



Biotech Daily

Wednesday April 24, 2019

Daily news on ASX-listed biotechnology companies

- * **ASX UP, BIOTECH DOWN: ORTHOCELL UP 14%; ANTISENSE DOWN 6%**
- * **PRO MEDICUS \$14m, 7-YEAR DUKE HEALTH CONTRACT**
- * **FDA 'CLINICAL HOLD' ON RACE BISANTRENE FOR AML IND**
- * **ELIXINOL BUYS 25% OF ALTMED PETS FOR \$9m CASH, SCRIP**
- * **CRESO 'BRAZIL CANNAQIX50 PAIN LICENCE' CONDITIONS**
- * **AIRXPANDERS POSTPONES AGM TO JUNE**
- * **MACH7 Q3 RECEIPTS UP 231% TO \$3.6m**
- * **NEUROTECH PLEADS SCHULTZ, BOARD RENEWAL TO ASX 457% QUERY**
- * **SEBASTIAN ANDRE REPLACES ESENSE CO SEC IAN PAMENSKY**

MARKET REPORT

The Australian stock market was up 0.99 percent on Wednesday April 24, 2019, with the ASX200 up 62.7 points to 6,382.1 points.

Eleven of the Biotech Daily Top 40 stocks were up, 17 fell, eight traded unchanged and four were untraded. All three Big Caps were up.

Yesterday's 15.4 percent worst, Orthocell, was the best, up 1.5 cents or 13.6 percent to 12.5 cents, with 40,828 shares traded.

Impedimed, Pro Medicus and Volpara climbed more than four percent; Benitec and Polynovo were up more than three percent; Cochlear, CSL, Resmed and Universal Biosensors rose more than two percent; Actinogen, Cynata and Dimerix were up more than one percent; with Medical Developments up 0.6 percent.

Antisense led the falls, down 0.3 cents or 6.4 percent to 4.4 cents, with 670,426 shares traded.

Optiscan fell 5.3 percent; Kazia, Osprey, Paradigm and Proteomics lost more than three percent; Alterity (Prana), Avita, Compumedics, Genetic Signatures, Starpharma and Telix shed two percent or more; Clinuvel, Ellex and Neuren were down more than one percent; with Mesoblast and Opthea down by less than one percent.

PRO MEDICUS

Pro Medicus says it has a \$14 million, seven-year “transaction licencing” contract with Duke Health for its Visage Imaging systems.

Pro Medicus will supply its Visage 7 hospital imaging software system to the Raleigh, North Carolina-based Duke Health to be implemented across all of Duke’s radiology departments and integrated into Duke’s electronic health records.

The company said the implementation would be at three hospitals and additional locations across Duke Health, including its 957-bed academic medical centre, Duke University Hospital.

Pro Medicus said that planning for the roll-out would begin by July with the first sites scheduled to be implemented by October 2019.

Pro Medicus chief executive officer Dr Sam Hupert said the contract was “another significant deal for us”.

“Duke is a leading US academic institution and adds to the growing number of top-ranked North American health systems standardizing on our technology,” Dr Hupert said.

“This not only helps consolidate our strong position in this highly competitive market, it enables us to leverage our development and commercialization efforts across an increasing base of academic, research-oriented clients which we feel provides us with a strategic advantage particularly in rapidly evolving fields such as artificial intelligence and machine learning,” Dr Hupert said.

Pro Medicus was up 86 cents or 4.8 percent to \$18.71 with 209,658 shares traded.

RACE ONCOLOGY

Race says the US Food and Drug Administration has placed a clinical hold on its investigational new drug application of Bisantrone for acute myeloid leukaemia.

In March, Race said when it filed its investigational new drug (IND) application that it hoped to begin a phase II/III trial of Bisantrone for acute myeloid leukaemia in “the second half of 2019 (BD: Mar 25, 2019)

Today, the company said that the FDA had outstanding questions and the trial could not start until they were resolved.

Race chief executive officer Peter Molloy said that the trial could not start until the company had funding from a licencing partner, “so the clinical hold has no immediate impact on timing of the trial”.

“In the meantime, the feedback from the FDA has been very helpful in understanding what is needed to prepare the trial for execution, when we are ready to do so,” Mr Molloy said.

