’re continuing to lead the way and cement our position as the medicinal cannabis hub of the Southern Hemisphere,” Ms Pulford said. “We’re proud to be part of this ground-breaking industry that will not only change and save lives, but create hundreds of local jobs.”

Canopy chief executive officer Bruce Linton said that “supporting the creation of a domestic industry capable of supplying products grown and processed in Australia will further improve patient outcomes and create economic stimulus through job creation and infrastructure investment in the process”.

Spectrum Australia managing-director Ben Quirin said that his company’s goal was “to act quickly and establish a market presence here in Victoria”.

“Spectrum genetics are growing healthily here in the country and we are well on our way to identifying suitable locations for a hi-tech greenhouse and processing facility to produce them at scale,” Mr Quirin said.

Auscann was up 14 cents or 8.6 percent to \$1.76 with 3.1 million shares traded.

PRESCIENT THERAPEUTICS

Prescient chief scientific officer Prof Said Sebti says PTX-100 and PTX-200 are cancer drugs targeting specific mutations and pathways for “precision medicine”.

In Australia for a series of investor briefings Prof Sebti, who is also chair of the Tampa, Florida-based Moffitt Cancer Centre department of drug discovery, said the drugs he co-invented were “all about precision medicine”.

“We use targeted, personalized, tailored or precision medicine - whatever you want to call it - instead of treating all patients with the same drugs, which only work on 10 percent of the population,” Prof Sebti said.

“We take a sub-population and treat that with the most appropriate drugs,” Prof Sebti said. He said that he co-invented PTX-100 with then Yale University Prof Andrew Hamilton, now the president of New York University, targeting the RAS and Rho pathways associated with pancreatic and gastric cancer, lymphoma and myeloma.

Prof Sebti said that PTX-200 was co-invented with a team at the Tampa-based University of South Florida, targeting high levels of protein kinase B, or Akt expressed by a gene mutation (BD: Feb 9, 2015).

Prof Sebti said that PTX-100 had already proven safety in a phase I trial and the company was preparing for a pilot “basket study” of PTX-100 expected to enrol about 20 patients with pancreatic cancer, gastric cancer, lymphoma or myeloma to investigate dose-ranging, pharmaco-kinetics and pharmaco-dynamics of the drug.

Prescient chief executive officer Steven Yatomi-Clarke said that the company had funds to cover the existing program of trials into 2019.

Mr Yatomi-Clarke said that three separate trials of PTX-200 for breast cancer, acute myeloid leukaemia and ovarian cancer were currently underway with results expected in 2019, mid-2018 and the end of 2018, respectively.

Earlier this month, Prescient reported that of 10 evaluable patients in its 28-patient, phase Ib trial of PTX-200 for breast cancer, five (50%) had an overall response rate, twice the expected industry average response rate of 25 percent for the chemotherapy drug paclitaxel-alone rate (BD: Apr 10, 2018)

The company said at that the trial evaluated PTX-200 in combination with paclitaxel in women with HER2-negative breast cancer, including oestrogen receptors negative and progesterone negative, or triple negative, and oestrogen positive breast cancer.

The company said the study was currently in a 26-patient, phase II trial in women with HER2 negative locally advanced breast cancer, with five of the patients in the phase Ib study qualifying for assessment of phase II data.

Prescient said that if three or more complete responses were observed in the first 11 patients, then the phase II trial would expand to a further 15 patients.

Prescient was up 0.1 cents or one percent to 10 cents.

EYEPOINT PHARMACEUTICALS (FORMERLY PSIVIDA CORP)

Eyepoint has told the ASX that it is not aware of any information it has not announced which, if known, could explain recent trading in its securities.

The ASX said the company’s share price rose 38.9 percent from \$2.16 on April 24 to \$3.00 today April 26, 2018 and noted a significant increase in the trading volume”.

In March and earlier this month, the then Psivida said it would raise \$US65 million, take a loan of \$US20 million, buy Icon Bioscience, rebrand as Eyepoint Pharmaceuticals and had approval to delist from the ASX, with trading to be suspended on April 30 and removal from the list on May 7, 2018 (BD: Mar 29, 2018; Apr 4, 2018).

Eyepoint closed up 64 cents or 29.6 percent to \$2.80 with 55,034 shares traded.

GENETIC SIGNATURES

Genetic Signatures says Irish trial data supports its recently Conformité Européenne (CE) mark approved Easyscreen detection kit.

Last week, Genetic Signatures said it received CE mark for its Easyscreen extended spectrum beta-lactamase and carbapenemase producing organisms (ESBL & CPO) kit for hospital acquired and antibiotic resistant pathogens detection (BD: Apr 20, 2018).

Today, the company said a paper titled 'Evaluation of the Easyscreen CPO 3base real-time PCR assay for detection of carbapenemase genes directly from rectal swabs' by Ireland's National CPE Reference Laboratory showed that the automated sample extraction and the optimised Easyscreen ESBL & CPO assay was "promising as a sensitive and specific alternative to culture for the rapid detection of carbapenemase producing organisms".

