



Biotech Daily

Wednesday June 5, 2019

Daily news on ASX-listed biotechnology companies

- * **ASX UP, BIOTECH DOWN: CYCLOPHARM UP 13%; LBT DOWN 9%**
- * **VOLPARA PLACEMENT, RIGHTS RAISE \$50m; RETAIL RIGHTS FOR \$5m**
- * **ELIXINOL PLACEMENT RAISES \$50m**
- * **LBT RAISES \$5m IN 'OVERSUBSCRIBED' PLACEMENT**
- * **ANTEO 'OVERSUBSCRIBED' PLACEMENT, RIGHTS RAISE \$3.65m**
- * **ANALYTICA RIGHTS RAISE \$913k OF HOPED-FOR \$2.7m**
- * **SUDA, CANN PHARMA \$1.5m PLAN FOR CANNABINOID ORAL SPRAY**
- * **GLOBAL KINETICS KINETIGRAPH FOR PARKINSON'S BRAIN STIMULATION**
- * **ALTHEA WINS VICTORIA HEMP LICENCE; TISSUE CULTURE**
- * **NEUROTECH PLEADS SCHULTZ, BOARD RENEWAL TO ASX 208% QUERY**
- * **NEUROTECH LAUNCHES MENTE AUTISM CLINIC WEBSITE**
- * **REGAL FUNDS TAKES 10% OF OPTHEA**
- * **JENCAY CAPITAL TAKES 5% OF BLUECHIIP**
- * **OBJ APPOINTS PAUL PEROS BEAUTY CEO, STARTS ON \$580k**
- * **RESAPP APPOINTS DR NAOMI FRIED, DR JOSEPH KVEDAR ADVISORS**

MARKET REPORT

The Australian stock market was up 0.41 percent on Wednesday June 5, 2019, with the ASX200 up 26.1 points to 6,358.5 points. Twelve of the Biotech Daily Top 40 stocks were up, 18 fell, eight traded unchanged and two were untraded.

Cyclopharm was the best, up 17 cents or 13.1 percent to \$1.47, with 10,000 shares traded. Prescient climbed 7.1 percent; Kazia was up 5.1 percent; Actinogen improved 4.35 percent; Clinuvel, Nanosonics, Opthea, Patrys and Proteomics were up more than three percent; Dimerix and Mesoblast rose more than two percent; Cochlear was up 1.2 percent; with Pro Medicus and Resmed up less than one percent.

LBT led the falls, down 1.5 cents or 9.1 percent to 15 cents, with 3.4 million shares traded. Volpara lost 8.6 percent; Orthocell fell 6.9 percent; Imugene slipped 5.9 percent; Antisense, Benitec and Osprey fell four percent or more; Immutep was down 3.7 percent; Optiscan shed 2.1 percent; Avita, Ellex, Neuren and Polynovo were down more than one percent; with CSL, Cynata, Genetic Signatures, Medical Developments, Paradigm and Telix down by less than one percent.

[VOLPARA HEALTH TECHNOLOGIES](#)

Volpara says its “oversubscribed” placement and institutional rights offer have raised \$50 million at \$1.50 a share, with a further \$5 million expected in the retail rights offer.

On Monday, Volpara said the funds would be used to buy Mammography Reporting System Inc for \$21.15 million and fund further organic growth (BD: Jun 3, 2019).

Today, the company said the capital raise was “fully underwritten” by Bell Potter Securities with Morgans Corporate as co-lead manager.

Volpara fell 17 cents or 9.2 percent to \$1.68 with 2.2 million shares traded.

[ELIXINOL GLOBAL](#)

Elixinol says it has raised \$50 million through a placement at \$3.90 a share, an 8.7 percent discount to the last closing price on Monday June 3, 2019.

Elixinol said the funds would be used to continue its expansion plans in the US, expand its Colorado-based marijuana production facilities, undertake strategic acquisitions and joint ventures, and provide general working capital.

The company said Bell Potter Securities was the lead manager to the placement.

Elixinol fell 32 cents or 7.5 percent to \$3.95 with 1.2 million shares traded.

[LBT INNOVATIONS](#)

LBT says it has raised \$5 million in an “oversubscribed” placement of shares at 14.5 cents a share, a 12.1 percent discount to the last traded price on May 31, 2019.

LBT said that it hoped to raise \$4 million in the placement

The company said that the raised funds would be used for sales activity acceleration in the US and Europe, ongoing analysis module development and for working capital.

LBT said Hawkesbury Partners was the lead manager and PAC Partners was the broker.

