



# Biotech Daily

Wednesday March 20, 2019

*Daily news on ASX-listed biotechnology companies*

- \* **ASX, BIOTECH DOWN: PATRYS UP 24%; CLINUVEL DOWN 12%**
- \* **NEXT SCIENCE RAISES \$35m FOR XBIO ANTIBACTERIAL**
- \* **GSK AWARDS \$150k, COLLABORATIONS TO 2 RESEARCH PROJECTS**
- \* **TELEX MANUFACTURES TLX250 FOR KIDNEY CANCER TRIALS**
- \* **FDA PROVIDES GUIDANCE FOR IMUGENE KEY-VAXX IND**
- \* **FACTOR RESPONDS TO DISSIDENT INVESTOR LETTER**
- \* **EYE CO FILES PATENT FOR DRY AMD**
- \* **FIL BELOW 5% IN IMPEDIMED**
- \* **JM FINANCIAL GROUP TAKES 11% OF MACH7**
- \* **MEDADVISOR REQUESTS 'COMMERCIAL AGREEMENT' TRADING HALT**

## MARKET REPORT

The Australian stock market fell 0.32 percent on Wednesday March 20, 2019, with the ASX200 down 19.5 points to 6,165.3 points. Ten of the Biotech Daily Top 40 stocks were up, 20 fell, eight traded unchanged and two were untraded.

Patrys was the best, on a video explanation of its anti-cancer technology, up half a cent or 23.8 percent to 2.6 cents, with 21.2 million shares traded.

Imugene climbed 10.5 percent; Osprey improved 4.55 percent; Oncosil was up 3.45 percent; Antisense and Pro Medicus rose more than two percent; Compumedics, Cyclopharm, Medical Developments, Nanosonics and Resmed were up more than one percent; with CSL up 0.4 percent.

Clinuvel led the falls, down \$3.66 or 12.2 percent to \$26.36, with 258,364 shares traded.

Mesoblast lost 9.5 percent; Prana retreated 8.7 percent; Actinogen was down 5.3 percent; Genetic Signatures and Proteomics fell four percent or more; Benitec, Dimerix, Ellex, Immutep, Neuren and Telex were down more than three percent; Airxpanders, Kazia, Starpharma and Uscom shed two percent or more; Cochlear, Opthea, Paradigm and Prescient were down by more than one percent; with Volpara down 0.8 percent.

## NEXT SCIENCE

Next Science says it has raised \$35 million at \$1.00 a share in an oversubscribed initial public offer to list on the ASX to commercialize its Xbio anti-bacterial technology.

Last week, Next Science said it hoped to raise the \$35 million and list on the ASX under the code NXS in April (BD: Mar 15, 2019).

Today, the company said the offer opened on Friday March 15 and closed yesterday, Tuesday March 19, 2019.

Next Science said its total market capitalization was \$179 million and it would advise investors about share allocations and the expected listing date "as soon as practicable".

Next Science said that Patersons Securities was the lead manager to the placement. Next Science is a public unlisted company.

## GLAXOSMITHKLINE

Glaxosmithkline says it will provide \$150,000 and collaboration support to two research projects which have won the company's Discovery Fast Track Challenge.

Glaxosmithkline said that it would provide access to its expertise in research, platform technologies and compounds to Melbourne's Monash University Biomedicine Discovery Institute Dr Kim Good-Jacobson and the University of South Australia's Prof Tom Gonda and Prof Richard D'Andrea.

The company said the researchers would be granted "rare access to GSK's state-of-the-art research resources, expertise and compound library to screen their targets to identify molecules that could potentially become new medicines".

Glaxosmithkline said that its Discovery Fast Track Challenge was "designed to help turn innovative research into treatments for patients faster, by fostering greater collaboration between academia and industry".

The company said that Prof Gonda and Prof D'Andrea would test its compound libraries against a target protein that played a role in a number of different cancers and had been shown to be critical in acute myeloid leukaemia.

Glaxosmithkline said that the researchers believed the discovery of a molecule that could block the function of the protein could lead to new therapies.

The company said that Dr Good-Jacobson was investigating "how to target and destroy antibody-producing cells that cause autoimmune diseases".

"For the past three years we have been working on a target that is able to recognize the antibody-producing cells that cause autoimmune diseases like lupus," Dr Good-Jacobson said. "Our next challenge is to discover an inhibitor for it."

Glaxosmithkline said the winning proposals were selected from more than 80 entries based on their potential to impact diseases with an unmet medical need and where patients would benefit from new therapeutic interventions.

## TELIX PHARMACEUTICALS

Telix says it has completed manufacturing of 177-lutetium-girentuximab or TLX250 and has sufficient material "to complete clinical development up to phase III".

Telix said the current good manufacturing practice material was provided by unnamed US contractors for its targeted radio-pharmaceutical trials for in combination with a checkpoint inhibitor immunotherapy for metastatic kidney cancer.

The company said it expected to begin "at least two distinct clinical studies involving TLX250 at leading US cancer hospitals in the next few months".

