



Biotech Daily

Thursday June 27, 2019

Daily news on ASX-listed biotechnology companies

- * **ASX UP, BIOTECH EVEN: OPTISCAN UP 18%; BENITEC DOWN 7%**
- * **IMPEDIMED UNDERWRITTEN RIGHTS TO RAISE \$14m**
- * **NOVITA, VICTORIA PARTNER FOR TALI ATTENTION DEFICIT TEST**
- * **STARPHARMA BETADINE BACTERIAL VAGINOSIS EUROPE LAUNCH**
- * **LBT RECEIVES SECOND \$1.5m OF \$4m SA GOVERNMENT LOAN**
- * **CRYOSITE WRITE-OFF; MARK BYRNE COO, BRYAN DULHUNTY EXEC**
- * **PHYLOGICA 'CPP DELIVERS MORE DRUG TO MOUSE RETINAS'**
- * **IMAGION LOSES DIRECTOR DR JOHN HAZLE, CONTINUES AS ADVISOR**
- * **CARDIEX APPOINTS CHRIS DAX, DR SEAN MERRITT EXECUTIVES**

MARKET REPORT

The Australian stock market was up 0.39 percent on Thursday June 27, 2019, with the ASX200 up 25.8 points to 6,666.3 points.

Sixteen of the Biotech Daily Top 40 stocks were up, 15 fell, six traded unchanged and three were untraded. All three Big Caps fell.

Optiscan was the best on no news, up 0.9 cents or 18.4 percent to 5.8 cents, with one million shares traded.

Universal Biosensors climbed 15.8 percent; Osprey improved 8.45 percent; Paradigm was up 5.1 percent; Genetic Signatures, Impedimed and Oncosil were up more than four percent; Kazia rose 2.9 percent; Dimerix, Proteomics, Starpharma and Volpara were up more than one percent; with Cynata, Ellex, Orthocell and Telix up less than one percent.

Benitec led the falls, down 0.4 cents or 6.8 percent to 5.5 cents, with 1.9 million shares traded, followed by Imugene down 6.7 percent to 1.4 cents, with 4.7 million shares traded.

Actinogen and Avita fell more than four percent; Alterity (Prana) was down 3.45 percent; Antisense, Medical Developments, Mesoblast and Pro Medicus shed more than two percent; Cyclopharm and Nanosonics were down more than one percent; with Clinuvel, Cochlear, Compumedics, CSL, Neuren, Polynovo and Resmed down by less than one percent.

IMPEDIMED

Impedimed says it expects to raise \$13.9 million in a fully-underwritten, non-renounceable, one-for-three, rights issue at 11 cents a share.

Impedimed said the price was a 9.2 percent discount to the 15-day volume weighted average price on June 24, 2019.

The company said the funds would be used to expand reimbursement, sales and marketing in the US, for software enhancements, heart failure clinical trials and for general working capital.

Impedimed said that the record date was July 2, the offer would open on July 5 and close on July 16, 2019.

The company said Canaccord Genuity and Wilsons Corporate Finance were joint lead managers and underwriters to the rights issue.

Impedimed was up half a cent or 4.35 percent to 12 cents with 9.2 million shares traded.

NOVITA HEALTHCARE, VICTORIA GOVERNMENT

Novita says it has partnered with Victoria's Education Department for its Tali Detect attention deficit assessment tool in the State education system.

Novita said that about 200,000 children aged five, six and seven would be assessed for attention disorders from Term 3, 2019 for 12 months.

The company said the diagnostic would determine if further intervention was required to treat attention deficit issues and offer its Tali Train training program.

Novita said it would release results of its Tali Detect clinical trials by September 2019.

Novita managing-director Glenn Smith said the contract was "a significant step forward for Novita as schools will have the ability to assess all children entering the public-school system for potential attention deficits".

"This will allow teachers and parents the ability to determine whether appropriate further intervention such as our world leading attention training program Tali Train, should be provided to children in need," Mr Smith said.

"This will provide Novita with direct access to tens of thousands of Australian homes for the first time," Mr Smith said.

Novita said the value of the Victoria Government contract was confidential.

Novita was up 0.2 cents or 16.7 percent to 1.4 cents with 1.9 million shares traded.

STARPHARMA

Starpharma says it has launched Vivagel BV for bacterial vaginosis as Betadine BV in several European countries including Germany.

Starpharma said Betadine BV would be available over-the-counter and would be marketed by Mundipharma.

The company said it would receive a milestone payment of \$US500,000 (\$A714,985) and be eligible to earn up to \$US24.7 million (\$A35.3 million) plus a share of revenue, under its licence with Mundipharma.