LBT fell 1.5 cents or 9.1 percent to 15 cents with 3.4 million shares traded.

[ANTEO DIAGNOSTICS](#)

Anteo says it has raised \$3.65 million in an “oversubscribed” placement and rights issue at 1.1 cents a share.

Last month, Anteo said it hoped to raise up to \$2.55 million in the rights issue, and today, said it raised an additional \$1.1 million in a placement, to accommodate excess demand from existing shareholders (BD: May 8, 2019).

Anteo said 165,975,579 options would be issued, exercisable at two cents a share by December 6, 2020.

The company said the funds would be used for its battery program, opportunities for its silicon-graphite composite product, collaborations in Europe and Asia, business development, intellectual property, expand manufacturing and for working capital.

Anteo was unchanged at 1.5 cents with 1.5 million shares traded.

[ANALYTICA](#)

Analytica says its one-for-six entitlement offer at half a cent a share has raised \$913,000 of the hoped for \$2.7 million (BD: May 10, 2019).

Analytica said that chairman Dr Michael Monsour bought \$514,163 in shares with executive director Ross Mangelsdorf buying \$45,000 in shares.

Analytica was untraded at 0.4 cents.

GLOBAL KINETICS CORP

Global Kinetics says its wearable Personal Kinetigraph can help identify Parkinson's disease patients who may be candidates for therapies including deep-brain stimulation. Global Kinetics said a study it funded showed that its US approved wrist-worn device had an 89.0 percent sensitivity and 86.6 percent specificity for assessing deep-brain stimulation and could "provide an objective approach to identifying ... patients who may be candidates for device-assisted therapies such as deep brain stimulation".

The company said the study, titled 'The Use of Data from the Parkinson's KinetiGraph to Identify Potential Candidates for Device Assisted Therapies' was published in a special issue of Sensors and is at: (<https://www.mdpi.com/1424-8220/19/10/2241/pdf>).

Global Kinetics said that despite the potential benefits of deep-brain stimulation, up to 67 percent of patients referred might not be suitable, with about one percent of patients receiving the treatment despite estimates that up to 20 percent might be eligible.

The company said the study looked at 172 Parkinson's disease patients who underwent assessment for suitability and were classified according to the presence or absence of troublesome "off" periods or dyskinesia that could not be addressed by oral medication. Global Kinetics said that three criteria were used to identify patients suitable for advanced therapies: the presence of excessive "off" periods, the inability to manage these "off" periods with oral medication alone and the absence of contra-indications for device-assisted therapies.

The company said that four clinicians evaluated the data from 172 patients and sorted them based on meeting both of the first two criteria and about two-thirds of patients meeting both criteria proceeded to device-assisted therapies (DAT).

Global Kinetics said that its Kinetigraph data "demonstrated high sensitivity and specificity for classifying ... patients for DAT eligibility based on the recommendations of specialist clinicians ... [and the Kinetigraph score] correctly predicted a patient's eligibility for [deep brain stimulation] in 87 percent of cases who had already been preselected for surgery".

The company said that a low score indicated that referral was not recommended, while a high DAT score in patients who could not undergo further medication adjustments suggested that referral to therapy was appropriate.

"The reduction in DAT scores following an advanced therapy suggests that there is a predictable change in the score if the intervention is successful," Global Kinetics said.

University of California San Diego associate professor of neurosciences Prof Fatta Nahab said that symptoms used to selecting Parkinson's patients for deep brain stimulation were "difficult for physicians to identify when relying on patient self-report or in-clinic [examination] findings that may not reflect the spectrum of the individual's symptoms and result in treatment delays".

"The study shows that [Kinetigraph] data can be used to develop a program that can help to guide clinicians in the timely identification of patients who should be referred for advanced therapies based on their likelihood to benefit," Prof Nahab said.

"This is especially important given that there is a window of optimum benefit for advanced therapies and late referral can lead to sub-optimal outcomes or to patients missing the opportunity for benefit," Prof Nahab said.

Global Kinetics chief executive officer John Schellhorn said that "the lack of objective measurements for [Parkinson's] symptoms has been a barrier to optimizing care and outcomes for ... patients".

"This new study shows that [Kinetigraph] data has significant potential to enable new assessment methods that support the accurate and timely identification of patients who may benefit from advanced therapies," Mr Schellhorn said.

Global Kinetics is a private company.

SUDA PHARMACEUTICALS

Suda says it will work with Canberra's Cann Pharmaceuticals for a pharmaceutical-grade cannabinoid derivative oral spray.

