



Biotech Daily

Monday October 29, 2018

Daily news on ASX-listed biotechnology companies

- * **ASX UP, BIOTECH DOWN: REVA UP 9%; CLINUVEL DOWN 11%**
- * **CLINUVEL'S VALLAURIX EXPANDS LABORATORY TO ANALYTICS**
- * **ANATARA DETACH FOR PIGLETS APPROVED; PORK CRC OPTIONS**
- * **CANN WINS VICTORIA MARIJUANA RESIN SUPPLY CONTRACT**
- * **PHARMAUST DEVELOPS MONEPANTEL GMP METHOD**
- * **RESAPP EXTENDS 'SMARTCOUGH-C-2 TRIAL' SUSPENSION**
- * **OSPREY REQUESTS CAPITAL RAISING TRADING HALT**
- * **G MEDICAL REQUESTS 'CHINA FACILITY AUDIT' TRADING HALT**
- * **MAYNE \$6m CEO LOAN SHARES, 50% PAY POOL RISE AGM; PHIL HODGES**
- * **CLARIFICATION: OPTHEA AGM**
- * **PARADIGM AGM FOR 300k CEO PAUL RENNIE LOAN SHARES**
- * **GENETIC SIGNATURES 200k CEO DR JOHN MELKI OPTIONS AGM**
- * **BRAIN RESOURCE NAME CHANGE TO TOTAL BRAIN AGM**
- * **MACH7 HAS ONE QUARTER CASH, 'SEASONAL COSTS DOWN'**
- * **PLATINUM TAKES 11.5% OF KAZIA**
- * **CREDIT SUISSE TAKES 6% OF BARD1**
- * **ADMEDUS LOSES DIRECTOR, CO SEC CATHERINE COSTELLO**
- * **PRESCIENT APPOINTS DR JAMES WINKLER FOR BUSINESS DEVELOPMENT**

MARKET REPORT

The Australian Stock Market was up 1.11 percent on Monday October 29, 2018 with the ASX200 up 63.0 points to 5,728.2 points. Fourteen of the Biotech Daily Top 40 stocks were up, 17 fell, three traded unchanged and six were untraded.

Reva was the best, up two cents or 9.1 percent to 24 cents with 2,500 shares traded. Paradigm climbed 8.4 percent; Imugene improved five percent; Dimerix, Immutep and Orthocell were up more than four percent; Benitec, CSL and Resmed were up more than three percent; Actinogen, Nanosonics, Oncosil and Opthea rose more than two percent; with Airxpanders, Cyclopharm and Mesoblast up more than one percent.

Clinuvel led the falls, down \$1.77 or 10.75 percent to \$14.70, with 108,956 shares traded. Prescient lost 10.3 percent; Cynata was down 6.9 percent; Genetic Signatures fell 4.2 percent; Avita, Bionomics, Pro Medicus and Volpara were down more than three percent; Factor, Impedimed and Starpharma shed more than two percent; Optiscan, Pharmaxis and Telix were down more than one percent; with Cochlear, Ellex, Medical Developments and Polynovo down by less than one percent.

CLINUVEL PHARMACEUTICALS

Clinuvel says its Singapore subsidiary Vallaurix Pte Ltd is expanding its experimental laboratory facilities to incorporate analytical functions.

Clinuvel said the facility was established in 2014 “to accelerate drug discovery and development” and as part of the increase in research activities on next generation products, new analytical capacity was being added.

The company said that Vallaurix was focussed on development of CUV9900, VLRX001 and over-the-counter products, with research on topical and paediatric formulations.

Clinuvel said that as the next stage of its development plan and part of its commercial objectives, it aimed “to achieve supply chain integration of critical analytical functions” with work investigating the interaction of light and human skin and a number of drug candidates had been identified, with CUV9900 and VLRX001 selected to advance to clinical products.

The company said Vallaurix was developing topical formulations for transdermal administration of the products, both as pharmaceutical product lines and non-prescription over-the-counter-products, as well as developing a paediatric formulation of the monthly injected Scenesse (afamelanotide 16mg).

