



Biotech Daily

Wednesday October 24, 2018

Daily news on ASX-listed biotechnology companies

- * **ASX DOWN, BIOTECH UP: OPTISCAN UP 8%; BENITEC DOWN 12%**
- * **MESOBLAST EXPANDS JCR DEAL TO EPIDERMOLYSIS BULLOSA**
- * **PROTEOMICS LICENCES PROMARKERD FOR SPAIN; WINS WA GONG**
- * **ADALTA RECEIVES \$2m FEDERAL R&D TAX INCENTIVE**
- * **RESAPP TAKES 'SMARTCOUGH-C-2 TRIAL' HALT TO SUSPENSION**
- * **EURO PATENT FOR INVICTUS TRANSMUCOSAL TOCOTRIENOLS**
- * **BARD1 GRANTED ADDITIONAL CHINA PATENT FOR CANCER**
- * **MEMPHASYS TELLS ASX: ANOVA NEWS 'NOT MATERIAL'**
- * **QUEENSLAND BAUXITE, BONIFY 3t IMPORT-EXPORT MARIJUANA DEAL**
- * **MEDIBIO \$30k UNNAMED COMPANY CONTRACT**
- * **ACTINOGEN 18m DIRECTORS OPTIONS AGM**
- * **PROTEOMICS 800k DIRECTOR OPTIONS, 316k SHARES 'IN LIEU' AGM**
- * **PROTEOMICS FOUNDER DIRECTOR DR JOHN DUNLOP TO RETIRE**
- * **RESPIRI APPOINTS DR TOM DUTHY DIRECTOR**

MARKET REPORT

The Australian Stock Market fell 0.24 percent on Wednesday October 24, 2018 with the ASX200 down 14.1 points to 5,829.0 points. Sixteen of the Biotech Daily Top 40 stocks were up, 13 fell, eight traded unchanged and three were untraded.

Optiscan was the best, up half a cent or 7.6 percent to 7.1 cents with 589,929 shares traded. Genetic Signatures climbed seven percent; Impedimed and Osprey were up five percent or more; Bionomics, Cochlear and Cynata improved three percent or more; Mesoblast, Oncosil, Orthocell and Reva rose more than two percent; with Neuren Pharmaxis, Prescient, Starpharma and Volpara up more than one percent.

Yesterday's 17.1 percent best, Benitec, led the falls, down 2.5 cents or 12.2 percent to 18 cents, with 911,705 shares traded. ITL lost 11.1 percent; Factor fell 10.5 percent; Airxpanders shed 8.2 percent; Immutep was down 6.7 percent; LBT and Medical Developments fell more than four percent; Avita and Clinuvel were down more than three percent; Nanosonics, Opthea, Prana and Universal Biosensors shed two percent or more; with Resmed down 1.7 percent.

MESOBLAST

Mesoblast says it has expanded its partnership with the Ashiya, Japan-based JCR Pharmaceuticals Co to cover Temcell for wound healing for epidermolysis bullosa. Mesoblast said that there were many genetic and symptomatic variants of epidermolysis bullosa, all sharing the symptom of extremely fragile skin that blisters and tears from minor friction or trauma.

The company said that internal organs and bodily systems could be affected by the disease, which was “always painful, often pervasive and debilitating, and is in some cases lethal before the age of 30 [years]”, with about 25,000 cases in the US at April 2011, and no effective treatments.

The company said that JCR had orphan designation for Temcell HS Inj1 for epidermolysis bullosa and based on an investigator-initiated trial, JCR intended to seek a label extension for Temcell in Japan beyond its existing approval for acute graft versus host disease. Mesoblast said it provided JCR with access to its mesenchymal stem cells patents for wound healing and would receive royalties on Temcell sales for epidermolysis bullosa. The company said it had the right to use safety and efficacy data generated by JCR to support development and commercialization of its remestemcel-L for epidermolysis bullosa and other non-healing wound indications.

Mesoblast was up four cents or 2.2 percent to \$1.885 with 1.5 million shares traded.

PROTEOMICS INTERNATIONAL LABORATORIES

Proteomics says it has licenced the distribution of its Promarkerd test for diabetic kidney disease to Patia Europe for Spain, and won a Western Australia export award.

Proteomics said the Promarkerd predictive diagnostic was licenced to the US and Mexico. The company said that Spain had 3.6 million adults with diabetes and it would receive royalties from the San Sebastián, Spain-based Patia under the two year deal, with the first sales expected within six months.

Proteomics said it won the Western Australia export award for health and biotechnology on October 18, 2018.

