



Biotech Daily

Wednesday September 12, 2018

Daily news on ASX-listed biotechnology companies

- * **ASX DOWN, BIOTECH UP: COMPUMEDICS UP 13%; DIMERIX DOWN 10%**
- * **CSIRO FUND RAISES \$232m; 3 OF 9 INVESTMENTS BIOTECH**
- * **FEDERAL COURT OK; SIRTEX DEPARTS TOMORROW**
- * **PHYLOGICA RAISES \$9.1m**
- * **MOUSE KIDNEY DATA TAKES CELLMID CAB102 TO FDA, EMEA**
- * **PROTEOMICS TO RECEIVE \$928k FROM SALE OF CPR SHARES**
- * **VISIONEERING PLAN RAISES \$334k OF HOPED-FOR \$3m; TOTAL \$9.2m**
- * **SUDA: PRIORITIES; HUNTS BUSINESS DEVELOPMENT HEAD; LICENCES**
- * **COCHLEAR \$1.7m CEO DIG HOWITT OPTIONS, RIGHTS AGM**
- * **UP TO 22% OF CYNATA OPPOSE \$1.8m DIRECTOR OPTIONS LOANS**
- * **1-PAGE (EUROPEAN CANNABIS CORP) TO DELIST FROM ASX**
- * **AUSCANN TRADES ON US OTCQX**
- * **FIL BELOW 5% IN CLINUVEL**

MARKET REPORT

The Australian stock market slipped 0.06 percent on Wednesday September 12, 2018 with the ASX200 down 3.8 points to 6,175.9 points. Fifteen of the Biotech Daily Top 40 stocks were up, 13 fell, 10 traded unchanged and two were untraded.

Compumedics was the best, up six cents or 13.0 percent to 52 cents with 22,050 shares traded. Uscom climbed 7.1 percent; Ellex, LBT and Neuren were up five percent or more; Starpharma improved 4.55 percent; Bionomics was up 3.9 percent; Polynovo and Universal Biosensors rose more than two percent; Actinogen, Mesoblast, Sirtex and Volpara were up more than one percent; with CSL, Pro Medicus, Resmed and Telix up by less than one percent.

Dimerix led the falls, down 1.1 cents or 10.0 percent to 9.9 cents, with 239,886 shares traded. Immutep lost 8.9 percent; Avita, Factor and Imugene fell four percent or more; Impedimed was down 3.2 percent; Optiscan and Prana shed more than two percent; Cynata, Genetic Signatures and Nanosonics were down more than one percent; with Clinuvel, Cochlear and Medical Developments down by less than one percent.

CSIRO, FEDERAL GOVERNMENT

The Commonwealth Scientific and Industrial Research Organisation Innovation Fund has raised \$232 million, with three of the nine first investments in biotechnology.

A media release from the Federal Minister for Industry, Science and Technology Karen Andrews said the University of Melbourne and strategic investors had committed \$132 million, with \$70 million from the Federal Government and \$30 million from the CSIRO. The CSIRO told Biotech Daily that the funding would go to Maxwell Plus, a precision medicine platform powered by artificial intelligence to detect disease early, predict outcomes and guide treatment; Indeelabs which was developing hardware for efficient and scalable gene delivery through micro fluidic vortex shedding; and CoviU, a spinout from CSIRO Data 61 providing a video health consultation program which combined information sharing with patient privacy.

The CSIRO said that the other grant recipients were Myriota, Q-Ctrl, Morse Micro, Intersective, Flurosat and Baraja.

Ms Andrews said the fund had “invested in nine companies and three more are close to being finalized”.

“These companies have ... created satellite sensor networks, autonomous vehicles, quantum computing and digital healthcare [products],” Ms Andrews said.

“They have created jobs and are opening up new areas where Australian companies can take on the world” Ms Andrews said.

“The Main Sequence Ventures team aimed to raise \$200 million for the CSIRO Innovation Fund in its first year of capital raising, but exceeded that figure by \$32 million,” Ms Andrews said.

SIRTEX MEDICAL

Sirtex says the Federal Court of Australia has approved the scheme of arrangement for Grand Pharma Sphere to acquire its shares for \$1.87 billion or \$33.60 a share.