Suda said Cann was a subsidiary of Israel's Better Holdings and would fund development of the spray for drug-resistant epilepsy, melanoma and motion sickness.

The company said it would receive \$200,000 in upfront fees, comprising \$100,000 within 30 days of signing a definitive agreement, with \$50,000 on a specified milestone and \$50,000 on receipt of a final report; \$650,000 on completion of other milestones, \$650,000 on meeting commercial sales targets and 10 percent of net sales of the product.

Suda was up 0.025 cents or 5.3 percent to 0.5 cents with 17.6 million shares traded.

ALTHEA GROUP

Althea says Agriculture Victoria has granted it a hemp cultivation licence for low-tetrahydrocannabinol cannabis for commercial, non-therapeutic use.

Althea said it would work with the Skye, Victoria-based Tissue Culture Australia to develop proprietary tissue culture protocols for cannabis plants for hemp food.

Althea chief executive officer Joshua Fegan said that tissue culture "allows for rapid multiplication of starter plants, meaning we will be able to reach capacity much faster than we could using traditional propagation methods at our Victorian production facility".

Althea was up 3.5 cents or 5.5 percent to 67 cents.

NEUROTECH INTERNATIONAL

The Malta-based Neurotech 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 2.5 cents or 208.3 percent from 1.2 cents on June 3, 2019 to 3.7 cents, today, and noted a "significant increase" in the volume of securities traded.

Neurotech said trading had been volatile since the April board renewal (BD: Apr 17, 2019).

Neurotech was up 0.9 cents or 64.3 percent to 2.3 cents with 184.1 million shares traded.

NEUROTECH INTERNATIONAL

Neurotech says it has launched a pilot version of its Mente Clinic website for clinicians to interact with autism patients and monitor progress remotely.

Neurotech said clinicians would be able to set up appointments with clients with video conferencing and monitor use remotely.

The company said the website was: www.menteclinic.com.

OPTHEA

Regal Funds Management says it has increased its holding in Opthea from 17,888,870 shares (8.83%) to 24,551,444 shares (9.84%).

The Sydney-based Regal Funds said that between May 30, 2018 and May 29, 2019, it bought 9,662,574 shares at prices ranging from 27.1 cents a share to 66 cents a share, and on November 28, 2018 it sold 3,000,000 shares for \$1,710,000 or 57 cents a share. Last November, Opthea said 99.4 percent of its 2014-issued 27 cents options had been exercised and it had raised \$14,345,857 (BD: Nov 28, 2018).

Opthea was up 2.5 cents or 3.9 percent to 66 cents.

BLUECHIIP

Jencay Capital says it has become a substantial shareholder in Bluechiip with 26,429,453 shares or 5.01 percent.

The Alexandria, NSW-based Jencay said it acquired 422,056 shares between February 4 and June 4, 2019 for \$33,377 or 7.9 cents a share.

Bluechiip was up 0.1 cents or 1.3 percent to eight cents.

OBJ

OBJ says it has appointed Paul Peros as chief executive officer of its new “beauty technology division” on EUR30,000 (\$A48,284.81) a month.

OBJ said Mr Peros would be paid EUR360,000 (\$A579,418) a year with 80 percent cash and 20 percent in shares.

The company said Mr Peros would receive the equity component twice a year at 90 percent of the 30-day volume weighted average price, along with a six-month bonus on achieving first sales of devices and cumulative positive cashflow from the business.

OBJ said Mr Peros was based in Switzerland and was previously the chief executive officer of the Stockholm, Sweden-based Foreo.

The company said Mr Peros held a Bachelor of Science from the University of California Los Angeles and a Master of Business Administration from the Lausanne, Switzerland-based International Institute for Management Development.

OBJ was up 0.1 cents or 6.7 percent to 1.6 cents with 3.3 million shares traded.

RESAPP HEALTH

Resapp says it has appointed Dr Naomi Fried and Dr Joseph Kvedar to its industry advisory board.

Resapp said Dr Fried was the founder and current chief executive officer of the Newton, Massachusetts-based Health Innovation Strategies and was previously Biogen’s head of innovation and external partnerships, Boston Children’s Hospital chief innovation officer and Kaiser Permanente’s head of innovation and advanced technology.

The company said Dr Kvedar had been the Boston-based Partners Healthcare head of “connected health” for two decades, had authored more than 100 publications on digital health including ‘The New Mobile Age: How Technology Will Extend the Healthspan and Optimize the Lifespan’ and ‘The Internet of Healthy Things’.

Resapp fell 1.5 cents or 8.6 percent to 16 cents with 3.9 million shares traded.