



Biotech Daily

Monday July 4, 2016

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH UP: PRANA UP 10%, BENITEC, IDT DOWN 4%**
- * **PRO MEDICUS SIGNS \$18m IMAGING DEAL WITH MAYO CLINIC**
- * **BIOTECH CAPITAL INVESTS \$100k IN ACCOUNTS SUBSIDIARY BIO101**
- * **CE MARK FOR SPEEDX HSV-1, HSV-2, VZV DIAGNOSTIC**
- * **NUSEP NAME CHANGE TO MEMPHASYS**
- * **REGAL FUNDS TAKES 9% OF IDT AUSTRALIA**
- * **HAAKMANS, DUSSMAN INCREASE, DILUTED TO 31% OF SIMAVITA**
- * **PAUL RUGGIERO, 'LIKE-MINDED INVESTORS' TAKE 10.3% OF CELLMID**
- * **BIONOMICS LOSES 9-MONTH DIRECTOR DR ALAN DUNTON**
- * **MMJ APPOINTS RICHARD JARVIS CFO**

MARKET REPORT

The Australian stock market was up 0.67 percent on Monday July 4, 2016 with the ASX200 up 35.2 points to 5,281.8 points. Twenty of the Biotech Daily Top 40 stocks were up, 12 fell, five traded unchanged and three were untraded. All three Big Caps were up.

Prana was the best, up one cent or 10 percent to 11 cents with 54,101 shares traded.

Neuren climbed 9.1 percent; Pro Medicus was up 8.7 percent; Medical Developments was up 6.8 percent; Antisense, Avita and Polynovo were up more than five percent; Acrux and Atcor improved four percent or more; Bionomics and Cellmid were up more than three percent; Ellex, Factor, Uscom and Viralytics rose more than two percent; Cochlear, Impedimed, Pharmaxis and Resmed were up more than one percent; with Clinuvel, CSL, Nanosonics and Sirtex were up by less than one percent.

Benitec and IDT led the falls, both down 4.1 percent to 9.4 cents and 23.5 cents, respectively, with 38,969 shares and 120,000 shares traded, respectively. Admedus, Airxpanders, Biotron, Oncosil, Orthocell and Starpharma lost more than three percent; Compumedics and Prima shed more than two percent; Living Cell fell 1.2 percent; with Mesoblast down 0.4 percent.

PRO MEDICUS

Pro Medicus says it has an \$18 million, six-year contract to supply the Mayo Clinic's radiology departments with its Visage 7 imaging system.

Pro Medicus said that project planning had begun with the first sites of the Rochester, Minnesota-based Mayo Clinic scheduled to move into production by the end of 2016, with the remaining sites rolling out over an 18 month period with project completion expected by July 2018.

Last year, Pro Medicus chief executive officer Dr Sam Hupert told Biotech Daily that the Visage Imaging software enabled "faster, more efficient, multi-plane views" of any form of imaging (BD: Mar 3, 2015).

Dr Hupert said that streaming the data overcame the problems of having to download multi-gigabyte files and allowed physicians and clinicians to see any view of the computed tomography or positron emission tomography scans.

Dr Hupert said that Pro Medicus charged fees for the provision of the software package as well as a fee for each imaging use.

Today, Dr Hupert said the Mayo Clinic agreement was "a very significant contract for us and further validates our belief that Visage 7 is uniquely positioned to cater for the needs of the most sophisticated and demanding clinical environments".

"It has the speed and functionality to meet the requirements of a large and diverse group of high-end clinical users as well as the scalability to handle the huge data volumes that a medical enterprise of this size generates," Dr Hupert said.

"This is the third major deal we have signed in the past few months following our recent [Janesville, Wisconsin-based] Mercy and [the Baton Rouge, Louisiana-based Franciscan Missionaries of Our Lady Health System] announcements and further cements our growing footprint in the North American market," Dr Hupert said.

"With this deal we have reached another major milestone in terms of market acceptance and we look to build on this as a basis for continued growth in both North American and other global markets," Dr Hupert said.

Pro Medicus was up 41 cents or 8.7 percent to \$5.12 with 495,600 shares traded.

BIOTECH CAPITAL

Biotech Capital says it has invested \$100,100 in its wholly-owned accountancy subsidiary Bio101 Group Pty Ltd.

Biotech Capital said that Bio101 was a "team of experienced chartered accountants ... [providing] a range of finance and administration services to private, public and listed companies in the Australian life sciences sector" with services including accounting, company secretarial, taxation, grant applications, payroll administration, business development, royalty and partner management.

Biotech Capital said that the investment was consistent with its "strategy of growing its service offering to local and international companies in the biotechnology, medical device and pharmaceutical industry ... [and] further extends the range of services currently being provided following the acquisition of Sydney-based advisory firm Biointelect in April".

Biotech Capital chairman Dr Richard Treagus said that "Bio101 has been established in response to the growing demand for a simple and fully integrated finance and administration service for start-up companies in the life science sector".

"Our clients are now able to access the full range of services, industry network and resources of the Biotech Capital group and in so doing we expect this will further assist them in successfully growing their businesses," Dr Treagus said.

Biotech Capital was untraded at 11 cents.

SPEEDX

The Sydney-based Speedx says it has Conformité Européenne (CE) mark approval for its in-vitro diagnostic test for three herpes viruses.

Speedx head of sales and marketing Colin Denver told Biotech Daily that the company was originally spun-out from Johnson & Johnson Research, which remained an investor, along with Denis Hanley's Cornerstone PF, the San Diego, California-based genomics company Illumina and Brisbane's Talu Ventures.

Speedx chairman Andrew Denver's is Colin's Denver's father and is the executive chairman of Universal Biosensors, which also developed diagnostic technology from Johnson & Johnson.

