



Biotech Daily

Monday May 27, 2019

Daily news on ASX-listed biotechnology companies

- * **ASX EVEN, BIOTECH DOWN: LBT UP 39%; ACTINOGEN DOWN 8%**
- * **VICTORIA \$267m FOR RESEARCH, JOBS, INVESTMENT FUNDS**
- * **FEDERAL BIOTECH MINISTERS: KAREN ANDREWS, GREG HUNT**
- * **BIOTECH DAILY COMMENT**
- * **NEXT SCIENCE: GRACE MEDICAL DISTRIBUTES SINUS LAVAGE**
- * **TGA REGISTRATION FOR GENETIC SIGNATURES EASYSCREEN**
- * **PAINCHEK: UK CONTRACT 1st OFFSHORE DEAL**
- * **BARD1 RECEIVES \$521k R&D TAX INCENTIVE**
- * **CARDIEX: PRESENTATION BACKS BLUMIO BP SENSOR**
- * **CHAIR DR RICHARD, KAREN TREAGUS, DILUTED TO 13.7% OF BTC**
- * **DIRECTOR PETER, HELEN JONES INCREASE, DILUTED TO 9.8% OF BTC**
- * **MICRO-X TAKES 'CLEANSING NOTICE' HALT TO SUSPENSION**
- * **EYE CO APPOINTS PROF JAN PROVIS ADVISORY CHAIR**
- * **STEMCELL APPOINTS YANHUA HUANG, QI LU DIRECTORS**

MARKET REPORT

The Australian stock market slipped 0.06 percent on Monday May 27, 2019, with the ASX200 down 4.1 points to 6,451.9 points. Eleven of the Biotech Daily Top 40 stocks were up, 15 fell, 10 traded unchanged and four were untraded.

LBT continued last week's post-FDA approval volatility, up 5.5 cents or 39.3 percent to 19.5 cents with 15.5 million shares traded. Cyclopharm climbed 11.8 percent; Polynovo was up 7.4 percent; Imugene, Neuren and Pro Medicus improved five percent or more; Genetic Signatures, Proteomics and Volpara were up four percent or more; Clinuvel rose 3.3 percent; with CSL and Starpharma up by less than one percent.

Actinogen led the falls down 0.1 cents or 7.7 percent to 1.2 cents, with 34.1 million shares traded. Orthocell lost 6.1 percent; Pharmaxis fell 5.4 percent; Antisense, Avita, Benitec, Ellex, Immutep and Opthea were down three percent or more; Mesoblast and Universal Biosensors shed more than two percent; Cochlear, Compumedics, Dimerix, Kazia and Nanosonics were down one percent or more; with Resmed down by 0.2 one percent.

VICTORIA GOVERNMENT

The Victoria Budget includes \$150 million for a Victorian Jobs and Investment Fund and \$116.5 million to protect the State's "leadership in health and medical research".

In his State Budget, Victoria Treasurer Tim Pallas said that \$49.5 million would be provided in 2019-'20, with \$67.0 million in the following year to protecting Victoria's "leadership in health and medical research".

The Budget papers said that funds would be allocated to establish the Australian Drug Discovery Centre at the Walter and Eliza Hall Institute, building additional capability in high throughput drug screening for the translation of biomedical research discoveries into new drugs for patients.

The Budget said funds would be made available to the Australian Clinical Trials Network Trial-Hub on the Alfred Hospital site to increase access to clinical trials, particularly for patients living in regional and rural communities, along with a "gamma knife service" at the Peter MacCallum Cancer Centre to provide a greater range of treatment options for cancer patients.

The Treasurer said that funds would contribute to further planning for the Aikenhead Centre for Medical Discovery at St Vincent's Hospital, Australia's first research and education centre for biomedical engineering, which would bring together doctors, scientists and researchers to focus on chronic conditions such as arthritis, cancer, diabetes, cardiovascular disease, treatments and technologies.

The Budget papers said that \$90 million would be allocated in 2019-'20 and \$60 million in 2020-'21 for a Victorian Jobs and Investment Fund.

The Budget said that the Fund would "support opportunities of state significance to create jobs and promote economic development; attract strategic and footloose private sector investment to the State; attract innovation and jobs projects that enhance productivity growth and support the transition of the Victorian economy to high-growth sectors; and support the continued operations of Launchvic".

The Budget said that the initiative supported investment and innovation which would "help create sustainable jobs for Victorians, and drive long-term growth in the State".

"It also streamlines Victoria's economic development focus and decision-making framework, ensuring that the planning and implementation of development projects is well coordinated across the State," the Budget said.

The Budget said the measure contributed to the State Department of Jobs, Precincts and Regions' Industry, Innovation and Small Business; the Department of Premier and Cabinet's Government-wide Leadership, Reform and Implementation output; and the Department of Treasury and Finance's Invest Victoria output.

