



Biotech Daily

Monday July 23, 2018

Daily news on ASX-listed biotechnology companies

- * **ASX DOWN, BIOTECH UP: LBT UP 8%; OPTISCAN DOWN 6%**
- * **IMUGENE KEY-VAXX 'SUPERIOR' FOR CANCER IN MICE; PROF ZIELINSKI**
- * **EURO PATENT FOR INNATE'S AMP-886 FOR CANCER, FIBROSIS**
- * **IMPEDIMED RECEIPTS DOWN 16% TO \$4.6m**
- * **DORSAVI RECEIPTS UP 19% TO \$4.25m**
- * **RESONANCE RECEIPTS UP 16% TO \$2.65m, Q4 CASH FLOW POSITIVE**
- * **CRESO \$2.7m OPTIONS RIGHTS OFFER**
- * **MAYNE PHARMA BUYS EFUDEX FOR UP TO \$40m**
- * **CRESO, KUNNA REDUCE PURCHASE PRICE**
- * **1-PAGE: FROM RE-LISTING FOR MEDICAL MARIJUANA TO DE-LISTING**
- * **REGENEUS PLEADS SCHULTZ TO ASX 27% QUERY**
- * **CVC TAKES 7% OF UNIVERSAL BIOSENSORS**
- * **PLATINUM TAKES 10% OF ADALTA**
- * **WENTWORTH WILLIAMSON TAKES 5% OF TPI**
- * **ANTISENSE APPOINTS NUKET DESEM FOR CLINICAL, REGULATORY**

MARKET REPORT

The Australian stock market fell 0.93 percent on Monday July 23, 2018 with the ASX200 down 58.3 points to 6,227.6 points. Twenty of the Biotech Daily Top 40 stocks were up, 10 fell, seven traded unchanged and three were untraded. All three Big Caps fell.

LBT was the best, up one cent or 8.3 percent to 13 cents with 423,045 shares traded. Reva climbed eight percent; Cyclopharm was up seven percent; Airxpanders, Genetic Signatures and Osprey rose more than five percent; Avita, Compumedics and Oncosil improved more than four percent; Cynata was up 3.9 percent; Benitec, Impedimed, Mesoblast, Neuren, Opthea and Starpharma rose more than two percent; both Factor Therapeutics and Universal Biosensors were up 1.85 percent; with Ellex and Medical Developments up by less than one percent.

Optiscan led the falls, down 0.4 cents or 6.15 percent to 6.1 cents with 324,317 shares traded. Prescient lost 4.35 percent; Actinogen and Clinuvel were down more than three percent; Admedus, Cochlear, Immutep and ITL shed more than two percent; with CSL, Nanosonics, Resmed and Telix down by more than one percent.

IMUGENE

Imugene says its recently-acquired cancer vaccine has shown “superior [colorectal] cancer growth inhibition” compared to an industry-standard in mice.

Imugene said the Key-Vaxx check-point inhibitor vaccine acquired from Ohio State University inhibited cancer cell growth as a monotherapy and worked complementarily with the company’s HER-Vaxx breast cancer vaccine.

Earlier this month, Imugene said it had raised \$20.1 million to acquire a suite of B-cell cancer vaccines from the Mayo Clinic and Ohio State University (BD: Jul 6, 2018).

Today, the company said the mouse data meant there was potential to combine the two vaccines for breast cancer treatment, which it would investigate after an initial phase I trial of Key-Vaxx.

Imugene chief executive officer Leslie Chong said the company looked “forward to completing the pre-clinical program required to commence the phase I trial”.

“Recruitment of the phase Ib/II gastric trial continues, and on completion of dosing, and data analysis, we look forward to advising shareholders,” Ms Chong said.

In the same announcement Imugene said that Prof Christoph Zielinski had resigned from its scientific advisory board.

Imugene was unchanged at 2.4 cents with 34.0 million shares traded.

INNATE IMMUNOTHERAPEUTICS

Innate says it has been granted a European patent for the composition of drug candidate AMP-886 for proliferative diseases such as cancer and idiopathic pulmonary fibrosis.

Innate said it expected the patent, titled ‘FAK Inhibitors’, to provide coverage until February 2032 and it might be eligible for patent term extensions.

The company said both AMP-886 and its lead drug candidate AMP-945 were protected by separate issued patents in the US, Japan, China and Australia, with applications pending in other countries.

Innate said that a European patent application for AMP-945 was at an “advanced stage” and it expected a favorable outcome in the coming months.

Innate was up 1.5 cents or five percent to 31.5 cents.

