



Biotech Daily

Tuesday July 3, 2018

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH UP: UNIVERSAL BIO UP 17%; LBT, PRESCIENT DOWN 4%**
- * **AUSCANN '\$30m RAISING' TRADING HALT**
- * **MTP CONNECT WESTERN AUSTRALIA**
- * **DORSAVI \$120k CITIPOWER, POWERCOR DEAL**
- * **PATRY'S: CHINA, JAPAN DEOXYMAB 3E10, PAT-DX1 PATENTS**
- * **MEMPHASYS 15-TO-1 CONSOLIDATION**
- * **HYDROPONICS NEW SITE, SUPPLY DEAL DUE DILIGENCE EXTENDED**
- * **CARDIEX: ZIHAN LIN, RHONDA WELCH IN, DUNCAN ROSS OUT**

MARKET REPORT

The Australian stock market was up 0.52 percent on Tuesday July 3, 2018 with the ASX200 up 32.4 points to 6,210.2 points.

Fifteen of the Biotech Daily Top 40 stocks were up, 12 fell, 12 traded unchanged and one was untraded.

Universal Biosensors was the best, up four cents or 17.0 percent to 27.5 cents with 235,015 shares traded.

Immutep climbed 10 percent; Compumedics and Prana improved more than four percent; Airxpanders, Benitec, Ellex and Imugene were up more than three percent; Actinogen, Impedimed and Opthea rose more than two percent; CSL and Nanosonics were up more than one percent; with Cynata, Mesoblast, Resmed and Sirtex up less than one percent.

LBT and Prescient led the falls, both down half a cent or 4.35 percent to 11 cents with 189,864 shares and 656,156 shares traded, respectively.

Optiscan, Osprey, Polynovo and Pro Medicus lost more than three percent; Avita, Oncosil and Starpharma shed more than two percent; Clinuvel and Pharmaxis fell more than one percent; with Cochlear and Medical Developments down by less than one percent.

AUSCANN

Auscann is believed to be raising about \$30 million at about \$1.10 a share from North American and Australian institutional investors.

At 9.20 am, Auscann requested a trading halt “pending the release of an announcement regarding a capital raising”.

At 9.51am, the Australian Financial Review reported the details of the capital raising.

Biotech Daily sources say the figures cited are approximately correct and that Canaccord Genuity was involved in the transaction.

Trading will resume on July 5, 2018 or on an earlier announcement to the market.

Auscann last traded at \$1.28.

MTP CONNECT

MTP Connect says it has established a Western Australian node in Perth with the Western Australia Government and the University of Western Australia.

The Federal Government-funded MTP Connect, or the Medical Technology, Biotechnology and Pharmaceutical Industry Growth Centre, said the node would run educational programs to support start-ups and innovation, work with local stakeholders to develop skills in product translation and commercialize, and help attract investment.

MTP Connect said the State Government would invest \$300,000 a year for four years to fund workshops, training, coaching and bring experts to Perth, with MTP Connect to contribute \$100,000 in cash each year and \$200,000 a year in-kind over four years.

MTP Connect said the University of Western Australia would invest \$300,000 through in-kind support to house the node and fund a position to connect university researches and industry across the life sciences sector.

The industry organization said the node would ensure that the local sector was linked to initiatives, programs and projects, and was focused on clinical trials and the development of pre-clinical expertise, and capability in precision medicine and regenerative medicine.

For more information, go to www.industry.gov.au/industrygrowthcentres or <https://www.mtpconnect.org.au>.

DORSAVI

Dorsavi says it has a six-month, \$120,000 contract with electricity distributors Citipower and Powercor for their staff to use its wearable sensor technology.

Dorsavi said the program aimed to reduce the incidence and impact of manual handling injury and would use its Vimove2 to provide an exercise program based on the movement profile of staff, with the movement profiles to be assessed using an on-site resource, as well as its Visafe technology to identify and prioritize movement risks according to task and job role level, with its Myvisafe application to be used by the businesses to drive behavioural changes among staff.

Dorsavi chief executive officer Andrew Ronchi said the deal was unique because it “incorporates Dorsavi’s full suite of technologies to impact at both an individual and organizational level”.

