



Biotech Daily

Monday April 11, 2016

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH DOWN: CELLMID UP 10%, PRIMA DOWN 7%**
- * **CRYOSITE STEPS-UP TO SAVE 2,000 STEMLIFE CORD BLOOD MATERIALS**
- * **PRANA REGAINS NASDAQ COMPLIANCE**
- * **LINKS, LOTSA, LAURENCE FREEDMAN REDUCE TO 8% IN BIONOMICS**
- * **LAGODA, FATIMA DICKEY, RICHARD BAYLES TAKE 10% OF CLINUVEL**
- * **NUSEP DIRECTOR ANDREW GOODALL BUYS 207m SHARES TO 36%**
- * **RECCE 'UPDATE' LOSES DIRECTORS IAN BROWN, PROF DONGKE ZHANG**
- * **STEPHEN ROBERTS REPLACES CRYOSITE CHAIRMAN ANDREW KROGER**
- * **STEPHANIE UNWIN REPLACES PHYLOGICA CHAIR BRUCE MCHARRIE**
- * **CFO MELANIE LEYDIN REPLACES ALCHEMIA CO SEC STEVE DENARO**

MARKET REPORT

The Australian stock market slipped 0.12 percent on Monday April 11, 2016 with the ASX200 down 6.1 points to 4,931.5 points. Fourteen of the Biotech Daily Top 40 were up, 21 fell, four traded unchanged and one was untraded. All Big Caps fell.

Cellmid was the best for the second trading day in a row, up 0.2 cents or 10 percent to 2.2 cents with 4.65 million shares traded.

Airxanders, Living Cell and Tissue Therapies climbed more than five percent; Neuren was up 4.55 percent; Avita, Biotron and Universal Biosensors were up more than three percent; Acrux, Atcor, Orthocell, Prana and Uscom rose more than two percent; with Nanosonics up 1.8 percent.

Prima led the falls, down 0.3 cents or 7.0 percent to four cents with 2.6 million shares traded.

Admedus and Anteo lost more than five percent; Benitec fell 4.35 percent; Impedimed and Oncosil were down more than three percent; Actinogen, Antisense, Compumedics, Medical Developments and Sirtex shed more than two percent; Bionomics, Cochlear, CSL, IDT, Opthea, Pro Medicus, Psivida, Resmed, Reva and Viralytics were down more than one percent; with Clinuvel, Mesoblast and Starpharma down less than one percent.

CRYOSITE

Cryosite says it will maintain the storage of more than 2,000 cord blood materials, following the closure of the Brisbane-based Stemlife business.

Cryosite said that BRI Ferrier Brisbane was appointed liquidator for Stemlife on March 4, 2016, when the company ceased to carry on business and since then, Stemlife was unable to continue the storage of cord blood material it had banked.

The company said that “due to the urgency and need to continue the provision of electricity and nitrogen supply for the cord blood material to remain viable, Cryosite worked to relocate the cord blood material to its own ... facility in Sydney and is storing it in the short term, allowing parents adequate time to consider long-term storage options”. Cryosite said it was relocating all cord blood material without charge and would not charge existing Stemlife customers for on-going storage.

Cryosite executive director Graeme Moore told Biotech Daily that his company was “more than capable” of storing the Stemlife materials in terms of space and regulatory processes.

Mr Moore said that there was a benefit to parents storing cord blood in choosing an ASX-listed company and/or a company with audited accounts.

The company said that it was the only publically-listed cord blood bank in Australia, and was communicating with Stemlife’s customers to explain the process and options available to them.

Cryosite was untraded at 18 cents.

PRANA BIOTECHNOLOGY

Prana says it has regained compliance with the Nasdaq rule of having a price above \$US1 for its American depository shares (ADSs) for 10 consecutive trading days.

Last year, Prana received a notice of non-compliance and in March said it would change the ratio of Australian shares to ADSs by six-to-one, consolidating the ADSs and increasing the price six-fold (BD: Nov 9, 2015; Mar 10, 2016).

Prana said it had received a notice from the Nasdaq’s listing qualifications department saying that for the 10 consecutive business days from March 24 to April 7, 2016, the closing bid price of its American depository shares was \$US1.00 a share or greater.

The company said that it continued to focus on its submission to the US Food and Drug Administration to lift the partial clinical hold, which limited the development of PBT2 for Huntington’s disease in the US.

Prana was up 0.2 cents or 2.9 percent to 7.1 cents.

BIONOMICS

Laurence Freedman and associated companies have reduced their shareholding in Bionomics from 40,187,873 shares (9.75%) to 37,537,873 shares (7.80%).

The substantial shareholder notice, signed by the Sydney-based Mr Freedman, said the shares were held through Link Superannuation Fund, Link 405 Pty Ltd, Link Enterprises (International) Pty Ltd and Lotsa Nominees Pty Ltd.

The notice said that between September 11 and October 8, 2015, Link 405 sold 2,650,000 shares on-market for \$1,353,020 or an average price of 51.1 cents a share.

Bionomics fell half a cent or 1.6 percent to 31.5 cents.

