



# Biotech Daily

Tuesday November 27, 2018

*Daily news on ASX-listed biotechnology companies*

- \* **ASX UP, BIOTECH EVEN: AIRXPANDERS UP 18%; FACTOR DOWN 33%**
- \* **MEDIBIO, AIAA ILUMEN MENTAL HEALTH CONTRACT**
- \* **PHOSPHAGENICS \$228k TAKES R&D TAX INCENTIVE TO \$833k**
- \* **RACE 21% OPPOSE REMUNERATION REPORT**
- \* **ALL CHANGE AT RESPIRI (ISONEA, KARMELSONIX) - AGAIN**
- \* **BVF PARTNERS, MARK LAMPERT REDUCE TO 22% OF PHARMAXIS**
- \* **GRANDLODGE, PETER ANASTASIOU HAVE 12% OF IMMURON**

## MARKET REPORT

The Australian stock market was up 1.00 percent on Tuesday November 27, 2018 with the ASX200 up 56.7 points to 5,728.3 points.

Fourteen of the Biotech Daily Top 40 stocks were up, 15 fell, six traded unchanged and five were untraded.

Airxpanders was the best, up 0.7 cents or 18.4 percent to 4.5 cents, with 385,533 shares traded.

Paradigm climbed 10.4 percent; Bionomics was up eight percent; Universal Biosensors improved 4.35 percent; Cyclopharm and Telix were up more than three percent; Medical Developments and Oncosil rose more than two percent; Cochlear, Dimerix, Nanosonics, Neuren and Pharmaxis were up more than one percent; with Polynovo, Resmed and Starpharma up by less than one percent.

Factor Therapeutics led the falls, down 0.1 cents or 33.3 percent to 0.2 cents with 1.1 million shares traded.

Avita lost 7.3 percent; Immutep fell five percent; Benitec, Cynata, LBT, Opthea and Osprey were down three percent or more; Actinogen, Ellex and Mesoblast shed more than two percent; Clinuvel, Impedimed, Pro Medicus and Volpara were down more than one percent; with CSL down 0.1 percent.

## MEDIBIO

Medibio says the Australian branch of the Hong Kong based-AIA life insurance group, AIAA, will undertake a pilot program of its Illumen corporate health program.

Medibio said that AIAA was “one of Australia’s leading life insurers” with more than four million Australian customers and would have access to Illumen over a six-month period for its Australia and New Zealand employees.

The company said the mental health product provided a two-part system for checking and monitoring symptoms of depression, anxiety and stress and users could track and make improvements to their mental health over time.

Medibio head of corporate health Jennifer Solitario said the company’s objective was “to bring our unique mental health technology to as many people as possible”.

“AIAA offers us an opportunity to partner with a leading organization with a genuine interest in helping to support mental health for its people,” Ms Solitario said.

Medibio was up 0.1 cents or 2.6 percent to 3.9 cents.

## PHOSPHAGENICS

Phosphagenics says it has received a further \$228,268 from the Australian Tax Office under the Federal Government Research and Development Tax Incentive program.

Phosphagenics said that the rebate related to research and development expenditure for the year to June 30, 2018 and with \$604,378 received earlier this month takes the total to \$832,646 (BD: Nov 8, 2018).

Phosphagenics was unchanged at 0.3 cents with 7.8 million shares traded.

## RACE ONCOLOGY

Race shareholders cast 1,955,779 votes (20.6%) against the company’s remuneration report with 7,548,460 votes (79.4%) in favor.

Under the Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act 2011 any company sustaining a vote of 25 percent or more against the remuneration report in two successive annual meetings is required to vote on a board spill and, if passed, the directors must stand for re-election.

The Race annual general meeting results notice said that 3,439,555 votes (36.2%) opposed the issue of 2,000,000 options to director Dr John Cullity with 6,064,684 votes (63.8%) in favor.

The company said that 4,729,555 votes (17.5%) opposed the issue of 2,000,000 options to former director Dr Brendan de Kauwe, with 22,232,181 votes (82.5%) in favor of the issue (BD: Oct 19, 2018).

Race said that all other resolutions, including the re-election of directors Dr William Garner and Dr Cullity, approval of the 10 percent placement capacity, the employee share plan, the proportional takeover provisions and the prior issue of options, were passed easily.

