



Biotech Daily

Thursday May 30, 2019

Daily news on ASX-listed biotechnology companies

- * **ASX DOWN, BIOTECH UP: OPTHEA UP 9%; ACTINOGEN DOWN 8%**
- * **MINISTER KAREN ANDREWS TALKS BIOTECH**
- * **ORTHOCELL RAISES \$10.6m**
- * **IMMURON RAISES \$2.9m**
- * **PATRY'S 'PAT-DX1 KILLS BREAST CANCER BRAIN METASTASES IN MICE'**
- * **MESOBLAST BEGINS FDA GVHD SUBMISSION**
- * **NOXOPHARM ENROLS DARRT-1 NOX66 PROSTATE CANCER TRIAL**
- * **RESAPP NAMES UK CONSULTANCY AVANTI MED**
- * **UNIVERSAL BIOSENSORS, SIEMENS EXTEND TERM SHEET**
- * **BVF REDUCES TO 21% OF PHARMAXIS**
- * **IMMURON CHAIR PETER ANASTASIOU INCREASES, DILUTED TO 10.6%**
- * **ALCIDION PLEADS SCHULTZ TO ASX 13.6% QUERY**
- * **AIRXPANDERS LOSES CFO, COO SCOTT MURCRAY**

MARKET REPORT

The Australian stock market fell 0.74 percent on Thursday May 30, 2019, with the ASX200 down 47.9 points to 6,392.1 points. Nineteen of the Biotech Daily Top 40 stocks were up, 14 fell, four traded unchanged and three were untraded. All three Big Caps fell.

Opthea was the best, up 5.5 cents or 9.2 percent to 65 cents with 72,705 shares traded. Patrys climbed 7.4 percent; Volpara was up 6.3 percent; Imugene and LBT were up more than five percent; Osprey and Prescient improved more than four percent; Medical Developments and Telix were up more than three percent; Alterity (Prana) and Optiscan rose more than two percent; Compumedics, Dimerix, Ellex, Genetic Signatures, Kazia and Paradigm were up more than one percent; with Cyclopharm and Cynata up by less than one percent.

Actinogen led the falls, down 0.1 cents or 7.7 percent to 1.2 cents, with 11.4 million shares traded. Orthocell lost 5.4 percent; Oncosil fell 4.2 percent; Immutep, Neuren and Pharmaxis were down more than three percent; Antisense, Avita, Clinuvel, Mesoblast, Nanosonics and Universal Biosensors shed two percent or more; Starpharma was down 1.1 percent; with Cochlear, CSL, Pro Medicus and Resmed down less than one percent.

[MINISTER FOR INDUSTRY, SCIENCE AND TECHNOLOGY KAREN ANDREWS](#)

Biotech Daily invited the re-appointed Minister for Industry, Science and Technology Karen Andrews to discuss her plans for the biotechnology sector. She writes:

“Building Australia’s industrial and research capabilities and creating Australian jobs. These values will drive me as Minister.

Building these capabilities requires us to be at the forefront of technological developments and this in turn involves a deep commitment to science and innovation.

The Liberal National Government has demonstrated this commitment with our funding programs, including in the biotechnology sector.

We have invested in the release of new medicines, medical devices and disease treatments through the National Health and Medical Industry Growth plan.

Genomics is being prioritized to develop personalized treatments for cancer, diabetes, cardiovascular conditions, ageing and dementia and mental health.

The Coalition’s \$5 billion, 10-year investment plan from the Medical Research Future Fund (MRFF) includes \$614 million for clinical trials for rare cancers, rare diseases and unmet needs; a \$500 million Genomics Health Futures Mission; a \$150 million Stem Cell Mission and a \$45 million Biomedtech Horizons program.

Industry Growth Centre MTP Connect is also implementing and operating a number of biotech programs that are part of the MRFF.

The \$500 million Biomedical Translation Fund is another important initiative.

It consists of equal parts Australian Government and business funding and is operated by three private sector fund managers who select promising Australian biomedical ideas for Fund support.

In 2018-’19 the Government is providing \$7.3 billion in direct support for research and development, including through our support for our national research organizations such as Commonwealth Scientific and Industrial Research Organisation, Australian Nuclear Science and Technology Organisation and Geoscience Australia.

The Morrison Government continues to support the CSIRO Innovation Fund to commercialize early-stage innovations.

Since the fund was established in 2016 there have been nine investments in companies, supporting hi-tech industries and 100 new jobs have been created.

Across the forward estimates, the Government has projected increases in most major research and development programs and activities including university block grants, the Cooperative Research Centre program and Australian Research Council grants.

The Government’s support for start-ups continues through measures announced in the \$1 billion National Innovation and Science Agenda, as well as the support for research, science and technology capabilities announced in the 2018-’19 Budget.

The Government is currently exploring additional policy measures to further support greater business investment in research and development.

My team and I are currently developing 100-day plans for each of the three pillars of my portfolio: industry, science and technology.

This will guide our policies into the future.

As Minister I am absolutely committed to working with the tech and innovation sector in the best interests of Australia.

I want to continue to build strong relationships with stakeholders and remove unnecessary Government red tape but it is up to businesses to seize opportunities to grow.

The Government’s role in Australia’s innovation ecosystem is as an enabler.

Growth in research and development should be industry-led and be part of a mix of policies that encourage systemic innovation.”

Karen Andrews, Canberra, May 30

ORTHOCELL

Orthocell says it has “firm commitments for a \$10.6 million placement” at 40 cents a share from professional and sophisticated investors, including existing shareholders.

Orthocell said the funds would be used to accelerate commercialization of Celgro for dental bone, tendon and nerve repair into key markets; progress key regulatory approvals in the US and other target jurisdictions and support continued business development and marketing initiatives.