Telix fell 2.5 cents or 3.7 percent to 65.5 cents.

## IMUGENE

Imugene says it has written guidance from the US Food and Drug Administration for the development path for its Key-Vaxx cancer immunotherapy.

Imugene chief executive officer Leslie Chong said the meeting provided a road map for a successful investigational new drug submission and development of Key-Vaxx.

The company said that the meeting was held to obtain regulatory guidance and agreement for the pre-clinical chemistry, manufacturing and controls and clinical development plan for an investigational new drug application for its promed cell death-1 (PD-1) targeting Key-Vaxx.

Imugene said the topics addressed “included the anticipated clinical indication and the treatment of cancers that over-expressed PD-L1 including but not limited to non-small cell lung cancer”.

Imugene was up 0.2 cents or 10.5 percent to 2.1 cents with 4.1 million shares traded.

## FACTOR THERAPEUTICS

Factor says it has responded “to correct some factual errors” in a letter sent to shareholders by the dissident investor group.

Last month, shareholders with 100,078,397 shares or 11.99 percent of Factor, requested a board spill to replace chair Dr Cherrell Hirst and directors Tim Hughes and John Michailidis with Bruce Lane and David Sanders, with the meeting due to be held on March 29, 2019 (BD: Feb 5, 22, 2019).

Last week the dissident group said it held 202,683,121 shares or 19.44 percent of the company (BD: Mar 13, 2019).

Factor said Mr Lane and Mr Sanders sent shareholders a letter on March 6, 2019 which “contained some factually incorrect statements”.

The company said Mr Lane and Mr Sanders claimed it hadn't mentioned new opportunities until the February 4, 2019 extraordinary general meeting announcement.

Factor said new opportunities were mentioned in its November 2018 phase II results announcement, January 25 management change announcement and January 31, 2019 Appendix 4C (BD: Nov 14, 2018).

The company said Mr Lane and Mr Sanders claimed it continued to spend money “as if it were a large company”, but the company said directors hadn't received fees since November 2018, costs were minimized to only necessary costs and expected expenditure for the quarter was \$2.057 million.

The company said it made cost minimization efforts, ceased research and development, obtained final invoices from suppliers and downsized its premises.

Factor said it told Nathan Lude and Bevan Tarratt in two telephone calls and an email that it “was very willing and open to receiving additional proposals for evaluation”.

after it was claimed that it hadn't asked Mr Lane and Mr Sanders about a plan.

The company said Mr Lane and Mr Sanders were denied a board seat in two phone calls on January 23 and January 25, 2019 when they claimed to represent “unrelated parties” because “no notice of substantial shareholding had been received” until February 5, 2019.

The company said it received one additional request for a board seat on January 28, 2019 but had received no requests since.

Factor said Mr Lane and Mr Sanders claimed it did not seek information about their experience in health care, but the company said it emailed Mr Sanders through its legal counsel with a “detailed list of questions”, but he “failed to include any of the requested information”.

Factor was up 0.05 cents or 14.3 percent to 0.4 cents with 7.4 million shares traded.

### [EYE CO PTY LTD](#)

Eye Co Pty Ltd says it has filed a patent application to IP (Intellectual Property) Australia relating to its treatment for dry age-related macular degeneration (AMD).

Eye Co said the filing was through the international Patent Cooperation Treaty (PCT) providing “a unified procedure for filing patent applications to protect inventions in each of its contracting states”.

The company said that the patent was titled ‘Composition and Method of Treatment for Dry Age-Related Macular Degeneration’ and would provide protection until March 2038. Eye Co said it had ethics committee approval for a current nine-patient phase Ib human safety study of lead compound fludrocortisone acetate for dry age-related macular degeneration.

The company said that dry age-related macular degeneration would afflict more than 100 million people in the major pharmaceutical markets over the next 10 years.

Eye Co is a private company.

### [IMPEDIMED](#)

FIL Limited says it has ceased to be a substantial shareholder in Impedimed, from 28,013,479 shares (7.46%) to 16,679,500 shares (4.40%).

The Sydney and Hong Kong-based FIL said it sold 3,888,315 shares between February 5 and March 15, 2019 at prices ranging from 22.52 cents to 24.77 cents.

Impedimed was unchanged at 22.5 cents.

### [MACH7 TECHNOLOGIES](#)

JM Financial Group says it has increased its shareholding in Mach7 from 10,037,753 shares (8.49%) to 15,597,461 shares (10.58%).

The Melbourne-based JM Financial said it bought and sold shares between June 19, 2017 and February 18, 2019, with a single largest purchase of 2,423,245 shares on December 11, 2018 for \$486,084 or 20.1 cents a share and was diluted due to share issues.

Mach7 was up half a cent or 2.9 percent to 17.5 cents.

### [MEDADVISOR](#)

Medadvisor has requested a trading halt pending an announcement regarding “the signing of a significant commercial agreement” by its US subsidiary.

Trading will resume on March 22, 2019 or on an earlier announcement.

Medadvisor last traded at 4.1 cents.