The company said the award recognized that it had doubled its revenue to \$795,000 for the year to June 30, 2018, along with increased sales in India and first sales in China and the Netherlands.

Proteomics was up one cent or 3.85 percent to 27 cents.

ADALTA

Adalta says it has received \$2,020,175 from the Australian Tax Office under the Federal Government Research and Development Tax Incentive program.

Adalta said the rebate related to research and development expenditure on AD-214 for fibrosis for the year to June 30, 2018.

Adalta was untraded at 28 cents.

RESAPP HEALTH

Resapp has requested a voluntary suspension to follow the trading halt requested on October 22 “pending the release of an announcement regarding its US Smartcough-C-2 study results and analysis” (BD: Oct 22, 2018).

Resapp said it expected to make an announcement by October 29, 2018.

Resapp last traded at 22 cents.

INVICTUS BIOPHARMA

Invictus says the European Patent Office intends to grant a patent for the transmucosal delivery of tocotrienols.

Invictus said that the patent, titled 'Transmucosal Delivery of Tocotrienol' would provide commercial rights in up-to 38 European member states of the European Patent Office until November 13, 2032.

The company said that the patent covered the use of the technology for the treatment or prevention of post-exercise muscle soreness, delayed onset muscle soreness, cardiac fibrosis and cancer.

Invictus is a public unlisted company.

BARD1 LIFE SCIENCES

Bard1 says it was granted an additional patent for its lung and colorectal cancer diagnostics and treatments on September 28, 2018.

Bard1 said that the patent, titled 'BARD1 isoforms in lung and colorectal cancer and use thereof' protected the sequence of isoforms specific to lung and colorectal cancer, a method for detecting the presence of the specific isoforms and a method for treating and/or preventing lung cancer and colorectal cancer until August 17, 2031.

The company said the patent provided additional coverage over the parent case for specific isoforms, various methods and kits for use in the detection of the specific isoforms and methods for treatment or prevention of lung and colorectal cancer".

Bard1 said the patent was filed in the name of Université De Genève and Hôpitaux Universitaires de Genève on August 17, 2011 and the core patent family had six granted patents in the US, Japan, China and Australia, with other jurisdictions pending.

Bard1 fell half a cent or 11.4 percent to 3.9 cents with 998,861,764 shares traded.

According to its most recent Appendix 3B new issue announcement Bard1 has 828,662,397 shares on issue.

MEMPHASYS

Memphasys has told the ASX that that despite a 53.1 percent share price increase, its memorandum of understanding with Anova Karolinska was not material.

On Monday, Memphasys said the Stockholm-based Anova would assess its Felix sperm separation device and was the first of "a number of leading international andrology and [in-vitro fertilization] clinics" to assess the device (BD: Oct 22, 2018).

The ASX said that in response to its 64.7 percent price rise query last week, Memphasys said it was "aware of nothing other than previously disclosed announcements that could explain the recent trading in its securities" and asked when Memphasys became aware of the Anova information and whether it was material (BD: Oct 18, 2018).

Memphasys told the ASX that it became aware of the memorandum on or around October 2, when it was executed, but the details were not finalized until October 20, 2018.

The company said it did not consider the announcement significant because it was "a non-binding agreement and therefore not considered price sensitive, and one that a reasonable person would expect to have a material effect on the price or value of its securities".

Memphasys said that during the past six months it had referred in detail to the planned Felix assessment program in three announcements.

Memphasys fell 1.6 cents or 30.2 percent to 3.7 cents with 25.35 million shares traded.

QUEENSLAND BAUXITE

Queensland Bauxite says subsidiary Medcan Australia will supply 3.0 tonnes of marijuana flowers to the Winnipeg, Manitoba-based Bonify Holdings Corp. Bonify's website said it had a 320,000 square foot (29,729 square metres; 2.97ha) facility. Queensland Bauxite said the Medcan licence would allow it to supply the Canada-licensed producer of medical cannabis with medical cannabis products for distribution in Canada. The company said that Bonify would supply Medcan seeds, stock and tissue culture as well as cannabis plant to manufacture into bulk dried cannabis flowers, as well as "an amount of finished end-user packaged products to cater for Medcan's Australian patients". Queensland Bauxite said the agreement was for 12 months renewing automatically, unless written notice not to renew was given within 60 days before the term expires. The company said that supply was expected to begin 14 to 16 weeks from receipt of the first materials from Bonify and the Medcan facility would be operational by early 2019. Queensland Bauxite was in a suspension and last traded at 3.7 cents.

MEDIBIO

Medibio says it has a six-week, \$30,000 corporate health contract with an unnamed Australian company with 8,000 staff.