The company said that "compared to culture, which could take days, the assay can be carried out in less than three hours with minimal hands-on time required".

National CPE Reference Laboratory trial coordinator Elaine McGrath said the laboratory had "been very pleased with the performance of the Genetic Signatures kit".

"We have conducted extensive validation on the kits which can be utilized to rapidly identify resistant organisms directly from clinical specimens" Ms McGrath said.

Genetic Signatures chief executive officer Dr John Melki said that "the positive trial results from a major European healthcare entity highlights the continued progress we are making on our European commercialization efforts".

"The trial result provides potential customers confidence around the advantages of our 3base Easyscreen product suite," Dr Melki said.

Genetic Signatures fell five cents or 15.15 percent to 28 cents.

THE HYDROPONICS COMPANY

Hydroponics says it has acquired the Brisbane production facilities of Copenhagen-based Leo Pharma for \$2,550,000.

Hydroponics quoted a Leo Pharma spokesperson saying its "support to Australian patients with skin diseases remains the same" (BD: Nov 24, 2011).

"But as global production plans were changed, keeping the facilities in Southport did not match with our future strategy for manufacturing of products," Leo Pharma said.

Hydroponics said the facilities were "one of the largest pharmaceutical botanicals extraction and refinement plants in the Southern Hemisphere ... [enabling the company] to become a globally significant manufacturer of medicinal cannabis products".

The company said that the facility had a fully functioning bio-manufacturing plant with extraction technology to fractionate and crystallize during the manufacturing process, and a high-quality purification system that would enable it to produce a broad range of high quality, pure cannabinoids as active pharmaceutical ingredients.

Hydroponics said that it had engaged personnel for the operation.

Hydroponics rose seven cents or 11.5 percent to 68 cents with 1.5 million shares traded.

RESAPP HEALTH

Resapp says it has received \$689,056 from the Australian Tax Office under the Federal Government Research and Development Tax Incentive program.

Resapp said the rebate related to research and development activities for the year to June 30, 2017.

Resapp fell half a cent or 3.3 percent to 14.5 cents with 2.8 million shares traded.

INNATE IMMUNOTHERAPEUTICS

Innate says that all resolutions relating to the Amplia Therapeutics acquisition passed easily at its extraordinary general meeting.

Last month, Innate said the meeting would vote on the acquisition of North Melbourne-based Amplia for \$3,876,665 in shares to Amplia shareholders and the election of directors Dr Christian Behrenbruch, Dr Christopher Burns, Dr Warwick Tong and Andrew Cooke (BD: Mar 28, 2018).

Today, the company said that all resolutions passed easily, with the closest vote the 10-to-one consolidation of capital, which passed with 57,087,386 votes in favour and 1,048,247 votes against.

Innate fell 0.4 cents or 8.5 percent to 4.3 cents with 1.5 million shares traded.

PHOSPHAGENICS

Phosphagenics annual general meeting will vote on the remuneration report, a potential second strike board spill and the re-election of directors.

Last year, Phosphagenics recorded a remuneration report first strike with 27.73 percent opposing the report (BD: Apr 28, May 31, 2017).

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 at the later meeting and if passed by more than 50 percent of votes the directors must stand for reelection at a subsequent meeting within 90 days.

Following the spill vote, the trigger is reset to no opposition.

In 2014, former chief executive officer Dr Esra Ogru was gaoled along with Dr Woei-Jia Jiang and Dr Robert Gianello for stealing \$6 million from the company (BD: Nov 7, 2014).

Phosphagenics chief executive officer Dr Ross Murdoch was appointed in January 2015, with chairman Dr Greg Collier and director Peter Lankau appointed in April 2015 and former investment relations manager David Segal elected as a director against the then board's direction in 2016 (BD: Jan 18, Apr 13, 2015).

In 2015, Phosphagenics failed to change its name to Alyptus Biotechnology and earned a remuneration report first strike (BD: May 19, 2015).

The 2015 name change special resolution required 75 percent support, but was opposed by 31.94 percent of votes and supported by 68.05 percent, with the remuneration report opposed by 32.79 percent and supported by 67.21 percent.

In 2016, the Phosphagenics annual meeting narrowly passed the remuneration report resolution with 77.2 percent in favor and 22.8 percent against, but lost its preferred director Nathan Drona, who resigned on the morning of meeting, and gained David Segal which the board opposed (BD: May 19, 2016).

Last year, the company said on the night before the meeting that non-executive director Dr Geert Cauwenbergh has resigned "to concentrate on his other business commitments" and in 2015, chairman Lawrence Gozlan resigned six days ahead of the annual general meeting (BD: May 12, 19, 2015; May 31, 2017).

