



Biotech Daily

Wednesday October 3, 2018

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH UP: NEUREN UP 7%; USCOM DOWN 10%**
- * **KAZIA STARTS US GDC-0084 PAEDIATRIC BRAIN CANCER TRIAL**
- * **TELIX: CARDINAL TO PREPARE, DISTRIBUTE PROSTATE CANCER KIT**
- * **BLUECHIIP SHARE PLAN RAISES \$1.95m, TOTAL \$7.45m**
- * **RECCE RECEIVES \$680k R&D TAX INCENTIVE**
- * **PAINCHEK, LEECARE AGED CARE COLLABORATION**
- * **RHYTHM COLOSTAT TEST ON-TRACK; PAULINE MOFFATT CO SEC**
- * **MEDIBIO LAUNCHES ILUMEN CORPORATE HEALTH PLATFORM**
- * **HISHENK TAKES 14% OF KAZIA**
- * **SUE MACLEMAN STARTS AS MTP CONNECT CHAIR**

MARKET REPORT

The Australian stock market was up 0.32 percent on Wednesday October 3, 2018 with the ASX200 up 19.9 points to 6,146.1 points.

Sixteen of the Biotech Daily Top 40 stocks were up, 13 fell, eight traded unchanged and three were untraded.

Neuren was the best, up 8.5 cents or 7.3 percent to \$1.25 with 142,173 shares traded.

Impedimed climbed 6.6 percent; Medical Developments and Mesoblast were up five percent or more; Imugene improved 4.8 percent; Cynata was up 3.7 percent; Actinogen, Bionomics, Oncosil and Volpara rose more than two percent; Cochlear, Prescient, Pro Medicus and Reva were up more than one percent; with Nanosonics, Polynovo and Telix up by less than one percent.

Uscom led the falls, down 1.5 cents or 9.7 percent to 14 cents, with 43,571 shares traded.

Paradigm lost seven percent; Immutep was down 5.45 percent; both Airxpanders and LBT fell 4.55 percent; Genetic Signatures was down 3.45 percent; both Osprey and Prana shed 2.3 percent; Dimerix, Ellex, Factor Therapeutics and Starpharma were down more than one percent; with Clinuvel, CSL and Resmed down by less than one percent.

KAZIA THERAPEUTICS

Kazia says it will collaborate with St Jude Children's Research Hospital in a 41-patient, phase I trial of GDC-0084 for paediatric brain cancer.

Kazia said the collaborative study with the Memphis, Tennessee-based St Jude's Hospital would trial GDC-0084 in children with diffuse intrinsic pontine glioma and other diffuse midline gliomas, an aggressive form of childhood brain cancer.

The company said the study would run in parallel with the 200-patient phase II trial of GDC-0084 for adults with newly-diagnosed glioblastoma multiforme (BD: Mar 29, 2018).

Today, Kazia said that it expected to recruit children newly-diagnosed with diffuse intrinsic pontine glioma (DIPG) and that recruitment was expected to take up to three years.

The company said the study would establish a maximum tolerated dose for GDC-0084 in children and examine efficacy, with initial clinical data expected in early 2019.

Kazia said that the standard of care of children with DIPG was radiotherapy "but the disease typically recurs after treatment and prognosis remains poor" and no existing drug therapy had shown significant benefit.

The company said that it would provide support including a financial grant to cover a portion of the costs, while St Jude would assume primary regulatory and operational responsibilities for the study as an investigator investigational new drug application to the US Food and Drug Administration.

Co-principal investigator Dr Christopher Tinkle said that diffuse midline gliomas were "the most lethal brain tumors in children and there is a desperate need to advance the care of these children".

"GDC-0084 is of interest as a potential therapy for diffuse midline glioma given its potent activity against a core signaling pathway that is frequently altered in these tumors and its ability to cross the blood-brain barrier," Dr Tinkle said.

Kazia was up 4.5 cents or 11.1 percent to 45 cents.

TELIX PHARMACEUTICALS

Telex says that Cardinal Health will prepare and distribute its 68Ga-PSMA prostate cancer test for clinical trials in the US.

Telex said that the Dublin, Ohio-based Cardinal Health could distribute the 68 Gallium-labeled prostate-specific membrane antigen-11 imaging cold kit, or 69Ga-PSMA kit, and prepare unit doses of 68Ga-PSMA delivered as an investigational product for use in investigator-sponsored clinical trials, including Telex-sponsored trials.

Telex US president Bernard Lambert said that Cardinal Health was "the largest nuclear pharmacy distribution network in the US".

"We believe this agreement with Cardinal Health puts us in a position to play a key role in the clinical development and adoption of PSMA prostate cancer imaging in the US," Mr Lambert said.

Telex was up half a cent or 0.6 percent to 82.5 cents.

BLUECHIIP

Bluechiip says its share plan at 5.9 cents a share has raised \$1.95 million bringing the total raised with its \$5.5 million placement to \$7.45 million (BD: Sep 10, 2018).

