



Biotech Daily

Wednesday April 17, 2019

Daily news on ASX-listed biotechnology companies

- * **ASX DOWN, BIOTECH UP: UNIVERSAL BIO UP 10%; OSPREY DOWN 9%**
- * **NEXT SCIENCE 'OVERSUBSCRIBED' IPO RAISES \$35m, LISTS TOMORROW**
- * **PARADIGM PLACES \$61.4m, \$16.5m TO GO**
- * **MEDIBIO, HUMANITAS UNI COLLABORATE ON MENTAL ILLNESS**
- * **MGC SIGNS YUSHOP FOR MARIJUANA IN CHINA**
- * **ADMEDUS TAKES CORIDON SALE TRADING HALT TO SUSPENSION**
- * **CANN TO RELEASE 33m ESCROW SHARES**
- * **RENAISSANCE BELOW 5% IN VISIONEERING**
- * **NEUROTECH ROLLS BOARD, CO SEC; JUMPS 237.5%**
- * **IMMURON APPOINTS CEO DR GARY JACOB DIRECTOR**

MARKET REPORT

The Australian stock market fell 0.33 percent on Wednesday April 17, 2019, with the ASX200 down 21 points to 6,256.4 points. Fifteen of the Biotech Daily Top 40 stocks were up, 11 fell, 11 traded unchanged and three were untraded. All three Big Caps fell.

Universal Biosensors was the best, up two cents or 9.8 percent to 22.5 cents with 269,778 shares traded.

Kazia climbed 7.45 percent; Cyclopharm was up 4.35 percent; Actinogen, Dimerix, Immutep, Oncosil and Uscom were up more than three percent; Alterity (Prana), Antisense, Optiscan and Volpara rose two percent or more; with Pro Medicus, Starpharma and Telix up by more than one percent.

Osprey led the falls, down 1.5 cents or 8.8 percent to 15.5 cents, with 423,913 million shares traded, followed by Paradigm down 8.4 percent to \$1.74 with 2.7 million shares traded.

Clinuvel fell 6.15 percent; Imugene lost 5.3 percent; Avita retreated 4.1 percent; Orthocell was down 3.7 percent; Neuren and Polynovo shed more than two percent; CSL, Ellex and Resmed lost more than one percent; with Cochlear, Medical Developments and Nanosonics down by less than one percent.

NEXT SCIENCE

Next Science says it has raised \$35 million in its initial public offer at \$1.00 a share and expects to list on the ASX at 11am tomorrow under the code NXS.

Next Science said the shares had been allotted to more than 1,500 institutional and retail investors, the offer closed oversubscribed and the funds would be used for the commercialization of Xbio and working capital

The company said that at \$1.00 a share, it had a market capitalization of \$179 million, with the largest shareholders the founding investors of Lang Walker and the Walker Group with 16.19 percent, the Auckland Trust Company with 25.96 percent and founder Matthew Myntti with 11.53 percent.

Next Science said Xbio was “a non-toxic technology platform with proven efficacy in eradicating biofilm-protected bacteria” including antibiotic-resistant methicillin-resistant staphylococcus aureus (MRSA or golden staph), Escherichia coli and Staphylococcus. The company said that the Xbio platform worked by destroying biofilms formed by bacteria and fungi that shields them from conventional methods of eradication, promoting antibiotic resistance.

Next Science said it had an initial suite of four US Food and Drug Administration-approved Xbio-based lavage and gel products already being sold in the US and it had global distribution agreements in place with Zimmer Biomet for Bactisure, a surgical lavage, and 3M for its Blastx wound gel.

The company said it expected to expand sales beyond the US as approvals in other key markets are obtained, with its non-toxic acne treatment gel to be launched first in Australia by the end of 2019.

Next Science chief executive officer Judith Mitchell said Xbio had been “validated as an effective treatment for biofilm-shielded bacteria by extensive clinical testing, multiple FDA clearances and the result of more than 70,000 patient treatments since 2017”.

“We also have a solid long-term product pipeline in place, which we’ll roll out over a number of years,” Ms Mitchell said.

PARADIGM PHARMACEUTICALS

Paradigm says it has completed a \$51,555,149 placement and the \$9,801,390 institutional part of its underwritten rights offer, raising \$61,356,539 at \$1.50 a share.

On Monday, Paradigm said it expected to raise \$77.9 million on the back of positive data from last year’s phase IIb trial of pentosan polysulfate sodium for knee osteoarthritis pain, with \$51.5 million from a placement to sophisticated and professional investors and a one-for-eight \$26.3 million non-renounceable rights offer, at \$1.50 a share (BD: Apr 15, 2019). Today, the company said the placement was “to professional and sophisticated investors across Australia, Asia, the UK and the US, including some existing shareholders”.

Paradigm fell 16 cents or 8.4 percent to \$1.74 with 2.7 million shares traded.

