



Biotech Daily

Tuesday March 19, 2019

Daily news on ASX-listed biotechnology companies

- * **ASX EVEN, BIOTECH UP: AVITA UP 8%; ONCOSIL DOWN 12%**
- * **TRUSCREEN BACK FOR CERVICAL CANCER SCREENING**
- * **CYNATA REQUESTS FUJIFILM LICENCE TRADING HALT**
- * **IMMURON IMM-529 CLOSTRIDIUM DIFFICILE TRIAL 'SLOW'; PATENT**
- * **KAZIA SELLS NOXOPHARM HOLDING FOR \$2.1m**
- * **CANN, AURORA MARIJUANA DEAL; \$11m MILDURA GREENHOUSE**
- * **CELLMID UNMARKETABLE PARCEL BUYBACK**
- * **VISIONEERING TO RELEASE 8m ESCROW SHARES**
- * **REGAL FUNDS BELOW 5% IN MEDIBIO**
- * **FIL TAKES 16% OF MEDIBIO**

MARKET REPORT

The Australian stock market slipped 0.09 percent on Tuesday March 19, 2019, with the ASX200 down 5.7 points to 6,184.8 points. Sixteen of the Biotech Daily Top 40 stocks were up, 12 fell, nine traded unchanged and three were untraded. All three Big Caps fell.

Avita was the best, up 1.5 cents or 8.3 percent to 19.5 cents, with 7.1 million shares traded.

Uscom climbed 6.25 percent; Mesoblast was up 5.7 percent; Osprey rose up 4.8 percent; Actinogen, Dimerix and Orthocell improved more than three percent; Clinuvel, Genetic Signatures and Opthea rose more than two percent; Paradigm and Volpara were up more than one percent; with Cyclopharm, Polynovo, Pro Medicus and Telix up by less than one percent.

Oncosil led the falls, down two cents or 12.1 percent to 14.5 cents, with 2.6 million shares traded.

LBT and Prana lost more than six percent; Airxpanders, Antisense, Compumedics and Imugene fell five percent or more; Impedimed, Kazia and Resmed shed two percent or more; with Cochlear, CSL, Medical Developments, Nanosonics and Starpharma down by one percent or more.

TRUSCREEN (FORMERLY POLARTECHNICS)

Truscreen chief executive officer Martin Dillon says the new, improved version of the company's Truscreen cervical cancer test can be a primary screening tool.

In Melbourne with chairman Tony Ho and chief financial officer Guy Robertson on a non-deal roadshow, Mr Dillon told Biotech Daily that in the decade since Polartechinics failed to commercialize the original Truscreen diagnostic, the New Zealand-based company had redeveloped it to be wireless, portable and connect to all smart mobile telephones and computer systems, providing immediate, single-visit diagnosis.

In 2008, Mr Dillon's brother, Ben Dillon, was the chief executive officer of Polartechinics and the company had announced increasing sales, but by 2010 it was in the hands of receivers, having failed to raise funds and merge with another cancer diagnostic company Fermiscan (BD: Aug 14, Dec 10, 2008; Jul 16, 2009; Feb 11, 2010).

Today, Martin Dillon said that the technology worked by emitting light and an electric current to stimulate the cervix which "creates a tissue signature and reports whether it is normal or abnormal".

Mr Dillon said that Truscreen's sensitivity and specificity were "in the high seventies or low eighties and as good as a [Papanicolaou] test in a first world hospital".

Mr Dillon said that a direct comparison had been trialled at Sydney's Royal Hospital for Women an "it is expected the results will show that Truscreen is as good as a Pap test at a public teaching hospital".

He said that Truscreen was aimed at the developing world where laboratory facilities were out of the physical and financial reach of many women.

Mr Dillon said Truscreen was available in China, India and Mexico and had been tested for regulatory approval in each country and other target markets included Russia, Africa, the Middle East and Latin America.

Mr Dillon said that 300,000 women died each year from cervical cancer and effective screening could reduce the fatalities.

He said that the device was Conformité Européenne (CE) mark approved for primary screening and would be sold to hospitals, clinics as well as government and non-governmental organization (NGO) programs, with the costs in the developing world "generally underwritten by government and NGOs".

Mr Dillon said the addressable market was \$NZ166 million (\$A160.2 million) a year and in the 12 months to February 28, 2019, sales were up 175 percent to \$NZ2.2 million.

He said that Truscreen had a distributor network in 31 countries and had sold 268 devices with 150,000 single use sensors sold in the 12 months to February 28, 2019.

Mr Dillon said that Truscreen had cash and cash equivalents of \$NZ1.3 million.

Mr Ho said that the company expected to list on the ASX in August or September this year with an initial public offer to raise \$5 million to \$8 million to expand the commercialization of the diagnostic.

