



Biotech Daily

Wednesday October 16, 2019

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH UP: GENETIC SIGNATURES UP 11%; ALTERITY DOWN 7%**
- * **CRONOS: 'FULLY UNDERWRITTEN' \$20m IPO FOR MEDICAL MARIJUANA**
- * **FINAL DATA BACKS IMMUTEP IMP321, KEYTRUDA FOR MELANOMA**
- * **NEUREN NNZ-2591 PHELAN-MCDERMID, PITT HOPKINS ORPHAN STATUS**
- * **LIVING CELL: VERTEX PAYS \$1.1m FOR SEMMA SHARES**
- * **OPTISCAN APPOINTS GUANZHOU YUNXING CHINA DISTRIBUTOR**
- * **NUHEARA PLEADS SCHULTZ TO 55% ASX QUERY**
- * **REGAL FUNDS TAKES 7% OF MEDADVISOR**
- * **MERCHANT TAKES 5% OF ZELDA**
- * **INVITROCUE LOSES DISSIDENT DIRECTORS PROF YU, LUI, NG**
- * **FORMER IDT CHAIRMAN GRAEME KAUFMAN RETIRES**
- * **CARL STUBBINGS REPLACES SIENNA CEO MATTHEW HOSKIN**
- * **NOXOPHARM LOSES 3 MONTH DIRECTOR DR BEATA EDLING/NIECHODA**

MARKET REPORT

The Australian stock market was up 1.27 percent on Wednesday October 16, 2019, with the ASX200 up 84.5 points to 6,736.5 points. Twenty-two of the Biotech Daily Top 40 stocks were up, 14 fell and four traded unchanged. All three Big Caps were up.

Genetic Signatures was the best, up 12 cents or 11.2 percent to \$1.19, with 67,434 shares traded. Actinogen climbed 8.6 percent; Antisense was up 7.5 percent; Neuren rose 6.7 percent; Opthea improved 5.3 percent; Avita, LBT, Nanosonics, Oncosil, Patrys, Polynovo, Pro Medicus, Uscom and Volpara were up more than four percent; Impedimed, Prescient and Resonance climbed more than three percent; Medical Developments, Next Science and Resmed rose more than two percent; Cochlear, CSL, Cyclopharm and Osprey were up more than one percent; with Ellex up 0.9 percent.

Alterity (Prana) led the falls, down 0.2 cents or 7.1 percent to 2.6 cents, with 1.2 million shares traded. Immutep lost 6.7 percent; Imugene and Kazia fell more than four percent; Compumedics, Optiscan, Orthocell and Pharmaxis shed more than two percent; Clinuvel, Proteomics and Starpharma were down more than one percent; with Cynata, Paradigm and Telix down by less than one percent.

CRONOS AUSTRALIA

Cronos says it hopes to raise \$20 million in an initial public offer at 50 cents a share to list on the ASX to develop and commercialize medical marijuana products.

Cronos said it was a 50-50 joint venture with Toronto's Cronos Group and Melbourne's New Southern Capital and would have access to Cronos Group's intellectual property.

The company said that on completion of the offer, it expected to have a market capitalization of \$64.4 million with Cronos Group to own about 31 percent.

Cronos said it aimed "to generate early revenue by importing and distributing the Cronos Group Peace Naturals brand while developing its own branded products".

Cronos chief financial officer Tom Howitt told Biotech Daily the company had all relevant licences but would outsource growing and manufacture and focus on marketing products.

The company said its chairman was Shane Tanner, the chief executive officer was Rodney Cocks and the board would include Cronos Group executive chairman Mike Gorenstein and director Jason Adler, former Federal House of Representatives Speaker Anna Burke and former Superloop chief executive officer Daniel Abrahams.

Cronos said the offer would open on October 16, close on October 25, 2019, was fully-underwritten by lead manager Bell Potter Securities and it expected to list on the ASX under the code CAU on November 7, 2019, with the prospectus available at:

<http://www.cronosaustralia.com/investor-centre/?page=Corporate-Governance>.

IMMUTEP

Immutep says that final data from its 24 patients in its phase I trial of IMP321 with Keytruda for metastatic melanoma confirm and extend previous efficacy signals.

Immutep climbed 20 percent on large volumes following yesterday's announcement, but Biotech Daily missed the difference from previously published trial data.

