



Biotech Daily

Tuesday February 5, 2019

Daily news on ASX-listed biotechnology companies

- * **ASX UP, BIOTECH DOWN: KAZIA UP 13%; BENITEC DOWN 5%**
- * **EYEPOINT (PSIVIDA) US LAUNCH OF YUTIQ (DURASERT)**
- * **FACTOR RAISES \$417k; ABU DHABI, PERTH BOARD SPILL CALL**
- * **CORRECTION: NEUREN, ACADIA**
- * **RESPIRI 'OVERSUBSCRIBED' PLACEMENT RAISES \$1.6m**
- * **UNISUPER, BNP PARIBAS TAKE 5% OF IMPEDIMED**
- * **CRESO TAKES 'SHARE ISSUE, TRANSACTIONS' HALT TO SUSPENSION**
- * **NANOSONICS HIRES RENEE SALABERRY, DAVID MORRIS, ROD LOPEZ**
- * **REVA CUTS HQ STAFF BY 44% TO 22**
- * **ELIXINOL TO APPOINT 12-STAFF EUROPEAN TEAM**

MARKET REPORT

The Australian stock market was up 1.95 percent on Tuesday February 5, 2019, with the ASX200 up 114.7 points to 6,005.9 points. Thirteen of the Biotech Daily Top 40 stocks were up, 16 fell, six traded unchanged and five were untraded.

Yesterday's 8.8 percent worst, Kazia, was today's best, up 5.5 cents or 13.25 percent to 47 cents with 6,251 shares traded.

Avita climbed eight percent; Proteomics improved seven percent; Clinuvel, LBT and Prana were up five percent or more; Osprey was up 4.2 percent; Ellex, Optiscan and Orthocell were up more than three percent; Neuren and Telix rose more than two percent; with both Pro Medicus and Resmed up 1.1 percent.

Benitec led the falls, down half a cent or 4.8 percent to 10 cents with 182,024 shares traded, followed by Patrys down 4.2 percent to 2.3 cents with 213,335 shares traded.

Airxpanders and Cynata lost more than three percent; Compumedics, Impedimed and Medical Developments shed more than two percent; Dimerix, Opthea, Paradigm, Pharmaxis, Prescient and Starpharma were down more than one percent; with Cochlear, CSL, Nanosonics, Polynovo and Volpara down by less than one percent.

EYEPOINT PHARMACEUTICALS (FORMERLY PSIVIDA CORP)

Eyepoint says it has launched Yutiq, formerly known as Durasert and Medidur, for posterior segment uveitis in the US.

Eyepoint said that Yutiq was a US Food and Drug Administration-approved intra-vitreous micro-insert containing 0.18mg of fluocinolone acetonide, designed to release consistently for up to 36 months (BD: Oct 16, 2018).

The company said that Yutiq was approved for the treatment of chronic, non-infectious uveitis affecting the posterior segment of the eye.

Eyepoint said that it had launched Eyepoint Assist, "a program to ensure access to Yutiq for eligible patients in need of financial assistance".

Eyepoint chief executive officer Nancy Lurker said the company was "pleased to announce the availability of Yutiq in the US, which is an advancement in the treatment of chronic, non-infectious posterior segment uveitis".

"Yutiq is the first FDA-approved fluocinolone acetonide micro-insert to address this serious condition that is the third leading cause of blindness in the country," Ms Lurker said.

"One micro-insert of Yutiq has the ability to deliver up to three years of fluocinolone acetonide, a commonly used steroid, with continuous dosing that avoids the peaks and valleys of local corticosteroids, the current standard of care," Ms Lurker said.

"In clinical studies, Yutiq significantly reduced the number of inflammatory uveitis eye flares, which can lead to blindness," Ms Lurker said.

Eyepoint said that Yutiq was supplied as a sterile single-dose pre-loaded applicator that could be administered in the physician's office.

In 2012, Psivida said that Austria and the UK were the first countries to approve the Iluvien intra-vitreous fluocinolone acetonide insert, licenced to the Alpharetta, Georgia-based Alimera Sciences, for diabetic macular oedema (BD: Apr 26, May 8, 2012).

On the Nasdaq, Eyepoint was up three US cents or 1.33 percent to \$US2.29 (\$A3.18) with 279,799 shares traded.

FACTOR THERAPEUTICS

Factor says it has raised \$417,000 through a placement shares at 0.2 cents a share to new and existing sophisticated shareholders, and has received a board spill request. Factor said it was "assessing new healthcare and biotechnology opportunities following the scaling down of its previous research and development activities at the end of 2018 [and] the funds ... will ensure the company is in a position of strength throughout this process, with the increased working capital and runway to source, investigate, negotiate and execute a potential transaction".

The company said that Taylor Collison was the lead manager to the placement.

Separately, Factor said it received a board spill request to replace chair Dr Cherrell Hirst and directors Tim Hughes and John Michailidis with Bruce Lane and David Sanders.