“Questions and feedback from the FDA covered a range of topics, including safety, pharmacology, manufacturing and the trial protocol,” Mr Molloy said. “We were able to answer many of the FDA’s questions during the IND review period.”

“We now have time to attend to the outstanding questions,” Mr Molloy said.

Race scientific advisor Prof Borje Andersson said that the questions from the FDA were “normal and to be expected in an IND like this”.

“One important area for discussion with the FDA is the clinical protocol design and we look forward to working with the FDA to ensure the trial design is optimal for registration of Bisantrone,” Prof Borje Andersson said.

“The existing clinical data on Bisantrone [is] very strong and demonstrate not only efficacy but also unparalleled cardiac safety,” Prof Andersson said. “This is a drug that has a clear role in [acute myeloid leukaemia] and I sincerely hope we will see it available for use in treating this disease, in both adults and children.”

Race fell 0.9 cents or 12.2 percent to 6.5 cents.

ELIXINOL GLOBAL

Elixinol says it will pay \$US6.3 million (\$A8.95 million) in cash and scrip to buy 25 percent of Altmed Pets LLC for its marijuana-based pet products.

Elixinol said it would pay the Sarasota, Florida-based Altmed Pets LLC, trading as Pet Releaf based in Littleton, Colorado, \$US4.4 million in cash and \$US 1.9 million in shares. The company said Pet Releaf posted revenue up 189.3 percent to \$US8.1 million in 2018. Elixinol fell 28 cents or 5.5 percent to \$4.78 with 374,118 shares traded.

CRESO PHARMA

Creso says its Brazil licence to import its marijuana-based Cannaxix50 for neuropathic chronic pain is for named patients and subject to annual regulatory renewals.

Last week, Creso said it had approval from Brazilian health regulator Anvisa to import Cannaxix50, facilitated by its marketing partner SIN Solution (BD: Apr 18, 2019).

Today, the company it would initially target oncology and neurology doctors for marketing, sales and patient support activities in Sao Paulo, Rio de Janeiro and Curitiba.

Creso said it had an estimated addressable market of more than 50,000 patients.

Creso was unchanged at 44 cents.

AIRXPANDERS

Airxpanders says its May annual general meeting has been postponed to June 20, 2019.

Earlier this month, Airxpanders requested a voluntary suspension to review finances, following its March 29, 2019 debt agreement trading halt (BD: Mar 29, Apr 2, 2019).

Airxpanders last traded at 3.5 cents.

MACH7 TECHNOLOGIES

Mach7 says that customer receipts for the three months to March 31, 2019 rose 231.4 percent to \$3,612,000 compared to the previous corresponding period.

Mach7 said it won two new customers in the three-month period for its medical imaging software and picture archiving and communication systems.

Mach7 was up one cent or 4.3 percent to 24.5 cents with 1.4 million shares traded.

NEUROTECH INTERNATIONAL

Neurotech has told the ASX that it is not aware of any information it has not announced which, if known, could explain recent trading in its securities.

The ASX said the company's share price rose 457.1 percent from 0.7 cents on April 12 to 3.9 cents on April 23, 2019, and noted a "significant increase" in the trading volume.

The company said it had "recently undergone a board renewal and indicated a targeted focus on the best possible outcomes for shareholders."

Last week, Neurotech jumped 237.5 percent on the announcement that Mark Davies would replace chairman Peter O'Connor, Winton Willesee would replace directors Simon Trevisan and Neale Fong, and Erlyn Dale would replace company secretary Fleur Hudson (BD: Apr 17, 2019).

Last month, Neurotech confirmed that founder and major shareholder Dr Adrian Attard Trevison did not hold the qualifications claimed in its prospectus and his relationship with the company had been terminated (BD: Mar 27, 2019).

Neurotech fell 0.4 cents or 11.8 percent to three cents with 11.7 million shares traded.

[ESENSE-LAB](#)

Esense says that Sebastian Andre has replaced company secretary Ian Pamensky, effective from today.

Esense said the Mr Andre was a chartered secretary with eight years' experience as an adviser at the ASX where he facilitated the listing of 35 entities and advised more than 300 listed companies.

The company said that Mr Andre specialized in providing corporate compliance, governance and administrative advice to companies and their boards.

Esense said that Mr Andre held a Bachelor of Commerce from the Perth, Western Australia-based Curtin University.

Esense fell 0.1 cents or 4.2 percent to 2.3 cents.