Clinuvel chief scientific officer Dr Dennis Wright said that investments in further analytical capabilities was “mandatory since validated analytical methodologies are needed to strengthen our intellectual property and know-how on innovative products”.

“The choice to either outsource many of these pivotal functions or establish a fully integrated company was made a long time ago to ensure we own all the components of the novel technology prior to commercial launch, and that includes analytical methodologies,” Dr Wright said.

Clinuvel fell \$1.77 or 10.75 percent to \$14.70 with 108,956 shares traded.

ANATARA LIFESCIENCES

Anatara says the Australian Pesticides and Veterinary Medicines Authority has registered the pineapple stem bromelain-based Detach for piglet diarrhoea.

Anatara said the approved label was “to aid in the control of scour and has positive health benefits in weaned piglets from three weeks of age and help increase survivability of scouring pre-weaning piglets”.

Anatara chair Sue MacLeman said that approval of Detach “was one of the major corporate milestones that we had promised to deliver as part of Anatara’s ASX listing process in 2014”.

“Today’s announcement is the culmination of many years of hard work from our team, both past and present, and is a very significant achievement for the company,” Ms MacLeman said.

Anatara said the co-operative research centre (CRC) for High Integrity Australian Pork, or Pork CRC, provided assistance in its development of Detach and was issued 500,000 options exercisable at 50 cents each.

The company said that 125,000 options were exercised within the first year, with the remained conditional on Authority approval which had not been received prior to their expiry on September 18, 2018.

Anatara said it would issue 375,000 options to the Pork CRC, exercisable at 50 cents each within six months.

Anatara was up three cents or 7.5 percent to 43 cents.

CANN GROUP

Cann says it has a Victoria Government contract to supply marijuana resin for the State's compassionate access scheme for paediatric epilepsy.

Cann said the contract was with the Victoria Department of Health and Human Services' Office of Medicinal Cannabis for the supply of resin from April 2019 to June 30, 2020.

The company said that cannabis resin would "undergo further purification and processing into a Victorian Government medicinal cannabis product, which will be used to expand the Government's compassionate access scheme for children with severe and intractable epilepsy".

Cann said the commercial terms were confidential.

Cann chief executive officer Peter Crock said there was "emerging medical evidence supporting the use of medicinal cannabis in children with severe epilepsy".

Mr Crock said his company had collaborations with other Victoria Government departments, including the Department of Economic Development, Jobs, Transport and Resources, which pioneered the cultivation of the cannabis plant and the development of an extraction process in Australia, and was pivotal in developing Cann's cultivation capabilities.

"Cann has successfully completed in excess of 20 harvests of cannabis this year at its Southern and Northern facilities in Melbourne and securing this contract with DHHS is testament to our reputation for high quality and reliable cultivation," Mr Crock said.

Cann was up two cents or 0.8 percent to \$2.39.

PHARMAUST

Pharmaust says that with Syngene International it has developed a prototype manufacturing practice for the scale-up of monepantel and analogues for clinical trials.

Pharmaust said that with the Bangalore, India-based Syngene it had "completed the development of a prototype good manufacturing practice (GMP) method suitable for the scale-up manufacture of monepantel and its analogues for use in clinical trials".

The company said that it was developing monepantel as a treatment for human and veterinary cancer.

Pharmaust said that the manufacturing method validated by Syngene was applicable to the amino-acetonitrile analogues produced by Pharmaust subsidiary Epichem to have "significantly improved monepantel anticancer activity" (BD: Nov 23, 2017).

Pharmaust chief scientific officer Dr Richard Mollard said the development of GMP technology is a significant achievement".

"Pharmaust can confidently move forward with its preclinical programs knowing that in the future it can scale up and advance its novel anticancer candidates," Dr Mollard said.

Pharmaust was up half a cent or 13.2 percent to 4.3 cents with 1.96 million shares traded.

RESAPP HEALTH

Resapp has requested an extension to its voluntary suspension for its Smartcough-C-2 trial results.

Last week, Resapp requested a 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" with an announcement expected by October 29, 2018 (BD: Oct 22, 24, 2018).