Bluechiip chief executive officer Andrew McLellan said the company was "now well-funded to finalize its product portfolio, fully support our ... partners' product release and to accelerate the opportunities and discussions we currently have in place".

Bluechiip fell 0.1 cents or 1.6 percent to 6.3 cents with one million shares traded.

RECCE PHARMACEUTICALS

Recce says it has received \$679,624 from the Australian Tax Office under the Federal Government Research and Development Tax Incentive program.

Recce said that the tax incentive was for research and development programs for the year to June 30, 2018.

Last month, Recce said that Radium Capital would provide advanced payments for its Tax Incentive, including an upfront payment of \$543,699 and advances equivalent to 80 percent of research and development expenditure (BD: Sep 13, 2018).

Recce was unchanged at 17.5 cents.

PAINCHEK

Painchek says it has an agreement to integrate its pain diagnostic into the Leecare Solutions management system for aged care.

Painchek said that with Melbourne's Leecare it would co-promote the benefits of integrating its Painchek mobile telephone pain assessment application with the Leecare management system to healthcare providers and caregivers, beginning with the Australian residential aged care sector.

The company said the integration of the Painchek application and Leecare management system would begin immediately and be commercially available to Leecare customers by the end of 2018.

Painchek chief executive officer Philip Daffas said that "the integration of the Painchek [application] will provide nurses and carers with the benefit of full automation and integration of pain assessment results within [Leecare's] care management systems".

"This can help these providers to produce better care outcomes; reduce costs and duplication of effort; comply with regulatory standards for pain management; and capture associated revenues," Mr Daffas said.

Painchek fell 0.1 cents or 1.85 percent to 5.3 cents with 1.3 million shares traded.

RHYTHM BIOSCIENCES

Rhythm says it has identified antibodies for its Colostat blood test for colorectal cancer, with reagent development expected to be completed by the end of this year.

Rhythm said the Colostat test relied on antibodies that detected the levels of three different proteins in blood whose concentrations varied between people with and without colorectal cancer.

The company said that it had identified a preferred pair of antibodies to detect the third target protein for its Colostat test after a collaboration with the Commonwealth Scientific and Industrial Research Organisation had previously identified four monoclonal antibodies that detected the third target protein (BD: Jan 24, 2018).

Rhythm managing director Dr Trevor Lockett said that establishing the reagents was "solving a very important piece of the puzzle for our young company".

"This is a positive step towards our clinical trials," Dr Lockett said.

Rhythm said that securing antibody and protein target sources for its Colostat test meant the company was "better positioned to control the further development and manufacture of these key reagents that underpin the test lessening its reliance on third party providers".

The company said that Pauline Moffatt had been appointed joint company secretary.

Rhythm said that Ms Moffatt had more than 15 years' experience as a company secretary and accountant for ASX-listed companies.

Rhythm was unchanged at 15 cents.

MEDIBIO

Medibio says it has released its Illumen corporate health product for employers to assess their workers mental health status.

Medibio said the product provided employees biometric, or physiological measurement, analysis and “data-driven feedback” along with a mental health assessment.

The company said the upgraded Illumen allowed employees to access and monitor data from their personal devices, tracking biometrics through the use of wearable technology. Medibio said that users could “proactively learn about coping strategies, resources, and personal development plans to better manage stress and strain from life and work”.

The company said that the Illumen platform included employee access to personalized resources for support and education to improve mental health, the ability to monitor digital biometric changes and identify how and when lifestyle changes influenced mental health and biometric integration with supported wearable devices.

Medibio said that Illumen provided employers with access to “a de-identified, aggregate-level dashboard to support informed decision-making, improved team performance, and increased employee well-being”.

The company said that “many companies have health care plans in place to address physical health [but its] platform allows employers to extend support to cover mental health, ushering in a new era of workplace [health]”.

Medibio interim chief executive officer Brian Mower said that Illumen was “an advancement in corporate mental health that provides employers and participating employees with the ability to track mental [health] through digital biometrics and personalized assessments”.

“It’s time for corporations to use objective data to better understand and enhance employee mental [health],” Mr Mower said.

Medibio was up 0.3 cents or 4.9 percent to 6.4 cents.

KAZIA THERAPEUTICS

Hishenk says it has increased its shareholding in Kazia from 6,123,381 shares (12.60%) to 6,685,124 shares (13.80%).

The Artarmon, Sydney-based Hishenk director Michael Abolakian said that with the related Hishenk Super Fund between July 3 and October 3, 2018 the group purchased 561,743 shares for \$259,131 or an average of 46.1 cents a share.

MTP CONNECT

MTP Connect says that former chief executive officer Sue MacLeman has formally taken up the role of chair from today.

Earlier this year, the Federal Government-funded Medical Technologies and Pharmaceuticals Industry Growth Centre, known as MTP Connect, said that Ms MacLeman would takeover as chair from founding chair Dr Bronwyn Evans, with former Pfizer and La Trobe University executive Dr Dan Grant appointed chief executive officer (BD: Feb 13, May 7, 2018).