FEDERAL GOVERNMENT

Prime Minister Scott Morrison has re-appointed Karen Andrews and Greg Hunt as the Ministers for Industry, Science and Technology, and Health, respectively.

Mr Hunt has been appointed as the Minister Assisting the Prime Minister for the Public Service and Cabinet.

Other appointments that directly affect the biotechnology sector include the Minister for Finance and Leader of the Government in the Senate, Senator Mathias Cormann

and the Minister for Trade, Tourism and Investment and Deputy Leader of the Government in the Senate, Senator Simon Birmingham.

The published ministerial list on the Prime Minister's website did not include a Minister for Innovation.

BIOTECH DAILY COMMENT

Biotech Daily welcomes the reappointments of Ms Andrews and Mr Hunt to their previous roles.

While Ms Andrews has not have much time to make an impact in her role, the former mechanical engineer says she is committed to science and women in science.

Mr Hunt has 'scores on the board' in advocating for medical research and allocating grants for the proposed \$2 billion Medical Research Future Fund.

Biotech Daily is deeply concerned for the future of the 43.5 percent Federal Research and Development Tax Incentive, along with funding for the Commonwealth Scientific and Industrial Research Organisation, the National Health and Medical Research Council and the Australian Research Council.

While Labor and the Greens committed to a 3.0 percent and 4.0 percent of GDP spend on science and research, respectively, the Liberal-National Coalition made no such promise. That said, the 2019-'20 Federal Budget has been delivered, so at least we know what lies ahead for the coming 12 months (BD: Apr 2, 3, 2019).

David Langsam, Editor

NEXT SCIENCE

Next Science says it has a five-year contract with Grace Medical as the sole distributor of its Sinus Lavage in the US, Europe, Australia and other markets.

Next Science said that the Memphis, Tennessee-based Grace Medical distributed products for ear, nose and throat procedures and would begin distribution of the Sinus Leverage once it had regulatory approval in any of the countries listed in the contract.

The company said its focus was on the development and commercialization of its Xbio anti-bio-film technology which was the basis of the Sinus Lavage for rhinology, or nose and sinus diseases, and airway procedures

In March when it listed on the ASX, Next Science said that it had four US Food and Drug Administration-approved Xbio-based products on sale in the US and hoped to launch four more Xbio products by the end of 2019 (BD: 15 Mar, 2019).

Today, the company said Sinus Lavage would be used as a supplement to both functional endoscopic sinus surgery and balloon sinuplasty nasal surgery procedures "to aid in [the] washing away and removal of debris, including micro-organisms from the sinus cavities".

Next Science said it expected to submit Sinus Lavage for US FDA approval through a 510(k) pathway and for Conformité Européenne (CE) mark approval in 2019.

Next Science was up 60 cents or 21.6 percent to \$3.38 with 5.8 million shares traded.

GENETIC SIGNATURES

Genetic Signatures says it has received Australian Therapeutic Goods Administration registration for its Easyscreen respiratory pathogen detection kit.

Genetic Signatures said Easyscreen identified 14 respiratory pathogens including influenza A and B, rhinovirus and pneumonia and allowed "a large number of samples to be simultaneously tested for a broad range of organisms with very high accuracy".

In December 2018, the company said Easyscreen had received Conformité Européenne (CE) mark in-vitro diagnostic registration (BD: Dec 17, 2018).

Today, Genetic Signatures said the respiratory pathogen detection kit was the third product group it had registered with the TGA, which "provides an opportunity for increased market access during the domestic [influenza] season, improving diagnostic outcomes and ultimately saving lives," the company said.

Genetic Signatures was up five cents or 4.8 percent to \$1.10.

[PAINCHEK](#)

Painchek says it has its first offshore contract, signing a distribution agreement with the Guildford, England-based aged care provider Person Centred Software.

Painchek said Person Centred Software would distribute its facial recognition pain monitoring system through Person's mobile care monitoring facilities in the UK.

The company said Person's mobile care monitoring was used by more than 1,200 UK homes with more than 40,000 beds and Painchek's integration would "provide carers with seamless pain assessment and monitoring".

Painchek chief executive officer Philip Daffas said his company was "delighted to be working with Person Centred Software".

Person Centred Software co-founder and director Jonathan Papworth said his company's technology was "the most widely-used electronic care planning system in the UK and we see Painchek as a significant addition to improving the quality of care management".

"We have already completed the Painchek integration into these products, so we are ready to go to market," Mr Papworth said.

Painchek said that to manage the agreement, and others it expects to sign in the near future, it would establish a UK operation in the near future.