IMPEDIMED

Impedimed says that receipts from customers for the year to June 30, 2018 fell 15.8 percent to \$4,597,000 compared to the previous corresponding period.

Impedimed said that receipts from customers for the three months to June 30, 2018 fell 2.0 percent to \$1,305,000 compared to the previous corresponding period.

The company said that it signed contracts worth \$1.9 million in the three months to June 30, for its up from \$900,000 in the three months to March 31, 2018.

Impedimed said that annual recurring revenue for its Sozo bio-impedance body composition diagnostic at June 30 was \$1.3 million up from \$900,000 in the previous three months.

The company said it had total revenue of \$1.4 million for the three months to June 30, 2018, which included medical revenue of \$1.1 million, of which \$400,000 was Sozo revenue.

The company said it had cash and cash equivalents of \$31,345,000 at June 30, 2018, with an expected outflow of \$6,400,000 for the three months to September 30, 2018.

Impedimed was up one cent or 2.3 percent to 44 cents.

DORSAVI

Dorsavi says that receipts from customers for the year to June 30, 2018 was up 18.7 percent to \$4,252,000 compared to the previous corresponding period.

Dorsavi said that receipts from customers for the three months to June 30, 2018 fell 10.8 percent to \$639,000 compared to the previous corresponding period.

The company said that total revenue fell 0.95 percent to \$3,433,000 for the year to June 30, 2018, with stronger revenue in the three months to December 31, 2017 and a decrease in other quarters compared to the previous corresponding period.

Dorsavi said it had cash and cash equivalents of \$3,967,000 at June 30, 2018, with an expected outflow of \$2,050,000 for the three months to September 30, 2018.

Dorsavi was untraded at 10 cents.

RESONANCE HEALTH

Resonance says receipts from customers for the year to June 30, 2018, was up 15.8 percent to \$2,652,000 compared to 12 months to June 30, 2017.

Resonance said that receipts from customers was up 59.5 percent to \$847,000 for the three months to June 30, 2018 compared to the prior corresponding period.

The company said it had signed several new contracts in the three-month period.

Resonance said that it was cash-flow positive for the quarter with net cash up \$49,000, and it had cash and cash equivalents of \$1,549,000 at June 30, 2018, with a projected expenditure of \$43,000 for the three months to September 30, 2018.

Resonance was up 0.1 cents or 4.55 percent to 2.3 cents.

CRESO PHARMA

Creso says it hopes to raise \$2,737,639 in a non-underwritten, non-renounceable one option-for-two shares rights issue at five cents an option.

Creso said that the unquoted options would be exercisable at 80 cents within two years.

The company said the offer would "reward the company's long-term shareholders for their loyalty", with proceeds to be used for the construction of the Nova Scotia, Canada-based Mernova Medicinal Inc cannabis growing facility and working capital.

Creso was up one cent or 1.5 percent to 66 cents.

MAYNE PHARMA GROUP

Mayne Pharma says it has bought the generic Efudex for skin cancers from Spear Pharmaceuticals for up to \$US30 million (\$A40.42m).

Mayne said the purchase of the rights to the generic topical cream from the Randolph, New Jersey-based Spear included a long-term supply agreement with the current US-based manufacturer and comprised a payment of \$US16 million in cash, \$US4 million in Mayne equity and contingent payments of up to \$US10 million dependent on "competitive dynamics in the product market" during the next three years.

The company said Efudex, or fluorouracil, was used for multiple actinic or solar keratoses, as well as the treatment of superficial basal cell carcinomas when conventional treatment was impractical.

Mayne said Efudex was approved by the US Food and Drug Administration in 1970 and Spear was one of two companies with a generic approval, with annual sales of the generic at \$US66 million and volume growth of about 10 percent in each of the last five years.

Mayne was up two cents or 2.3 percent to 88.5 cents with 17.9 million shares traded.

CRESO PHARMA

Creso says it has completed legal and technical due diligence to buy Kunna Canada and re-negotiated the deal's purchase price and the issue price of shares.

Last year, Creso said it would acquire Kunna Canada for up to \$US7.15 million (then \$A9.34 million) and in June said the wholly-owned Columbian subsidiary Kunna SAS had been granted a Columbian marijuana growing licence (BD: Dec 18, 2017, Jun 12, 2018).

Today, Creso said the price had been reduced by \$US375,000, from \$US7.15 million to \$US6,775,000 with a reduction in Creso's deemed share price from \$1.10 to 85 cents.

The company said that performance shares could be converted to shares if Kunna SAS was to cultivate, extract and sell 10kg of cannabis within 18 months of settlement, with Creso to fund Kunna \$US85,000 for general working capital requirements.