In June, Sirtex dropped a \$1.56 billion offer from Varian Medical Systems to accept a \$1.87 billion offer from CDH Genetech and China Grand Pharmaceutical, owners of Grand Pharma Sphere (BD: Jun 15, 2018).

Today, the company said it expected its shares to be suspended from trading on the ASX from the close of trading on September 13, 2018.

The company said its shareholders would be entitled to \$33.60 a share, to be paid on the implementation date, which was expected to be September 20, 2018.

Sirtex was up 44 cents or 1.3 percent to \$33.52 with 516,955 shares traded.

PHYLOGICA

Phylogica says it has commitments to raise \$9.12 million through a placement at three cents a share to sophisticated and institutional investors.

Phylogica said the placement would occur in two tranches, with the first tranche of \$4.4 million and about 146.67 million shares to be completed on September 21, 2018 and the second tranche of \$4.7 million and about 156.67 million shares expected to be placed about November 2018, subject to shareholder approval.

The company said it would pay a placement fee of five percent of funds placed to subscribing shareholders.

Phylogica said funds would go towards the first human trials of its cell penetrating peptides.

Phylogica was up 0.2 cents or 6.7 percent to 3.2 cents.

CELLMID

Cellmid says its lead anti-midkine antibody CAB102 reduces kidney damage and improves function in mice with focal segmental glomerulo-sclerosis.

Cellmid said that the humanized antibody reduced the area of kidney injury three-fold compared to vehicle-treated control mice with focal segmental glomerulosclerosis ($p < 0.05$), with renal function improved ($p < 0.05$).

The company said that the focal segmental glomerulosclerosis (FSGS) study at Sydney's Westmead Institute confirmed previous findings, that blocking midkine alleviated damage to the kidney and prevented ensuing defects in renal function.

Cellmid said that the study showed that its CAB102 humanized antibody targeting midkine was equally as effective as its murine, or mouse, precursor.

The company said the mouse study was "a critical step in progressing [its] antibody assets towards clinical trials in kidney patients" and it would apply to the US Food and Drug Administration and European Medicines Agency for orphan drug designation for CAB102. Cellmid said that midkine was a contributor to several kidney disorders and blocking the action of midkine had been shown to improve disease outcomes in animal models.

The company said that previous studies had shown that its murine antibody IP14 preserved renal structure and function and it had received a Federal Government grant to support research by Westmead's Prof Vincent Lee (BD: Jan 23, 2013; Jan 22, 2017).

Cellmid said the Westmead group "not only provided expertise in performing experiments to enable the study of kidney disease, but also contributed valuable clinical and physiological insights into the disease processes involved".

The company said that the collaboration enabled the testing of its lead antibody assets "in a complex preclinical rodent model, providing vital proof of concept that blocking midkine in this manner will protect the kidney from injury in FSGS patients".

Cellmid chief executive officer Maria Halasz said the company was "one step closer to clinical deployment of our anti-midkine assets".

Cellmid was up two cents or 5.3 percent to 40 cents.

PROTEOMICS INTERNATIONAL LABORATORIES

Proteomics says it will receive \$928,399 from the sale of its shareholding in the Adelaide-based CPR Pharma Services Pty Ltd to an unnamed buyer.

Earlier this year, Proteomics said it had issued 3,868,305 shares, worth \$1.2 million to acquire 10 percent of CPR Pharma, as part of a share swap to "cement a partnership agreement" (BD: Mar 5, 2018).

Today, the company said that an offer to acquire CPR had been received and accepted by CPR's majority shareholder, with the sale expected to be settled by September 30, 2018.

Proteomics said its memorandum of understanding with CPR on advanced diagnostics and analytical services for clinical trials remained in place.

Proteomics was up one cent or four percent to 26 cents.

VISIONEERING TECHNOLOGIES

Visioneering says it has raised \$344,399 of a hoped for \$3.0 million in a share plan at 18 cents per Chess depository instrument (CDI) taking the total raised to \$9.2 million.

In August, Visioneering said it hoped to raise \$11.86 million in a \$8,856,000 private placement and a \$3.0 million share purchase plan (BD: Aug 15, 2018).

Visioneering was up half a cent or 2.9 percent to 17.5 cents.

SUDA PHARMACEUTICALS

Suda says it will prioritize its anagrelide for cancer and midazolam anti-convulsive spray programs, considering marijuana sprays and is discussing a Zolpimist deal.