Earlier, this month, Orthocell climbed 377.3 percent to 52.5 cents on news that the first four of 20 patients in a Celgro nerve regeneration trial had regained muscle function and sensation in the affected limbs (BD: May 8, 2019).

Today, Orthocell managing-director Paul Anderson said the success of the placement was “an endorsement of Orthocell’s business strategy, progress in commercializing Celgro and the exciting outlook for the company as it drives its leading products into key markets”.

The company said that Bell Potter Securities Pty Ltd was the lead manager to the placement.

Orthocell fell 2.5 cents or 5.4 percent to 44 cents with 3.8 million shares traded.

IMMURON

Immuron says it has closed the offer of 500,000 American depositary shares (ADSs) at \$US4.00 a share (\$A5.80) and raised \$US2 million (\$A2,902,450).

Last week, Immuron said each ADS was equivalent to 40 Australian shares, implying a capital raise equivalent to 14.5 cents a share, with Fordham Financial Management’s Thinkequity representing the underwriters for the raise (BD: May 24, 2019).

Immuron fell one cent or 6.9 percent to 13.5 cents.

PATRY'S

Patry's says that a mouse study shows that PAT-DX1 with low-dose radiation could suppress tumor growth in triple-negative breast cancer brain metastases patients.

Last year, Patry's said mice treated with PAT-DX1 for brain metastases from triple-negative breast cancer had 93 percent less brain cancer than controls and 86 percent outlived all controls (BD: Dec 20, 2018).

Today, the company said the Yale School of Medicine study compared PAT-DX1 alone, low dose radiation alone and PAT-DX1 with low dose radiation.

Patry's said PAT-DX1 was able to cross the blood-brain-barrier and suppressed brain metastases after one week and maintained responses for several weeks.

The company said PAT-DX1 with low dose radiation “significantly increased tumor suppression” over other treatments alone.

Patry's said it would explore interactions between different radiation and PAT-DX1 dosing to guide its clinical development.

Patry's chief executive officer Dr James Campbell said that PAT-DX1 crossed the blood-brain-barrier and showed single agent efficacy.

“We are not aware of any other antibody that brings together these transformative attributes,” Dr Campbell said.

“We are particularly excited to report that a limited dose of PAT-DX1 enhanced the efficacy of low dose radiation therapy,” Dr Campbell said.

Patry's was up 0.2 cents or 7.4 percent to 2.9 cents with 70.9 million shares traded.

[MESOBLAST](#)

Mesoblast says it has filed the first part of a rolling submission to the US Food and Drug Administration for remestemcel-L for paediatric graft versus host disease.

Mesoblast said it already had Japanese approval for, remestemcel-L, formerly known as MSC-100-IV, for steroid-refractory acute graft versus host disease in children, a complication in bone marrow transplants (BD: Feb 24, 2016).

Last year, the company said it completed a phase III, 55-patient trial of remestemcel-L on children with graft versus host disease, which met its primary endpoint of day-28 overall response (BD: Feb 22, 2018).

Today, Mesoblast said it had fast track designation and would request a priority review on completion of its biologics licence application.

Mesoblast fell three cents or 2.05 percent to \$1.43 with 984,457 shares traded.

[NOXOPHARM](#)

Noxopharm says it has completed enrolment in its 12-patient trial of Veyonda, or NOX66 with radiotherapy for late-stage, metastatic, castration-resistant prostate cancer.

Noxopharm said it had completed the dose escalation stage in the direct and abscopal response to radiotherapy (Darrt) trial and expected to release three-month data in August 2019 and six-month top-line data in November 2019.

Noxopharm was up half a cent or 0.8 percent to 63 cents.

[RESAPP HEALTH](#)

Resapp says the UK-based medical device consultancy firm that will design hardware and wearable devices for its respiratory diagnostics is the London-based Avanti Med.

Yesterday, Resapp said it would pay up to \$2.3 million to an unnamed UK medical device consultancy to design the hardware and devices (BD: May 29, 2019).

Resapp was up one cent or 6.45 percent to 16.5 cents.

[UNIVERSAL BIOSENSORS](#)

Universal Biosensors says it will extend its term sheet agreement with Siemens Healthcare Diagnostics for the collaboration by 90 days from May 29, 2019.

Universal Biosensors said the extension would allow it to continue negotiating its commercial relationship with Siemens through the contract, including their collaboration and supply agreements,

Universal Biosensors fell half a cent or 2.4 percent to 20 cents.

[PHARMAXIS](#)

BVF Partners says it has reduced its substantial shareholding in Pharmaxis from 85,644,382 shares (21.72%) to 81,277,976 shares (20.61%).

The San Francisco, California-based BVF said it sold shares between April 17 and May 29, 2019, with the single largest sale 554,500 shares for \$156,424 or 28.2 cents a share.

Pharmaxis fell one cent or 3.8 percent to 25.5 cents.

IMMURON

Immuron executive vice-chairman Peter Anastasiou says he has increased and been diluted from 16,836,144 shares (11.75%) to 17,336,144 (10.62%).

Mr Anastasiou said he bought 500,000 shares on market for \$77,500 or 15.5 cents a share.

Immuron has raised \$US2 million in a US capital raising (see above).

ALCIDION

Alcidion 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 13.6 percent from 11 cents today to 12.5 cents today, and noted a "significant increase" in the trading volume.

Alcidion said a broker report was issued overnight.

Alcidion was up two cents or 20.0 percent to 12 cents.

AIRXPANDERS

Airxpanders says chief financial officer and chief operating officer Scott Murcay will resign, effective from June 7, 2019.

Airxpanders said that chief executive officer Frank Grillo would take over as principal financial and accounting officer until a replacement was appointed.

Airxpanders was in a suspension and last traded at 3.5 cents.