The company said that Kunna shareholder Vendor Facilitator had played a significant role in the purchase and it would receive six percent of the purchase price as a finder's fee.

Creso said the end-date for the heads of agreement would be extended to September 30, 2018 to allow time for shareholder approval for the issue of shares.

1-PAGE

1-Page says it has recently requested it be removed from the ASX to list on another "more suitable" exchange where there would be more interest in its medical marijuana.

In April, 1-Page said it would buy the Germany-based Hapa Medical Group for medical marijuana, hoped to re-list on the ASX "as soon as possible" and expected to hold a shareholder meeting in June and subject to approvals would be re-instated as European Cannabis Corp (BD: Apr 24, 2018).

Today, the company said its directors "hold the view that other markets may be more suitable for the listing of 1-Page given its proposed business and the interest in the medical cannabis market which could drive better shareholder return".

1-Page said that other than a registered office it did not have any direct Australian interests and on completion of the acquisition, its advisers, brokers, management and board would be based in Germany and other jurisdictions outside Australia.

The company said it had no immediate need for capital with about \$16.8 million in cash.

1-Page said it intended to implement a share sale facility to provide shareholders the ability to sell their shares for a nominated period following the removal from the Official List and that a dual listing would add significant additional costs.

1-Page was in a suspension at 16.5 cents.

REGENEUS

Regeneus 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 27.0 percent from 18.5 cents on July 19, to 23.5 cents today, July 23, 2018, and noted a "significant increase" in trading volume.

Regeneus said it told the market on July 3, that it was "on-track to complete licencing of Progenza to a clinical partner in Japan and [was] in active discussions with several parties" and on July 10, 2018 the US patent and Trademark Office allowed a patent for composition and use of Progenza.

In 2016, Regeneus told an ASX 29.2 percent price rise query that it was in discussions with potential partners in Japan for the manufacture, clinical development and commercialization of its Progenza product (BD: Aug 5, 2016).

Regeneus was up one cent or five percent to 21 cents with 2.5 million shares traded.

UNIVERSAL BIOSENSORS

CVC says it has increased its substantial shareholding in Universal Biosensors from 9,919,409 shares (5.6%) to 11,951,964 shares (6.86%).

The Sydney-based CVC said it bought the 2,032,555 shares on-market for \$511,218, or 25.15 cents a share between May 30 and July 19, 2018.

Universal Biosensors was up half a cent or 1.85 percent to 27.5 cents.

ADALTA

Platinum Investment Management says it has increased its substantial holding in Adalta from 8,000,000 shares (8.00%) to 11,333,400 shares (9.81%).

The Sydney-based Platinum said it bought the 3,333,400 shares for \$1,000,020, or 30 cents a share on July 19, 2018.

Earlier this month, Adalta said it had raised \$4.25 million in a placement at 30 cents a share (BD: Jul 13, 2018).

Adalta was up half a cent or 1.7 percent to 30 cents.

TPI (TASMANIAN POPPY INDUSTRIES) ENTERPRISES

Wentworth Williamson Management says it has become a substantial shareholder in TPI with 4,057,618 shares, or 5.00 percent of the company.

The Sydney-based Wentworth Williamson said it acquired the shares between June 7, 2017 and July 20, 2018 at prices ranging from \$1.28 to \$2.20 and the registered holder of the shares was Sandhurst Trustees.

TPI was up 2.5 cents or 1.9 percent to \$1.315.

ANTISENSE THERAPEUTICS

Antisense says it has appointed Nuket Desem as director of clinical and regulatory affairs. Antisense said Ms Desem had more than 20 years of experience in regulatory affairs, clinical development and project management.

The company said that from 2004 to 2010 she was its development director, responsible for the management of clinical trial programs, including the company's phase IIa trial of ATL1102 for multiple sclerosis.

Antisense said Ms Desem previously was Paranta Biosciences clinical and regulatory affairs director leading programs for the recombinant human follistatin protein PB01, was Prana Biotechnology's development and regulatory affairs senior manager, Spinifex Pharmaceuticals' head of clinical and regulatory affairs and worked at CSL in regulatory affairs and research and development roles.

The company said that Ms Desem would be responsible for developing the clinical and regulatory strategy for its product pipeline and execution of its clinical development plans, including the phase II trial of ATL1102 for Duchenne muscular dystrophy at the Royal Children's Hospital in Melbourne.

Antisense said Ms Desem held a Bachelor of Science from La Trobe University and a Master of Business Administration from Monash University.

Antisense was unchanged at 2.8 cents with 1.3 million shares traded.