



Biotech Daily

Tuesday April 16, 2019

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH UP: STARPHARMA UP 16%; IMMUTEP DOWN 4%**
- * **COCHLEAR LAUNCHES MRI-FRIENDLY NUCLEUS PROFILE PLUS IMPLANT**
- * **STARPHARMA, ASPEN LAUNCH VIVAGEL BV FOR BACTERIAL VAGINOSIS**
- * **FDA ALLOWS MESOBLAST ROLLING GVHD APPLICATION**
- * **RHINOMED PRONTO VAPOR FOR SLEEP, DECONGESTION**
- * **MEDLAB, CHRONIC PAIN AUSTRALIA MEDICAL MARIJUANA EDUCATION**
- * **OSPREY: Q1 REVENUE UP 56% TO \$1.2m**
- * **RESONANCE PLEADS SCHULTZ TO ASX 37.5% QUERY**
- * **GENETIC TECHNOLOGIES CHAIR DR PAUL KASIAN FULL-TIME, PAY RISE**
- * **CFO ROBERT MEISSNER REPLACES ALTHEA CO SEC PETER GILLIS**

MARKET REPORT

The Australian stock market was up 0.42 percent on Tuesday April 16, 2019, with the ASX200 up 26 points to 6,277.4 points. Eighteen of the Biotech Daily Top 40 stocks were up, eight fell, nine traded unchanged and five were untraded. All three Big Caps were up.

Starpharma was the best, up 17 cents or 15.7 percent to \$1.25 with 1.8 million shares traded.

Osprey climbed 13.3 percent; Imugene was up 11.8 percent; Avita, Cochlear and Compumedics rose more than seven percent; Patrys improved 4.35 percent; Benitec and Opthea were up more than three percent; Alterity (Prana) rose two percent; Clinuvel, Dimerix, Genetic Signatures, Kazia, LBT, Nanosonics and Resmed were up more than one percent; with CSL, Medical Developments, Pro Medicus and Telix up by less than one percent.

Immutep led the falls, down 0.1 cents or 3.6 percent to 2.7 cents, with 3.1 million shares traded, followed by Polynovo down 3.1 percent to 93 cents with 2.25 million shares traded.

Mesoblast and Universal Biosensors shed more than two percent; Actinogen and Proteomics lost more than one percent; with Neuren and Volpara down by less than one percent.

COCHLEAR

Cochlear says it has launched the Nucleus Profile Plus Series cochlear implant, designed to be used with routine magnetic resonance imaging scans.

Cochlear said the Nucleus Profile Plus Series cochlear implant could be used in 1.5 Tesla and 3.0 Tesla magnetic resonance imaging machines without the need to remove the internal magnet.

The company said that the majority of magnetic resonance imaging scanners installed for clinical use employ a 1.5 Tesla magnet, but newer generation machines commonly employ magnets of 3.0 Tesla.

Cochlear said that it would begin its commercial roll-out in Germany with other European countries to follow over the coming months.

The company said that the Nucleus Profile Plus series implant was expected to be launched across other developed markets over the coming months, subject to the timing of regulatory approvals.

Cochlear climbed \$13.17 or 7.9 percent to \$180.76 with 463,742 shares traded.

STARPHARMA

Starpharma says Aspen Pharmacare has launched Vivagel BV as an over-the-counter treatment for bacterial vaginosis in Australia under the name Fleurstat BV gel.

Starpharma said that Mundipharma would launch Vivagel BV in Europe in May and June this year.

The company said that Vivagel BV was a non-antibiotic therapy for treatment of bacterial vaginosis and relief of symptoms.

Starpharma said that Fleurstat BV gel was a non-antibiotic therapy and was the only bacterial vaginosis treatment available over-the-counter at pharmacies, without the need for a prescription.

Starpharma chief executive officer Dr Jackie Fairley said the launch was an "important milestone".

"Given this is the first of many launches for this breakthrough [bacterial vaginosis] product globally, this is a very exciting period for the company," Dr Fairley said.

"[It] is a real success story for Australian innovation," Dr Fairley said. "It's exceedingly rare to have a global healthcare product developed by an Australian company all the way from concept to commercialization, let alone with the first global launch in Australia."

Starpharma was up 17 cents or 15.7 percent to \$1.25 with 1.8 million shares traded.

MESOBLAST

Mesoblast says the US Food and Drug Administration has agreed it can submit its biologics licence application for graft versus host disease on a rolling basis.

Mesoblast said it would submit each module for its application for remestemcel-L mesenchymal stem cell treatment for children with steroid-refractory acute graft versus host disease as it was completed.

The company said the rolling process would provide the opportunity for ongoing, frequent communication with the FDA to address any substantial matters raised by the regulator.

Mesoblast said it had fast track designation from the FDA for remestemcel-L in steroid-refractory acute graft versus host disease and was eligible for priority review once the filing was completed and accepted by the FDA.