Starpharma said Betadine BV would be launched in more European countries this year.

Starpharma chief executive officer Dr Jackie Fairley said the company was "delighted to achieve another territory launch of Vivagel BV this year, and our first with Mundipharma".

"Europe represents a very important market for Vivagel BV and we're delighted that our breakthrough product will be available to millions of European women who suffer from [bacterial vaginosis]," Dr Fairley said.

Starpharma was up two cents or 1.45 percent to \$1.395 with 1.3 million shares traded.

LBT INNOVATIONS

LBT says it has received the second \$1.5 million instalment of a \$4 million loan from the South Australian Government.

Last year, LBT said it would receive \$4 million in an instalment of \$1 million, which it received in May 2019, and two instalments of \$1.5 million by December 31, 2019 (BD: Aug 28, 2018, May 9, 2019).

The company said the funds would be used to support its artificial intelligence, science and software engineering.

LBT was unchanged at 11.5 cents with 1.15 million shares traded.

CRYOSITE

Cryosite says it will write off \$300,000 in historical software development costs and chief executive officer Mark Byrne will be the part-time chief operating officer.

In February, Cryosite said it would pay the Australian Competition and Consumer Commission \$1.1 million over 10 years for a Federal cartel law breach (BD: Feb 8, 2019).

Today, the company said its estimated non-audit adjusted loss for the full year after tax would be about \$1.5 million, including the \$300,000 write off.

Cryosite said Mark Byrne would step down from the chief executive officer role and start as chief operating officer of finance and administration from October 1, 2019.

The company said it made its business development manager position redundant and appointed non-executive chairman Bryan Dulhunty as executive chairman.

Cryosite said Mr Dulhunty would receive 1.3 million premium priced options, as would company staff, exercisable with five years at six cents a share, a 135 percent of the 30-day volume weighted average price, with Mr Dulhunty's options subject to shareholder approval.

Cryosite said Mr Dulhunty would receive \$75,000 plus 9.5 percent superannuation in chairman's fees, an incentive of up to \$150,000 if service and vesting conditions were met and an associated company would receive \$25,000 for secretarial services and Mr Dulhunty would receive \$50,000 for his executive role.

Cryosite was up 0.1 cents or two percent to 5.1 cents.

PHYLOGICA

Phylogica says an anti-sense oligo-nucleotide drug cargo delivered into mice retinas using its cell penetrating peptide performs "substantially better" for retinal diseases.

Phylogica said it assessed its second-generation cell penetrating peptides (CPPs), which delivered drug cargoes into cells in the eye, using an anti-sense oligonucleotide drug cargo in mice retinas to treat blinding genetic eye diseases.

The company said one of its peptides delivered "substantially more drug cargo" than the current CPP clinical development benchmark.

Phylogica said it delivered an anti-sense oligo-nucleotide drug cargo across eight layers of cells to its target cell, the retinal pigment epithelium.

The company said it used a dose of 30mg/kg with no toxicity, compared to the clinical benchmark peptide that delivered 20mg/kg and demonstrated toxicity.

Phylogica said this was a lower dose than other anti-sense oligo-nucleotide administration approaches, lowering the likelihood of side effects.

The company said it would evaluate the remainder of its CPP candidates in human retinal cells and animal models.

Phylogica was up 0.2 cents or 7.1 percent to three cents with 13.6 million shares traded.

IMAGION BIOSYSTEMS

Imagion says that Dr John Hazle has resigned as a non-executive director, effective from today, but will continue as chairman of the scientific advisory board.

Imagion said that Dr Hazle had been “a leading scientific collaborator with the company for more than five years” and had established the Magnetic Relaxometry Research Laboratory at the Houston, Texas-based MD Anderson Cancer Center in 2014.

The company said that as it moved closer to clinical testing the company and Dr Hazle believed the change would “eliminate any potential conflicts of interest between his roles at the company and the MD Anderson Cancer Center”.

Imagion said it did not envisage appointing another non-executive director at this time. Imagion fell 0.1 cents or 5.6 percent to 1.7 cents.

CARDIEX

Cardiex says it has appointed Chris Dax as head of operations and Dr Sean Merritt as director of product innovation.

Cardiex said Mr Dax was previously Masimo’s head of marketing, Ista Pharmaceuticals’ head of marketing, Valeant Pharmaceuticals head of US pharmaceuticals and an executive at Elari Pharmaceuticals.

The company said Dr Merritt was Cercacor’s director of research and development and an algorithm engineer at Masimo.

Cardiex was unchanged at 2.6 cents with 2.6 million shares traded.