On the NZX, Truscreen closed untraded at 14.8 NZ cents (14.3 Australian cents).

CYNATA THERAPEUTICS

Cynata has requested a trading halt "pending an announcement in relation to the licence option agreement between the company and Fujifilm Corporation".

Trading will resume on March 21, 2019 or on an earlier announcement.

In December, Cynata said that under a 2016 agreement with Fujifilm, the company had 90 days to exercise its option, from the submission of the complete results from the phase I trial of CYP-001 for graft versus host disease (BD: Aug 30; Dec 18, 2018).

Cynata last traded at \$1.77.

IMMURON

Immuron says its 60-patient phase I/IIa trial of IMM-529 for Clostridium difficile recurrence has had slow recruitment and it is reviewing the protocol (BD: Jan 31, 2018).

Immuron chief operating officer Dr Jerry Kanellos told Biotech Daily that the protocol was currently being reviewed, more Australian sites would be opened along with the Israeli sites and the company was preparing an investigational new drug application to the US Food and Drug Administration which would allow the opening of US sites.

The company said it had completed a feasibility and Australian-site identification process and expected to have Australian clinical sites open for recruitment "shortly" and it would "significantly enhance patient enrolment by adding sites located in the US".

In the same announcement, Immuron said the US Patent and Trademark Office had granted a drug composition patent to treat Clostridium difficile infection.

Immuron said the patent, titled 'Methods and compositions for the treatment and/or prophylaxis of Clostridium difficile associated disease' providing intellectual property protection until April 19, 2034.

Immuron was up half a cent or 2.2 percent to 23.5 cents.

KAZIA THERAPEUTICS

Kazia says it will sell the remainder of its holding in Noxopharm in a single \$2.1 million block trade, taking its total proceeds for the sale of Noxopharm shares to \$2.4 million.

Kazia said the funds would be used for its research and development programs.

The company said it would retain 3,000,000 unlisted 80 cent Noxopharm options.

Kazia fell one cent or 1.96 percent to 50 cents.

Noxopharm fell 2.5 cents or 5.9 percent to 40 cents with 5.5 million shares traded.

CANN GROUP

Cann says it has a five-year agreement to supply marijuana to Canada's Aurora Cannabis and will pay \$10.75 million for a Mildura, Victoria greenhouse.

Cann said the agreement with the Edmonton, Canada-based Aurora was subject to regulatory approval and included termination rights, with commercial terms confidential.

The company said it made a \$10.75 million purchase for a Mildura, Victoria-based site for the construction of a cultivation and production greenhouse.

Cann said the Mildura greenhouse would cover 34,000 square meters (8.4 acres, 3.4 hectares) and would be able to produce 50,000-kilogram of dried marijuana flower per annum.

The company said construction would cost about \$130 million and was expected to be completed by October, 2020.

Cann was up 63 cents or 37.7 percent to \$2.30 with 1.8 million shares traded.

CELLMID

Cellmid says it intends to buy-back unmarketable parcels of shares worth less than \$500, at 23 cents a share, for holders at the record date of March 15, 2019.

Cellmid said there were 677 shareholders with parcels smaller than 2,173 shares, and those with unmarketable parcels at the record date could opt-out of the buy-back.

The company said it would pay all costs related to the unmarketable parcel buy-back and there would be no brokerage fees.

Cellmid was untraded at 22 cents.

[VISIONEERING TECHNOLOGIES](#)

Visioneering says it will release 8,036,644 shares, 150,576 Chess depository instruments (CDIs) and 6,319,300 options from escrow on April 2, 2019.

According to its most recent Appendix 3B announcement, Visioneering had 240,432,074 shares available for trading, implying it would have 248,619,294 shares or CDIs available for trading following the escrow release.

Visioneering fell 0.1 cents or 1.1 percent to 8.9 cents.

[MEDIBIO](#)

Regal Funds Management says it has ceased its substantial shareholding in Medibio.

Last year, Regal Funds said it held 14,225,816 shares (7.03%) (BD: Apr 11, 2018).

Today, the Sydney-based Regal Funds said it bought and sold shares between April 11 and July 26, 2018, with a single largest sale of 421,667 shares for \$65,569 or 15.55 cents a share and was diluted in the March rights offer at two cents a share which raised \$923,465 of a hoped for \$4.05 million (BD: Mar 12, 2019).

Medibio fell 0.1 cents or 5.6 percent to 1.7 cents

[MEDIBIO](#)

FIL says it has increased its holding in Medibio from 14,836,861 shares (9.99%) to 40,485,128 shares (16.27%).

The Hong Kong-based FIL said it bought and sold shares between October 3, 2017 and July 2, 2018 and acquired 21,599,156 shares at two cents a share in the rights offer.