Citipower and Powercor head of health, safety and environment Steve Bourke said “safety was the business’ number one value and we look forward to partnering with Dorsavi to improve our safety performance”.

The company said other infrastructure firms that had used its technology included such as Melbourne Water, Endeavour Energy, Sydney Water, Unity Water and Snowy Hydro.

Dorsavi was up one cent or 8.3 percent to 13 cents.

PATRY'S

Patrys says that China and Japan have granted patents relating to its Deoxymab 3E10 technology.

Patrys said the patent, titled 'Cell-penetrating anti-DNA antibodies and uses thereof to inhibit DNA repair', protected PAT-DX1, its humanized form of the DNA damage-repair antibody Deoxymab 3E10, to be used "for various cancers and malignancies including gliomas, melanomas, prostate, breast, pancreatic and ovarian cancers".

Last year, the company said the US Patent and Trademark Office had granted the same patent, providing protection until April 2031 (BD: Jul 12, 2017).

Today, Patrys chief executive officer Dr James Campbell said the patent grants established "strong intellectual property rights for the 3E10 technology in the world's three largest pharmaceutical markets".

"Patrys has made significant progress with its pre-clinical development of PAT-DX1 over the past year, including confirmation that PAT-DX1 can cross the blood-brain barrier, and improve survival in a mouse model of glioblastoma," Dr Campbell said.

Patrys was up 0.1 cents or 1.9 percent to 5.3 cents with 25.9 million shares traded.

MEMPHASYS

Memphasys says it will undertake a 15-to-one share consolidation, subject to shareholder approval at a general meeting on August 6, 2018.

Memphasys said the consolidation would decrease the number of shares on issue to a more manageable quantity and enable smoother and less volatile share trading.

The company said that, if approved, the amount of issued shares of the company would reduce from 5,108,829,192 to about 340,588,613, assuming no exercising of options prior to the consolidation, and the number of options would reduce from 224,971,876 to about 14,998,125, with the exercise price to increase by a factor of 15.

Memphasys said the last day for trading in pre-consolidation shares would be August 7, 2018, with August 10, 2018 being the first day for each shareholder to be sent notice of the change in their holdings.

Memphasys was unchanged at 0.1 cents with 28.2 million shares traded.

THE HYDROPONICS COMPANY

Hydroponics says it has extended the due diligence date for its leasing and supply agreements to July 23, 2018, to finalize the drafting of the full form agreements.

Hydroponics said the agreements previously had a due diligence date of July 2, included leasing rights from Jenbrook Pty Ltd to use its northern New South Site for growing medical marijuana, as well as a deal with Meluka Health to supply it with cannabis for its honey production and for Hydroponics to use Meluka's tea extract for its cannabis products (BD: May 4, 2018).

Hydroponics chairman Steven Xu said the agreements were "a substantial component in establishing [the company's] supply chain for medicinal cannabis products in Australia and realising export [opportunities] through alliance partners".

"The finalization of the Jenbrook and Meluka Health agreements support [Hydroponics'] roll-out of strain access including with Ascent, world-class manufacturing facilities and off-take agreements that support future Australian and international demand for medicinal cannabis," Mr Xu said.

Hydroponics fell half a cent or one percent to 51.5 cents.

CARDIEX (FORMERLY ATCOR MEDICAL)

Cardiex says Zihan Lin and Rhonda Welch have been hired, Doug Kurschinski has been promoted and former chief executive officer Duncan Ross has left the company.

Cardiex said the Orange County, California-based Mr Lin had been appointed director of corporate development, with a focus on wearable technologies and China, having been a director of North Asia for the Irvine, California-based Masimo medical technology company.

The company said Ms Welch was a former Johnson & Johnson director of health policy reimbursement and would join its advisory board “to drive new strategic initiatives and reimbursement programs”.

Cardiex said Mr Kurschinski had been promoted from Atcor Medical general manager and head of US sales to head of Atcor Medical sales, where he would lead the Atcor cardiovascular division as well as the global sales team supporting it.

The company said that former chief executive officer Mr Ross had resigned, effective from July 1, 2018, having been replaced by Craig Cooper (BD: Nov 30, 2017).

Cardiex was up half a cent or 20 percent to three cents with 12.3 million shares traded.