Today, the company said it expected to announce the results tomorrow, October 30, 2018. Resapp last traded at 22 cents.

OSPREY

Osprey has requested a trading halt “pending an announcement by Osprey in relation to a proposed capital raising”.

Trading will resume on October 31, 2018 or on an earlier announcement.

Osprey last traded at 17.5 cents.

G (GEVA) MEDICAL INNOVATIONS

G Medical has requested a trading halt “pending an announcement in respect of the results of an audit of its manufacturing facilities in China”.

Trading will resume on October 31, 2018 or on an earlier announcement.

G Medical last traded at 34 cents.

MAYNE PHARMA

Mayne will vote to issue chief executive officer Scott Richards \$6,040,000 for loan shares and increase directors’ remuneration 50 percent from \$1,200,000 to \$1,800,000.

Mayne said that the executive share loan scheme provided a “limited-recourse, interest-free, five-year loan ... for the sole purpose of acquiring shares”.

The company said that the shares would vest in three tranches, with performance conditions requiring an increase in total shareholder return of five percent for half of the shares and 10 percent for the remainder.

Mayne said that shareholders would vote on the remuneration report and to elect directors Ian Scholes, Nancy Dolan, Frank Condella and Patrick Blake.

Mayne said that director Phillip Hodges would retire at the end of the meeting.

The meeting will be held at the Royal Auto Club of Victoria, Level 2, 501 Bourke Street, Melbourne, on November 29, 2018 at 10am (AEST).

Mayne was up six cents or 5.7 percent to \$1.11 with 10.6 million shares traded.

OPTHEA

Opthea says that investors will vote to grant chief executive officer Dr Megan Baldwin 3,000,000 options, not the 4,000,000 options cited last week (BD: Oct 26, 2018).

Today, Opthea filed a new notice of meeting making the correction.

No sub-editors were hurt in making this clarification.

November 29, 2018 at 11am (AEDT).

Opthea was up 1.5 cents or 2.6 percent to 59 cents.

PARADIGM

Paradigm will vote to grant chief executive officer Paul Rennie 300,000 loan shares at the closing market price on the day before allotment.

Paradigm said the loan would be interest free for five years.

The company’s notice of meeting said shareholders would vote on the remuneration report, the prior issue of shares and options, the issue of placement shares, the 10 percent placement capacity, the employee share plan and the election of director Graeme Kaufman.

The meeting will be held at K&L Gates, Level 25, South Tower, 525 Collins Street, Melbourne on November 26, 2018 at 11am (AEST).

Paradigm was up seven cents or 8.4 percent to 90 cents.

GENETIC SIGNATURES

Genetic Signatures annual general meeting will vote to grant chief executive officer Dr John Melki 200,000 options, exercisable at 53 cents within 15 years.

The Genetic Signatures said the options would vest in four tranches from 12 months following the issue and at two, three and four years; and the 53 cent exercise price was the 30-day volume-weighted average price to August 28, 2018.

Genetic Signatures said that shareholders would vote to adopt the remuneration report approve the 10 percent placement capacity and re-elect director Michael Aicher.

The meeting will be held at BDO, Level 11, 1 Margaret Street, Sydney on November 29, 2018 at 11am (AEDT).

Genetic Signatures fell 2.5 cents or 4.2 percent to 57.5 cents.

BRAIN RESOURCE

Brain says that shareholders at its annual general meeting will vote on a resolution to change its name to Total Brain.

Brain said that it proposed the change of name “on the basis of the recent brand repositioning from Mybrainsolutions to Total Brain ... [and the] name will provide a consistent brand messaging”.

The company said the meeting would vote on the remuneration report, the prior issue of shares and options, the 10 percent placement capacity and the re-election of directors Dr Evian Gordon and Ajay Arora.

The meeting will be held at Bell Potter, Level 38, Aurora Place, 88 Phillip Street Sydney, on November 27, 2018 at 9.30am (AEDT).

Brain was untraded at 3.5 cents.

MACH7 TECHNOLOGIES

Mach7 says its expected cash burn for the three months to December 31, 2018 is \$3,208,000 with cash at September 30 of \$1,826,000.