The company’s most recent Appendix 3B new issue announcement said that Race had 77,235,813 shares on issue, meaning that the votes against Dr de Kauwe’s options amounted to 6.1 percent of the company, sufficient to requisition extraordinary general meetings.

Race fell 0.5 cents or 3.85 percent to 12.5 cents.

## RESPIRI (FORMERLY ISONEA, KARMELSONIX)

Respiri says Ross Blair-Holt and Prof Bruce Thompson will replace chairman Mark Ziirsen, Brendan Mason and Dr Thomas Duthy as non-executive directors.

In May and June, Respiri appointed Mr Mason and Mr Ziirsen as directors replacing chairman Leon L'Huillier and John Ribot-de-Bresac, with Mr Ziirsen later appointed as the company's chairman (BD: May 31, Jun 14, 2018).

Last month, the company appointed Dr Duthy as a director (BD: Oct 24, 2018).

In May, Respiri said that poker machine entrepreneur Bruce Mathieson, the company's single largest shareholder, had "asked Mr L'Huillier to chair the new board in 2014 and offered his thanks to Mr L'Huillier and Mr Ribot "for their enormous contribution in rebuilding the business and the product offering".

Respiri has been attempting to commercialize its wheeze test for asthma since 2006, saying it would be available in Europe and the US in February 2007 (BD: Nov 24, 2006).

In 2015, the then Isonea said it had lost its fourth chief executive officer in 12 months and later said one of the issues with its asthma diagnostic was that it did not detect breath sounds (BD: Jan 23, Aug 6, 2015).

The company changed its name to Respiri at the end of 2015 and in 2017 lost the services of its founding company secretary, the CFO Solution (BD: Oct 11, 2017)

Today, Respiri said that Mr Blair-Holt was currently a director and chief executive officer of all Bruce Mathieson Group private family companies and was previously a director of Respiri from November 28, 2014 to October 26, 2016, when he replaced Mr Mathieson on the board of the then Isonea (BD Dec 1, 2014).

The company said that Mr Blair-Holt was a director of the Australia Leisure and Hospitality Group, which operates poker machines, hotels and liquor shops, since 2004 and its chief operating officer for 2004 to 2014, was currently a director of Beovista Pty Ltd, Greyscan Pty Ltd and glucose monitoring company Firefly Health Pty Ltd and held a Bachelor of Commerce from the University of Melbourne.

Respiri said that Prof Thompson was the chair of Respiri's "Australian medical and scientific advisory board" as well as Melbourne's Alfred Hospital's head of physiological services and a Monash University professor, expected to take up the position of Swinburne University of Technology dean of the School of Health Sciences in 2019.

The company said that Prof Thompson was the president-elect of the Thoracic Society of Australia and New Zealand.

Respiri said that Prof Thompson held a Bachelor of Applied Science and a Doctor of Philosophy from Swinburne University of Technology.

The company said that it was withdrawing three resolutions from tomorrow's annual general meeting as the outgoing directors would not seek re-election.

Respiri was untraded at 9.1 cents.

## PHARMAXIS

BVF Partners and Mark Lampert say they have reduced their substantial holding in Pharmaxis from 90,392,786 shares (22.94%) to 85,644,382 shares (21.72%).

In September, BVF Partners and Mr Lampert increased their holding from 68,885,856 shares (21.54%) to 90,392,786 shares (22.94%) acquiring 21,750,000 shares in the \$24.0 million August placement at 32.5 cents (BD: Aug 6, Sep 26, 2018).

Today, the San Francisco, California-based BVF Partners and Mr Lampert said that between November 8 and 23, 2018 they sold shares in 11 trades, with the single largest sale 1,000,000 shares for \$253,700 or 25.37 cents a share.

Pharmaxis was up half a cent or 1.8 percent to 28 cents.

## IMMURON

Immuron executive vice president Peter Anastasiou has increased his holding from 16,398,664 shares (11.49%) to 16,836,144 shares (11.75%).

Mr Anastasiou said that through his Grandlodge company he acquired 437,500 shares for \$70,000 or 16 cents a share.

Mr Anastasiou said the shares were held through Advanced Clinical Systems and with Kristine Patricia Anastasiou, the Anastasiou Super Fund and Wattle Laboratory.

Immuron was up one cent or 4.1 percent to 25.5 cents.