Suda said it was “aware of the need to prioritize its efforts and manage its resources” and it would focus on anagrelide, which it had shown it could increase solubility to produce an oral spray version of the, as well as the sedative and anti-convulsant midazolam.

The company said it was negotiating with several potential joint venture partners to develop specific drug candidates using its platform technology.

Suda said that executive chairman Stephen Carter was in the US to recruit a head of business development “to identify opportunities and drive negotiations in the world’s largest market”.

The company said it continued “to progress negotiations to expand the coverage of the Zolpimist licences [for insomnia and is] in advanced, yet incomplete, confidential negotiations with companies for various territories”.

Suda said it had Zolpimist licence agreements with Eddingpharm for China and Teva for Brazil, Chile and Mexico with options for Argentina, Israel and Australia.

Suda said that for both licence agreements, it would receive milestone payments, supply the product and receive an ongoing royalty stream on supplies.

The company said it was “in discussion with several cannabinoid companies with regard the development of a novel oral cannabinoid spray ... [and the] discussions are progressing well” and previously said it was developing or commercializing Artimist for malaria, sildenafil for erectile dysfunction, ondansetron for nausea and vomiting and sumatriptan for migraine.

Suda was unchanged at 0.4 cents with 8.4 million shares traded.

COCHLEAR

Cochlear says shareholders will vote to grant 35,907 options and 1,685 performance rights, together worth \$1,680,000, to chief executive officer Dig Howitt.

Cochlear said each performance right was worth \$199.29, subject to the company’s performance, while each option would be exercisable at \$202.84, with both the performance rights and options to vest following the full year results in 2021.

The company said shareholders would vote on the remuneration report, the election of directors Alison Deans and Glen Boreham and the renewal of takeover provisions.

Cochlear fell \$1.54 or 0.7 percent to \$205.90 with 145,266 shares traded.

CYNATA THERAPEUTICS

Cynata investors have approved the loan of \$1.8 million to director Dr Stewart Washer and chief executive officer Dr Ross Macdonald but with up to 22.4 percent opposition. Cynata said that 35,870,618 votes (77.6%) of proxy votes supported the loan of \$900,000 to Dr Washer to exercise 2,500,000 options at 40 cents each with 10,377,194 votes (22.4%) against (BD: Aug 13, 2018).

The company said the approval for Dr Macdonald’s loan of the same amount for the same purpose was passed by a similar majority, with the ratification of a previous share issue passed with 91.9 percent in favor.

Cynata’s most recent Appendix 3B new issue announcement said it had 95,658,624 shares on issue, meaning that the votes against the placement amounted to 10.85 percent of the company, sufficient to requisition extraordinary general meetings.

Cynata fell 2.5 cents or 1.9 percent to \$1.275.

[1-PAGE \(TO RENAME AS EUROPEAN CANNABIS CORPORATION\)](#)

1-Page says all resolutions relating to acquire marijuana company Hapa Medical and delist from the ASX have been passed.

Earlier this year, 1-Page said it had requested to be removed from the ASX to list on another “more suitable” exchange, where there would be more interest in its medical marijuana program (BD: Jul 23, 2018).

Today, the company said its shareholders voted to delist from the ASX, acquire medical marijuana company Hapa Medical, issue options to directors Andrew Chapman, Tod McGrouther and Harry Karelis, and change the company name to European Cannabis Corporation.

1-Page last traded at 16.5 cents.

[AUSCANN GROUP](#)

Auscann says it has begun trading in the US on the Over-The-Counter Quality Exchange (OTCQX) stock market under the symbol ACNNF.

Auscann said trading on the OTC Markets Group operated OTCQX allowed it to promote Auscann stock to overseas investors, diversify its shareholder base and increase the accessibility and liquidity of the company’s stock.

Auscann was up 16 cents or 17.2 percent to \$1.09 with 2.7 million shares traded.

[CLINUVEL PHARMACEUTICALS](#)

FIL Limited says it has ceased its substantial holding in Clinuvel, reducing from 2,604,320 shares (5.45%) to 2,391,006 shares (4.99%).

The Hong Kong-based FIL said that it sold the 213,314 shares between September 3 to 7, 2018 at prices ranging between \$14.27 and \$15.27.

Clinuvel fell 15 cents or 0.8 percent to \$17.80 with 98,441 shares traded.