The Mach7 Appendix 4C quarterly report said the company had receipts from customers of \$2,344,000 for the three months to September 30.

In a separate announcement, the company said it had signed an enterprise imaging contract worth \$15 million over five years with the Hospital Authority of Hong Kong.

Mach7 chief financial officer Jenni Pilcher told Biotech Daily that the second quarter of the year was “always a larger quarter than usual for outflows due to trade show attendance at [the Radiological Society of North America meeting]”, so the third quarter should be less.

“With our Hong Kong deal, and other sales pipeline opportunities, it is likely we have more than two quarters of operating cash,” Ms Pilcher said.

Mach7 was up 4.5 cents or 26.5 percent to 21.5 cents.

KAZIA THERAPEUTICS

Platinum Investment Management says it has become a substantial shareholder in Kazia with 6,578,948 shares or 11.48 percent.

The Sydney-based Platinum said it bought the 6,578,948 shares for \$2,500,000, or 38 cents a share on October 24, 2018.

Earlier this month, Kazia said it had raised \$3.4 million in a placement at 38 cents a share and would offer a share plan (BD: Oct 18, 2018).

Kazia was unchanged at 38 cents.

[BARD1 LIFE SCIENCES](#)

Credit Suisse Australia says it has increased its substantial shareholding in Bard1 from 42,819,450 shares (5.17%) to 52,210,034 shares (6.30%)

The substantial shareholder notice said that Credit Suisse bought 9,390,584 shares between October 19 and 23, 2018 for \$263,511 or 2.8 cents a share.

Bard1 was up 1.9 cents or 54.3 percent to 5.4 cents with 495.1 million shares traded.

[ADMEDUS](#)

Admedus says that interim executive director and company secretary Catherine Costello has resigned, effective from October 27, 2018.

Admedus said that Ms Costello was appointed interim executive director on May 23, 2018 and company secretary on March 15, 2018.

In May, Admedus said the appointment followed the resignation of then director Mathew Ratty and fulfilled the requirement to have two resident Australian directors and it had begun a search for an Australian director (BD: May 21, 23, 2018).

Earlier this month, Admedus said that Star Bright Holding nominee Dr Wenyi Gu would replace retiring director Dr Simon Buckingham (BD: May 21, Oct 4, 2018).

Last month, Admedus said that Hong Kong interests had taken a 19.99 percent stake in the company (BD: Apr 27, Aug 2, 6, 8, 20, Sep 3, 17, 2018).

In February, the company said it had appointed Tanya Mangold as company secretary and legal counsel, replacing Maja McGuire (BD: Feb 27, 2018).

In March, Admedus said that Ms Mangold had resigned as company secretary and legal counsel and chief financial officer Catherine Costello had been appointed as company secretary and would carry out both roles (BD: Mar 15, 2018).

Admedus said Ms Costello was appointed chief financial officer in November 2017, replacing Mark Ziirsen who was appointed in 2016 (BD: Aug 26, 2016).

The company is in an extended suspension for a "recapitalization" and last traded at 13.5 cents (BD: Apr 27, Aug 2, 6, 8, 20, Sep 3, 17, 2018).

[PRESCIENT THERAPEUTICS](#)

Prescient says it has appointed US drug discovery and oncology drug development executive Dr James Winkler as the head of business development.

Prescient said that Dr Winkler had 40 years' experience focussed on oncology and inflammation and had overseen the discovery and advance of drugs into clinical development, with mid-to-late stage clinical success, and was previously an executive with Array Biopharma where he helped build a pipeline of development drugs with more than 12 compounds advancing toward phase II or III studies.

Prescient said that most recently Dr Winkler was served as Forma Therapeutics head of discovery and translational biology and Arvinas Inc's chief scientific officer, and before that worked for Glaxosmithkline as associate director of oncology research.

The company said that Dr Winkler held a Bachelor of Science from New Jersey's Princeton University, a Doctor of Philosophy from the Medical College of Pennsylvania and had authored more than 120 patents, peer-reviewed manuscripts, reviews and book chapters.

Prescient fell one cent or 10.3 percent to 8.7 cents.