Factor said the Section 249D Corporations Act 2001 notice requesting the extraordinary general meeting was received from Pura Vida Energy NL and Freshero Pty Ltd.

In a separate announcement, signed by David Grant Sanders as "director of substantial shareholders" the Abu Dhabi-based Steven Scott Day and the Perth, Western Australia based Pura Vida, Freshero, and Canadian Nickel Corp said they had become substantial shareholders in Factor with 100,078,397 shares (11.99%), but failed to state the consideration for the shares as required under the Corporations Act 2001.

Last year, Factor fell 97.3 percent to 0.2 cents on news that its 157-patient, phase II trial of VF001 for venous leg ulcers "failed to meet all endpoints" (BD: Nov 14, 2018).

Factor fell 0.1 cents or 25 percent to 0.3 cents with 81.3 million shares traded.

CORRECTION: NEUREN PHARMACEUTICALS

Last night's edition incorrectly said reported that Acadia expected to begin the 180-patient, phase III trial of Neuren's trofinetide for Rett syndrome "by July 2019". The trial is due to begin "in the second half of 2019", that is, by the end of the year. Unreserved apologies to Neuren and Acadia and the sub-editor has been dismissed. Neuren was up three cents or 2.4 percent to \$1.30.

RESPIRI

Respiri says it has raised \$1,557,000 in a share plan at eight cents a share "oversubscribed by 56 percent" above the \$1 million it originally hoped to raise. In December, Respiri said it hoped to raise \$1 million through a share purchase plan, following a private placement that raised \$3.2 million (BD: Dec 18, 2018). Today, the company said applicants would receive 64 percent of their applications. Respiri was up 0.9 cents or 11.1 percent to nine cents.

IMPEDIMED

Unisuper, through BNP Paribas Nominees, says it has become a substantial shareholder in Impedimed with 19,305,272 shares or 5.09 percent of the company. Unisuper said that between January 30 and February 1, 2019 it acquired 843,555 shares for 23.5 cents a share. Impedimed fell half a cent or 2.2 percent to 22 cents with 1.3 million shares traded.

CRESO PHARMA

Creso has requested a voluntary suspension to follow the trading halt requested on February 1, pending "further detail on the disclosures in the recent cleansing statement" (BD: Feb 1, 2019). Last week, Creso said its cleansing statement was issued after the trading halt and referred to the issue of shares, options and performance rights, which "may be subject to a subsequent offer for sale" and it was in negotiations on the spin-out of its food additive and other cannabidiol assets and the acquisition of a European health food and beverage business "with a possible subsequent listing on the Nasdaq". Creso said it expected to resume trading on February 12, 2019. Creso last traded at 41.5 cents.

NANOSONICS

Nanosonics says it has appointed Renee Salaberry as chief marketing officer, David Morris as chief strategy officer and Rod Lopez as chief operating officer. Nanosonics said Ms Salaberry was an executive at the Chicago-based Leo Burnett advertising agency, the Paris and Sydney-based Publicis Healthcare Communications, and was formerly the head of marketing for Sydney's Abbott Nutrition. The company said Mr Morris previously was a Cochlear executive for more than 14 years and recently was Monash IVF Group chief executive officer. Nanosonics said Mr Lopez was a Cochlear manager for more than 13 years and before that was General Motors Holden operations manager and customer liaison manager. The company said the appointments would support its business expansion strategy. Nanosonics fell one cent or 0.3 percent to \$3.45 with 1.2 million shares traded.

REVA MEDICAL

Reva says it has reduced its San Diego-based personnel by 44 percent to 22 employees, effective from February 8, 2019.

Reva chief executive officer Dr Reggie Groves said the company was “reducing our workforce to align with the current market conditions”.

“While we continue to see strong interest in Fantom Encore and are excited about our potential with Motiv, the near-term outlook remains tempered by the current European Society of Cardiology Guidelines for the use of bioresorbable scaffolds in treating coronary artery disease,” Mr Groves said.

“This reduction ensures that we are managing our expenses prudently while ensuring our ability to continue to serve our customers,” Mr Groves said.

Reva was untraded at 21 cents.

ELIXINOL GLOBAL

Elixinol says it will appoint a managing director and sales and marketing director to lead a 12-person team to market its hemp-derived business in Europe.

Elixinol chief executive officer Paul Benhaim said that “Europe’s cannabis and hemp market has experienced exponential growth over the last year as public, political and professional opinions swing largely in favor of legalization”.

“There is no doubting that the European market now presents one of the largest and most exciting opportunities to expand in the cannabis and hemp space,” Mr Benhaim said.

“The new three hub structure and staff appointments signal that Elixinol is preparing to secure significant share of the European market,” Mr Benhaim said.

The company said its European operations would be head-quartered in Amsterdam with hubs in Spain and the UK.

Elixinol was up nine cents or 2.65 percent to \$3.48 with 734,966 shares traded.