CLINUVEL

Lagoda Investment Manager, Fatima Dickey and Richard Bayles have increased their holding in Clinuvel from 4,625,668 shares (9.83%) to 4,720,236 shares (10.03%). The New York-based Lagoda said it acquired shares on-market between March 17 and April 6, 2016 at prices ranging from \$3.50 to \$4.15. Clinuvel fell one cent or 0.25 percent to \$4.07.

NUSEP

Nusep director Andrew Goodall says he has increased his shareholding from 88,538,261 shares (35.77%) to 206,824,308 (36.33%).

Mr Goodall said that he held a direct interest in Nusep, as well as an indirect interest through Marjorie Goodall, Ti Rakau Developments and Aemagood Pty Ltd, with Mr Goodall and Aemagood acquiring the shares in the recent rights issue at one cent a share and through the rights issue sub-underwriting and a debt conversion.

Nusep was untraded at 1.3 cents.

RECCE

In the final paragraph on page three of an eight page media release entitled 'Progress Update', Recce said that directors Ian Brown and Prof Dongke Zhang had resigned. The company said the resignations were "to make way for new skills and knowledge on the board which will be announced soon".

Executive chairman Dr Graham Melrose said the board expressed "their appreciation of their contributions to the achievements of Recce's goals to this date".

The current board comprises Dr Melrose, executive director responsible for marketing and business development James Graham and executive director Michele Dilizia.

The Recce prospectus, filed to the ASX on January 13, 2016, said that Mr Brown and Prof Zhang were independent non-executive directors and described Mr Graham and Ms Dilizia as "family members" of Dr Melrose, but did not disclose the specific relationships. In the 'Update', Recce said it had appointed a US Food and Drug Administration consultant to advise and facilitate communications for investigational new drug status for its antibiotics, which it planned to submit by June 30, 2017.

Recce said its technology, as well as having in-vitro anti-bacterial activity, had anti-cancer activity against seven types of cancers equal to or better than an existing anti-cancer drug. In January, Recce raised \$5 million at 20 cents a share to list on the ASX to develop synthetic antibiotics then known as Recce-327 and Recce-355, but in recent announcements the company has referred to "the Recce antibiotic" without nominating which compound was involved (BD: Oct 9, 2015; Jan 27, 2016).

Today, the company said that following synthesis of the Recce antibiotic, in its Perth laboratory, that effective from May 2016, it would establish pilot-plant operations within two-year leased office laboratories and establish a wholly-owned subsidiary Recce (USA) LLC in Boston, Massachusetts and would transfer its head office from Perth to Sydney, establish an office in the UK and appoint a European regulatory consultant.

The company said that Dr Melrose would support activities in Sydney, Boston and Perth and Mr Graham would be based in Sydney.

Recce was up half a cent or 1.8 percent to 28 cents.

CRYOSITE

Cryosite says that director Stephen Roberts has replaced Andrew Kroger as chairman effective from April 8, 2016.

Cryosite said that Mr Kroger would remain a non-executive director, but decided to step down from the chairman role “due to increasing time commitments”.

The company said that Mr Roberts was appointed a non-executive director on December 8, 2015 and had more than 25 years management experience in financial services, security processes and hardware and consumer companies.

Cryosite said that Mr Roberts was currently chairman of rural advisory service Growth Farms and was previously the chief executive officer and senior partner of Mercer Investments Asia Pacific and Middle East, Russell Investments Australasia managing director and BT funds Management senior vice president.

The company said that Mr Roberts held a Bachelor of Business from the University of Technology Sydney, graduate management qualifications from the University of New South Wales and a Masters of Business Administrations from the Paris, France-based Institut Européen d'Administration des Affaires (European Institute for Business Administration, or Insead).

Cryosite said its board was unchanged and comprised Mr Roberts, Mr Kroger and executive director Graeme Moore.

PHYLOGICA

Phylogica says that Stephanie Unwin will replace Bruce McHarrie as non-executive chair, effective immediately.

Phylogica said that Mr McHarrie was resigning from the board “to focus on a recent full time executive appointment with another organisation”.

The company said that Mr McHarrie was a co-founder while at the Telethon Kids Institute and had been a director since its inception.

Phylogica said it thanked Mr McHarrie “for his dedicated and meritorious contribution to Phylogica”.

The company said that Ms Unwin had expertise in commercialization, organizational transformation and strategic planning made her well-suited to the role as chair where she would oversee all of these key activities during the next phase of development.

Phylogica was unchanged at 1.4 cents with 3.2 million shares traded.

ALCHEMIA

Alchemia says that chief financial officer Melanie Leydin will replace Steve Denaro as company secretary effective from today.

Alchemia said that Mr Denaro joined Alchemia as company secretary in February 2011 and the board “appreciates his contribution to the company over this extended period of time and wishes him well in his future endeavours”.

The company said that Ms Leydin held a Bachelor of Business from Melbourne's Swinburne University and was the principal of chartered accounting firm Leydin Freyer. Alchemia fell 0.1 cents or 7.1 percent to 1.3 cents.