Painchek was up 3.8 cents or 41.3 percent to 13 cents with 26.1 million shares traded.

[BARD1 LIFE SCIENCES](#)

Bard1 says it has received \$520,518 from the Australian Tax Office under the Federal Government Research and Development Tax Incentive program.

Bard1 said the rebate related to research and development expenditure in Australia and overseas for the year to June 2018.

The company said the funds would be used for the development and commercialization of its non-invasive diagnostic tests for breast, ovarian and lung cancers.

Bard1 was up 0.1 cents or 5.3 percent to two cents with 6.8 million shares traded.

[CARDIEX](#)

Cardiex says data has been presented that shows its pulse wave analysis technology with Blumio sensors can be used for central blood pressure and cardiovascular monitoring.

Cardiex said the presentation, titled 'Arterial pulse measurement with wearable millimetre wave device', was delivered by Blumio principal engineer Dr Jessi Johnson at the Institute of Electrical and Electronics Engineers (IEEE) body sensor networks conference at the Urbana-Champaign-based, University of Illinois, May 19 to 22, 2019.

The company said the study measured arterial waveforms of five subjects and its results would allow for the development of measurement systems for monitoring hypertension.

Cardiex said the study was with Macquarie University's Faculty of Medicine and Health Sciences and was part of a collaboration with the San Francisco-based Blumio Inc blood pressure sensor company.

Cardiex chief executive officer Craig Cooper said that "we have reached a significant milestone with results from the validation trial with Blumio which demonstrated that our Sphygmocor system, which uses a tonometer, can potentially use the Blumio sensor".

"This gives both parties under the [joint development agreement] the go-ahead to move to the next step in commercializing and developing intelligent sensor technology that can be integrated into wearable devices using our [central blood pressure] technology," Mr Cooper said.

Cardiex fell 0.4 cents or 11.1 percent to 3.2 cents with 8.0 million shares traded.

BTC HEALTH

Chairman Dr Richard Treagus and his wife Karen say their 22,237,698 share-holding in BTC has been diluted from 17.07 percent to 13.72 percent in the recent capital raising. Dr Treagus said that they had been diluted in BTC's recent placement and share plan which raised \$8 million at eight cents a share to buy the Admedus' hospital infusion business (BD: May 15, 2019).

BTC was untraded at 11 cents.

BTC HEALTH

BTC Director Peter and Helen Jones say they have increased but have been diluted in the company from 13,651,133 shares (11.22%) to 15,816,823 shares (9.76%).

Mr Jones said they had participated in a share plan and bought shares on-market between May 15 and 17, 2019 buying 105,000 shares for \$11,675 or 11.11 cents per share.

MICRO-X

Micro-X has requested a voluntary suspension from trading pending the release of an announcement seeking an extension to lodge a cleansing notice.

Last week, Micro-X requested a trading halt pending an announcement in relation to its late cleansing notice after it told the ASX that it was late in filing the notice due to an administrative oversight (BD: May 23, 2019).

The company said at that time that it had applied to the Federal Court for orders "that: (a) the period of five days in which to lodge the cleansing notice be extended to the second business day after orders are made, and (b) a cleansing notice that is lodged within that extended timeframe will take effect as if it had been lodged within time".

Micro-X last traded at 28.5 cents.

EYE CO PTY LTD

Eye Co says it has appointed Prof Jan Provis as chair of its scientific advisory board replacing Prof Ted Maddess, effective from July 2019.

Eye Co said Prof Maddess, who had been appointed a fellow of the National Academy of Inventors, would step down in June after five years in the role and would remain on the advisory board.

The company said Prof Provis was recently made a fellow of the National Vision Research Institute and was a professor of anatomy and associate dean at Canberra's Australian National University Medical School.

Eye Co said that the advisory board comprised Prof Provis and Prof Maddess along with Eye Co chief scientist and founder Prof Phillip Penford, the Western Australia Department of Health's Prof Charles Watson, New South Wales Organ and Tissue Donation Service's Dr Midong Zhu, the University of Sydney's Prof Tailoi Chan-Ling, CSIRO's Prof Bill Taylor and Sydney optometrist Peter Hewett.

Eye Co is a private company.

STEMCELL UNITED

Stemcell United says it has appointed Yanhua Huang and Qi Lu as non-executive directors.

Stemcell said Mr Huang had almost 20 years' experience in management consultancy with companies including the Dublin, Ireland-based Accenture and the Zug, Switzerland-based KPMG.

The company said Mr Lu had almost 20 years' experience in financial institutions, working with the Shanghai-based China Bank of Communications and established a financial consultancy firm in Shanghai.

The company said Mr Lu held a Bachelor of Business Administration from China's University of Shanghai for Science and Technology.

Stemcell United was unchanged at 1.6 cents.