MEDIBIO

Medibio says it has a research agreement with the Milan-based Humanitas University to develop its diagnostic for mental illnesses.

Medibio said the collaboration would extend its clinical team and would reinforce clinical relevance needed to meet regulatory guidance and market needs.

The company said it would work with Humanitas University’s Department of Biomedical Sciences throughout 2019 to release clinical products for both physicians and patients.

Medibio was up 0.2 cents or 14.3 percent to 1.6 cents.

MGC (MEDICAL GRADE CANNABIS) PHARMACEUTICALS

MGC says it has signed a marketing, sales and distribution agreement with Yushop Global for its food additive marijuana-based products in China.

MGC said the New York and Hong Kong-based electronic commerce retailer Yushop would provide sales, marketing, logistics and customer services for its products in China through its e-commerce platform and provide access to over 1,500 retail channel partners.

The company said it expected to launch a sales campaign in June 2019.

MGC was up one cent or 23.8 percent to 5.2 cents with 53.4 million shares traded.

ADMEDUS

Admedus says it has requested a voluntary suspension to follow the April 15, 2019 trading halt to “pending the release of an announcement regarding the immunotherapies transaction” (BD: Apr 15, 2019).

Last week, Admedus told an ASX query that finalizing the sale of the Prof Ian Frazer developed virus vaccines business, formerly known as Coridon, on March 22, 2019, was not material because it had previously announced the terms of the sale and it was conditional (BD: Apr 27, Jun 27, 2018; Apr 10, 2019).

The company said it expected the suspension to last until April 26, 2019 or the release of an announcement.

Admedus last traded at six cents.

CANN GROUP

Cann says that it will release 32,720,001 shares from ASX escrow on May 6, 2019.

Cann said that the directors and the chief executive officer held 9,211,682 of the escrow shares and did not intend to trade those shares on the release of escrow.

According to the company’s most recent Appendix 3B new issue statement, following the release from escrow, it would have 139,704,247 shares available for trading, with no more shares held in escrow.

Cann fell six cents or 2.4 percent to \$2.42.

VISIONEERING TECHNOLOGIES

The Sydney-based Renaissance Smaller Companies says it has ceased its substantial shareholding in Visioneering.

Last week, Renaissance said it had increased its share-holding but been diluted in Visioneering to 12,848,367 shares (5.17%) (BD: Apr 12, 2019).

Today, the company said that between April 10 and 12, 2019, it sold 524,548 shares for \$40,851 or 7.8 cents a share.

Biotech Daily calculates that Renaissance retains 12,323,819 shares or 4.96 percent of Visioneering’s total issued shares.

Visioneering was unchanged at 7.5 cents.

NEUROTECH INTERNATIONAL

Neurotech jumped 237.5 percent on news that Mark Davies, Winton Willesee and Eryln Dale will replace Peter O'Connor, Simon Trevisan, Neale Fong and Fleur Hudson. Neurotech said that Mr Davies would replace chairman Mr O'Connor, Mr Willesee would replace directors Mr Trevisan and Mr Fong and Ms Dale would replace company secretary Ms Hudson.

Last month, Neurotech confirmed that founder and major shareholder Dr Adrian Attard Trevisan did not hold the qualifications claimed in its prospectus (BD: Mar 27, 2019).

When Neurotech listed on the ASX in November 2016, the then executive director, inventor, major shareholder and chief scientific officer, Dr Attard Trevisan, claimed to hold a Doctorate of Philosophy in Neuroscience from University College London.

Last week, SG Hiscock reduced its holding in Neurotech from 17,327,070 shares to below the five percent substantial level (BD: Apr 9, 2019).

Today, the company said that Mr O'Connor, Mr Trevisan and Mr Fong had retired as directors, with chief executive officer Peter Griffiths and director Dr David Cantor continuing.

Neurotech chairman Mark Davies said the company had "faced several recent challenges but remains in a unique position with a scientifically-proven product, ready to sell into a large market".

"I am pleased to take on the challenge at an important time for the company and ensure we target the best possible outcomes for shareholders," Mr Davies said.

Neurotech said Mr Davies held a Bachelor of Commerce from the University of Western Australia and co-founded investment banking firms Cygnet Capital and 1861 Capital.

The company said Mr Willesee was an accountant and Ms Dale was company secretary for a number of ASX listed public companies, including her role as joint company secretary for Creso Pharma, with Mr Wilesee.

Neurotech was up 1.9 cents or 237.5 percent to 2.7 cents with 40.95 million shares traded.

IMMURON

Immuron says it has appointed chief executive officer Dr Gary Jacob as a director of the company.

Last year, Immuron appointed Dr Jacob chief executive officer (BD: Nov 19, 2018).

Immuron fell two cents or 8.3 percent to 22 cents.