Colin Denver said that the multiplex, quantitative, polymerase chain reaction (PCR) Kit was able to separately diagnose herpes simplex viruses 1 (HSV-1), HSV-2, and varicella zoster virus, which was the cause of chicken pox.

Speedx said that the multiplex molecular diagnostic test was a single-well product to detect and differentiate the three herpes viruses in addition to an internal control.

The company said that the kit was validated for use on multiple lesion specimen types, and was designed to streamline herpes testing workflows and support appropriate clinical and therapeutic management for infections that present similarly.

The Victoria Government-owned Melbourne Sexual Health Centre's Dr Tim Read, said that a previous study showed that "a small but significant number of cases of presumed genital HSV infection are caused by [varicella zoster virus] and that zoster needs to be considered as a differential diagnosis for genital herpetic lesions".

Dr Read said that the study found that three percent of genital infections were positive for varicella zoster virus and infections identified to be varicella zoster virus followed separate treatment and clinical counselling paths to HSV, further highlighting the need for varicella zoster virus (VZV) testing on genital lesions.

"We are delighted to receive CE-IVD marking for this new high-performance benchmark for multiplex [quantitative] PCR HSV and VZV testing," Mr Denver said.

"This marks an exciting time for Speedx in Europe following our partnership with Goffin Molecular Technologies BV in March and the establishment of our European headquarters in June this year," Mr Denver said.

Mr Denver said that Goffin was the company's distributor for Belgium, the Netherlands and Belgium and Speedx was selling the diagnostic directly in Australia and the UK.

Speedx said that the Plex-PCR HSV-1, HSV-2 and VZV kit was its first test to receive CE mark status, but the company had a range of infectious disease and antibiotic-resistance detection kits in its portfolio based on its multiplex technology.

The company said that all three herpes viruses presented with clinically similar symptoms appearing as lesions or ulcers on the skin, mouth or genital area.

Speedx said that due to the similarities in clinical presentation, molecular-based tests were the 'gold standard' to detect and differentiate the cause of infection.

The company said that treatments of HSV-1 and HSV-2 and VZV included acyclovir, famciclovir, and valacyclovir, but appropriate dosage required the correct identification of the causative virus.

Speedx said that Plex-PCR and Resistance-Plus were multiplex quantitative PCR kits for detection of infectious disease pathogens and anti-microbial resistance markers, respectively.

The company said the kits were powered by its Plexzyme and Plexprime technologies, with "high multiplexing capability for better, more streamlined infectious disease management".

Speedx is a private company.

NUSEP HOLDINGS

Nusep says that its name changed to Memphasys Limited, effective from July 1, 2016 and its ASX code will change to MEM.

At the time of publication, the ASX retained Nusep and the NSP code, but executive chair Alison Coutts told Biotech Daily that she expected the ASX to enact the change soon. Nusep was up 0.2 cents or 28.6 percent to 0.9 cents.

IDT AUSTRALIA

Regal Funds Management has become a substantial shareholder in IDT with 21,453,332 shares or 8.68 percent of the company.

The Sydney-based Regal Funds said that it acquired 11,363,637 shares on June 29, 2016 for 22 cents a share and the registered holders were UBS Nominees, Credit Suisse Securities Europe and Merrill Lynch (Australia) Nominees.

Last week, Regal became substantial in Impedimed and Prescient and previously became substantial in Oncosil, Adherium and Airxpanders and in 2014 underwrote \$1.4 million of Suda options (BD: Jul 1, 2014; Feb 10, Mar 31, Jun 14, 27, Jul 1, 2016).

IDT fell one cent or 4.1 percent to 23.5 cents.

SIMAVITA

Simavita says Dussman and directors Damien and Justin Haakman have increased their holdings from 38,160,131 shares to 78,160,131 shares, but were diluted from 36.64 percent to 31.09 percent.

Simavita said that the Narre Warren South, Melbourne-based Dussman converted \$2,000,000 in debt notes into 40,000,000 Chess depository instruments (CDIs).

Damien Haakman was formerly a non-executive director of Simavita.

Simavita was up 0.4 cents or eight percent to 5.4 cents.

CELLMID

Paul Ruggiero says that the "association of like-minded investors" has increased its holding in Cellmid from 93,950,381 shares (10.1%) to 95,466,444 shares (10.3%).

Last week, in a series of notices, the Gladesville, Sydney-based Mr Ruggiero said he was the Association's "group coordinator" and named about 20 shareholders who were part of his group (BD: Jun 29, 30, 2016).

Today, Mr Ruggiero added David Edelman's 2,716,063 shares to his list of "like-minded investors" with DK Services reducing its holding by 1,200,000 shares, but the notice did not disclose the cost of the shares as required by the Corporations Act.

Cellmid was up 0.1 cents or 3.2 percent to 3.2 cents with 2.2 million shares traded.

BIONOMICS

Bionomics says that director Dr Alan Dunton, who was appointed last September, has resigned as a non-executive director (BD: Sep 29, 2015).

Bionomics chairman Graeme Kaufman said that following his Bionomics appointment Dr Dunton was appointed as Purdue Pharma's head of research and development "and it has become apparent in recent months that it will be challenging to dedicate the appropriate amount of time to Bionomics while maintaining this senior executive role".

Bionomics was up one cent or 3.3 percent to 31 cents.

MMJ PHYTOTECH

MMJ says it has appointed Richard Jarvis as chief financial officer, responsible for finance, accounting, management of financial risk and leading financial strategy.

MMJ said that Mr Jarvis was a chartered certified accountant with 20 years' experience in accountancy and finance leadership roles and for the last 10 years held senior roles, including as chief financial officer for a number of publicly-listed companies.

MMJ was up one cent or 4.4 percent to 23.5 cents with 1.3 million shares traded.