Medibio said its Ilumen program integrated biometrics with subjective assessments and users would be able to "access and monitor [their] data from their ... devices, measuring and tracking biometrics through the use of wearable technology over a period of time".

Medibio head of corporate health Jennifer Solitario said "we are pleased to be partnering with a market leading organization to deliver Ilumen to their Australian workforce".

"Ilumen offers the organization an opportunity to better understand their staff's mental health and well-being," Ms Solitario said.

"They will soon have more insight into how they can create enlightened strategies to maintain a healthy, happy, high-performance workforce," Ms Solitario said.

Medibio fell 0.3 cents or five percent to 5.7 cents with 1.7 million shares traded.

ACTINOGEN

Actinogen will vote to grant three chairman Dr George Morstyn, chief executive officer Dr Bill Ketelbey and director Dr Geoff Brooke 18,100,000 options.

Actinogen said that it proposed to issue Dr Morstyn 1,500,000 options, Dr Ketelbey 11,700,000 options and Dr Brooke 4,900,000 options, vesting quarterly over three years, and exercisable at a 172 percent premium to the 5-day volume-weighted average price to the date of grant, within five years.

The company said it also sought Section 195 of the Corporations Act approval to allow the directors to vote on the issue of the options, as "the directors may not be able to form a quorum ... to carry out the terms of [the options] resolutions".

Actinogen has four directors, those named above and Dr Jason Loveridge, who the company said would retire at the meeting and not seek re-election.

The company said the annual general meeting would vote on the remuneration report, the ratification of a prior issue of 11,200,000 placement shares, the 10 percent placement facility and the re-election of Dr Morstyn.

The meeting will be held at Seminar Room 2408, Macquarie University City Campus, Level 24, 123 Pitt Street, Sydney on November 28, 2018 at 11.30am (AEDT).

Actinogen was unchanged at 4.7 cents with 1.1 million shares traded.

[PROTEOMICS INTERNATIONAL LABORATORIES](#)

Proteomics says shareholders will vote on the issue of 800,000 options to three directors and 315,833 shares to director Paul House "in lieu of remuneration".

Proteomics said that the shares for Mr House were "in lieu of accrued cash payments for remuneration ... [to] allow the company to maintain its cash reserves".

The company said the meeting would vote to grant chairman Terry Sweet 400,000 options with directors Mr House and Ian Roger Moore to receive 200,000 options each.

Proteomics said the options were to compensate the directors who were being paid \$36,000 a year, which was "below the average remuneration for directors of companies [of a] similar size".

The company said that half of the options would vest when the share prices was at a 50 percent premium to the 20-day volume-weighted average price to September 19, 2018 and the other half at a 100 percent premium, with the first tranche options exercisable at 38 cents within three years and the second half at 50 cents within four years.

The company said that shareholders would vote on the remuneration report, the election of directors Mr Sweet and Mr House, the renewal of the partial takeover plebiscite clause of the constitution, the prior issue of shares to CPR Pharma Services, the prior issue of options to Canary Capital and the director fee plan.

The meeting will be held at the Conference Room, Harry Perkins Institute, Queen Elizabeth II Medical Centre, QQ Block, 6 Verdun Street, Nedlands, Western Australia, on November 22, 2018 at 9.30am (AWST).

[PROTEOMICS INTERNATIONAL LABORATORIES](#)

Proteomics says that founder and non-executive director Dr John Dunlop will retire at the close of the annual general meeting on November 22, 2018.

Proteomics said that Dr Dunlop had been a non-executive director since the company was incorporated in 2014, and prior to that was chairman of Proteomics International Pty Ltd from its formation in 2001.

Proteomics managing-director Dr Richard Lipscombe said that Dr Dunlop was "a wonderful sounding board for the development and expansion of Proteomics International into the world-leading diagnostics and analytical services company we are today".

"We gratefully acknowledge his service to our company during an expansive career, and wish John the very best for his retirement," Dr Lipscombe said.

[RESPIRI](#)

Respiri says it has appointed former Sirtex investor relations executive Dr Tom Duthy as an independent non-executive director.

Respiri said that Dr Duthy was the founder of Nemean Group Pty Ltd corporate advisory, investor relations and equity research firm.

The company said that previously Dr Duthy was the Sirtex head of investor relations and corporate development, recently sold to China's CDH Investments (BD: ep 13, 2018).

Respiri said that prior to Sirtex Dr Duthy was a companies analyst at Taylor Collison.

The company said that Dr Duthy held a Master of Business Administration from Geelong's Deakin University and a Doctor of Philosophy from the University of Adelaide.

Respiri was unchanged at 9.7 cents.