The company said it expected to submit the first module shortly.

Mesoblast fell four cents or 2.5 percent to \$1.55 with 1.9 million shares traded.

RHINOMED

Rhinomed says it will launch its Pronto range of rechargeable vapor release products for sleep and decongestion later this year.

Rhinomed said the nasal insert Pronto range came in two formulation variants Pronto Sleep and Pronto Clear for the nasal congestion, cough, cold and allergy market.

Rhinomed chief executive officer Michael Johnson told Biotech Daily that Pronto Clear contained peppermint oil, menthol, lemon, eucalyptus, tea tree and rosemary, while Pronto Sleep included lavender, eucalyptus, valerian and tea tree.

The company said that it had purchase orders for 2,800 Pronto Sleep product packs from an unnamed US drugstore chain, which currently sold its Mute anti-snoring product, with the Sleep inserts to be shipped at the end of May for its 900 shops.

Rhinomed said Pronto was a rechargeable vapor release technology based on its Breatheassist nasal stenting technology and included the Airstream release system allowing specific amounts to be released into the nasal airstream over a set period of time. The company said that it presented the Pronto range in prototype form to retailers at a drug store and grocery sales show in Chicago in February 2019 and had begun production with a China-based partner.

Rhinomed said the Pronto products would be sold online and through retail partners.

The company said that the development of the Pronto range was “a clear milestone and transformation from being a company with one technology range driven by door growth to an innovation-led business expanding into new and adjacent categories”.

Rhinomed said it would present the Pronto technology in June at the American Academy of Sleep Medicine meeting in San Antonio, Texas.

Mr Johnson said the global sleep aid and decongestant market were “multi-billion dollar markets that have a clear need for innovation”.

“Rhinomed is continuing to deliver on its strategy of meeting the unmet needs of customers and disrupting incumbents through a focus on class leading innovation and design,” Mr Johnson said.

“The Pronto range provides pharmacists with a new and truly innovative solution to customer’s sleep and decongestion issues from a brand that they now know and trust,” Mr Johnson said.

Rhinomed was up 1.5 cents or 8.8 percent to 18.5 cents.

MEDLAB CLINICAL

Medlab says it will collaborate with Sydney’s Chronic Pain Australia on consumer and health practitioner medical marijuana education in Australia.

Medlab said the collaboration would “provide professional education services to people living with chronic pain and their relevant healthcare providers about medicinal cannabis”.

The company said that Chronic Pain Australia was a not-for-profit consumer-led organization “dedicated to reducing health and social barriers faced by people living with chronic pain”, which provided user-friendly, research-based information that supported more than 35,000 people living with chronic pain each month.

Medlab chief executive officer Dr Sean Hall said that pain management had to “extend beyond opioids, their derivatives and lifestyle management”.

“New therapies such as Nanabis equate to more options and together we can work on better patient outcomes,” Dr Hall said.

The company said the marijuana-based Nanabis was in a trial at Royal North Shore Hospital and was available under the Federal Government’s special access scheme.

Medlab was up half a cent or 1.35 percent to 37.5 cents.

OSPREY MEDICAL

Osprey says that revenue for the three months to March 31, 2019 is up 56 percent to \$US826,000 (\$A1,151,877) compared to the previous corresponding period.

Osprey said that unit sales of its Dyevert cardiac dye reduction system to prevent acute kidney injury were up 73 percent to 2,478 units.

Osprey was up two cents or 13.3 percent to 17 cents.

RESONANCE HEALTH

Resonance 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 37.5 percent from 12 cents at the close on Friday April 12 to 16.5 cents on Monday April 15, 2019 and noted a "significant increase" in trading volume.

Resonance said that chief executive officer Alison Laws and director Mitchell Wells conducted an investor roadshow on March 25 and 26, 2019 and the company was assessing opportunities to expand its business.

Resonance fell 3.5 cents or 20.6 percent to 13.5 cents with 14.2 million shares traded.

GENETIC TECHNOLOGIES

Genetic Technologies says it has extended executive chairman Dr Paul Kasian's term as interim chief executive officer to full-time with a pay rise until June 30, 2019.

Genetic Technologies said that Dr Kasian would receive \$196,228 a year for his interim chief executive officer duties, inclusive of superannuation effective from April 1, 2019, along with \$103,772 a year for his role of chairman.

Last year, the company said Dr Kasian's salary would increase from \$153,000 to \$200,000 a year (BD: Nov 8, 2018).

Today, Genetic Technologies said there would be no change to Dr Kasian's short-term incentives and long-term incentives.

The company said it would begin a review of the board and management structure with changes to be implemented by June 30, 2019.

Genetic Technologies was unchanged at 0.7 cents with 1.5 million shares traded

ALTHEA GROUP HOLDINGS

Althea says that chief financial officer Robert Meissner has replaced Peter Gillis as company secretary effective from April 15, 2019.

Althea fell one cent or two percent to 48.5 cents.