Today, the company said the meeting would vote on the remuneration report, the re-election of chairman Dr Greg Collier and the potential spill resolution if required.

The meeting will be held at the Oliphant Auditorium, National Centre for Synchrotron Science, 800 Blackburn Road, Clayton, on May 25, 2018 at 9:30am (AEDT).

Phosphagenics was unchanged at 1.3 cents with 1.5 million shares traded.

FACTOR THERAPEUTICS

Factor says its net operating cash burn for the three months to March 31, 2018 was \$2,028,000 with cash of \$4,623,000.

Factor said its expected burn for the coming three months was \$3,205,000.

The company said that it raised a further \$4,171,714 in an entitlement offer at four cents a share which concluded after the end of the March quarter (BD: Apr 13, 2018).

A Factor executive told Biotech Daily that the company expected a “material” Federal Government Research and Development Tax Incentive by June 30, 2018 and the company would transition to a December 31 reporting period this year.

Factor fell 0.1 cents or 2.4 percent to four cents.

BIOTRON

Biotron says its net operating cash burn for the three months to March 31, 2018 was \$886,000 with cash at the end of the quarter of \$672,000.

Biotron said its expected burn for the coming three months was \$475,000 and provided no further information.

Biotron was unchanged at 2.4 cents.

BENITEC BIOPHARMA

Benitec has requested a trading halt pending “an announcement to [the] ASC in connection with a capital raise”.

Benitec said trading will resume on April 30, 2018 or on an earlier announcement.

Benitec last traded at 21 cents.

VOLPARA HEALTH TECHNOLOGIES

Volpara has requested a trading halt pending an announcement regarding “a proposed capital raising, comprising an institutional placement and a share purchase plan”.

Volpara said trading will resume on April 30, 2018 or on an earlier announcement.

Volpara last traded at 69 cents.

OPTISCAN IMAGING

Optiscan says that two staff members including the founder and chief technology officer Peter Delaney have withdrawn their notices of resignation.

In March, Optiscan said that with two board spill requisition notices and despite losing six of its senior staff it had “sufficient skilled management resources to continue the operations of the business” (BD: March 28, 2018).

Earlier this month Mr Hoffman, Peter Francis and Dr Ian Griffiths resigned with Mr Lurie and Mr Mutton appointed to the board (BD: Apr 18, 23, 2018).

Optiscan chief executive officer Archie Fraser resigned in January, with Mr Delaney, the head of regulatory affairs and quality assurance Peter Pavlicek, the head of research and development Rob Pattie, the general manager of pre-clinical products Andrew Froude and the company accountant Tony Dobson resigning in March (BD: Jan 22, Mar 28, 2018).

Today, Optiscan said that two of the three contractors referred to had withdrawn their notices of intent to withdraw their services, with the third contractor overseas and the board in communication with him regarding his intention to withdraw his services.

Optiscan was up 0.4 cents or 5.3 percent to 7.9 cents.

IMAGION BIOSYSTEMS

Imagion says Bronwyn Le Grice has been appointed as a non-executive director replacing Peter Di Chiara, effective from April 26, 2018.

Imagion said Mr Di Chiara “played a valuable role in helping the company through its [initial public offer] process” and would continue as an advisor.

Ms Le Grice was previously the company secretary and head of commercial development at Adherium (BD: Apr 22, 2016).

The company said Ms Le Grice was a founder and managing-director of Andhealth and was previously an investments director at Melbourne’s Bioscience Managers.

Imagion fell 0.1 cents or 1.4 percent to 6.9 cents.

TBG DIAGNOSTICS

TBG says that Dr His-Kai Wang has been as a non-executive director, subject to shareholder approval, at its May 28, 2018 annual general meeting.

TBG said that Dr Wang was Taiwan-based Eternal Materials Co the biotechnical material technical team leader.

The company said that Dr Wang held a doctorate of Philosophy from the University of Tokyo in Japan.

TBG said that director Edward Chang would resign as a director effective of the annual general meeting on May 28, 2018.

The company thanked Mr Chang for his contribution.

TBG was untraded at six cents.

MEDIBIO

Medibio says its scientific advisory board will be led by company director Dr Franklyn Prendergast and chief medical officer Dr Archie Defillo.

Medibio said that external members of the scientific advisory board would include Dr Martin Chapman, Dr Joel Ehrenkranz, Dr Mark Frye, Dr Lawrence Hunter, Dr Wallace Mendelson, Dr Marie Casey Olseth, and Dr Giampaolo Perna.

The company said the board would advise directors and the executive leadership team on scientific matters involving the company's discovery and development of programs, including major internal projects, interactions with academic and other outside research organizations, and the acquisition of technologies.

Medibio said the board would also advise on matters involving the safety and effectiveness of the its marketed products and assist in the reasonable oversight of product safety and medical risk management.

Medibio fell one cent or 6.45 percent to 14.5 cents.