In March, Immutep said that nine of 24 patients in its Tactimel phase I trial of IMP321, or eftilagimod alpha, with Keytruda for metastatic melanoma had an overall response, one of the 24 patients had a complete response, six of 18 patients in the dose escalation part A of the trial had an overall response, meaning a reduction in tumor size, with three of six patients in the second part of the trial having a reduction in tumor size (BD: Mar 6, 2019).

Overnight, Immutep chief executive officer Marc Voigt told Biotech Daily that individual cases from the part B extension had not been reported before, and that group included a fourth patient who had tumor shrinkage compared to three of the six previously.

Mr Voigt said it was common to see tumors growing again after treatment but Immutep had shown "long-term shrinkage up to 132 weeks".

Yesterday, the company said it had "mature positive efficacy data from its Tactimel study of IMP321 with Keytruda, or pembrolizumab, which had been presented by chief scientific and medical officer Dr Frédéric Triebel at the World Immunotherapy Congress.

Dr Triebel said that IMP321 "shows very encouraging efficacy signals of synergy with Keytruda along with a favorable safety profile so far in this high-risk patient population".

"Patients are responding well to the combination treatment, their tumors are shrinking and not growing back over a long follow up period," Dr Triebel said. "In addition, we have seen the complete disappearance of all target tumor lesions for six patients plus one patient with a metabolic complete response on the [positron emission tomography] scan."

Immutep said that all patients received subcutaneous injections of IMP321 every two weeks, with a treatment duration of up to either six or 12 months.

The company said that the recommended dose for a phase II trial, which would be 30mg, the dose level in the ongoing Tacti-002 phase II trial.

Immutep eased 0.2 cents or 6.7 percent to 2.8 cents with 24.6 million shares traded.

NEUREN PHARMACEUTICALS

Neuren says the US Food and Drug Administration has granted it orphan status for NNZ-2591 for Phelan-McDermid and Pitt Hopkins syndromes.

Last week, Neuren said the FDA has granted it orphan drug designation for NNZ-2591 for Angelman syndrome (BD: Oct 11, 2019).

The company said orphan drug designation would qualify it for marketing exclusivity for seven years and provide a waiver of the marketing application prescription drug user fee.

Neuren executive chairman Dr Richard Treagus said the FDA orphan drug designation “confirms that NNZ-2591 is a valuable asset for Neuren and validates the encouraging preclinical data as well as our plans to develop NNZ-2591 in parallel for these three debilitating childhood disorders with urgent unmet need”.

Dr Treagus said the company planned to take NNZ-2591 into clinical trials in 2020.

Neuren was up 16 cents or 6.7 percent to \$2.56.

LIVING CELL TECHNOLOGIES

Living Cell says it has received \$1,100,158 after costs from Vertex Pharmaceuticals for the acquisition of its shares in Semma Therapeutics.

Last month, Living Cell said it held 121,995 shares in Semma and expected to receive \$US838,105 (\$A1,234,948) when Vertex acquired Semma for the purchase of shares (BD: Sep 19, 2019).

Living Cell was up 0.1 cents or five percent to 2.1 cents.

OPTISCAN IMAGING

Optiscan says it has appointed Guangzhou Yunxing as the exclusive distributor of its products in China’s southern and western regions.

Optiscan said it had concluded its engagement with China Gate Scientific and appointed Tianyi Consulting to identify potential distribution partners and support the on-going management of these arrangements.

Optiscan fell 0.1 cents or 2.2 percent to 4.4 cents.

NUHEARA

Nuheara 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 1.7 cents or 54.8 percent from 3.1 cents on October 11 to 4.8 cents yesterday, October 15, 2019, and noted a significant increase in the volume of securities traded.

Nuheara fell 0.2 cents or 4.35 percent to 4.4 cents with 13.2 million shares traded.

MEDADVISOR

Regal Funds Management says it has increased its substantial shareholding in Medadvisor from 74,765,329 shares (5.45%) to 126,875,329 shares (7.38%).

The Sydney-based Regal said that between July 29 and September 17, 2019 it sold 1,890,000 shares for \$86,805 or 4.6 cents a share and between October 8 and 11, 2019 it bought 54,000,000 shares for \$2,700,000 or 5.0 cents a share.

Last week, Medadvisor said it raised \$17 million at five cents a share (BD: Oct 7, 2019).

Medadvisor was unchanged at 5.2 cents with 2.5 million shares traded.

ZELDA THERAPEUTICS

Merchant Funds says it has become a substantial shareholder in Zelda with 38,300,000 shares or 5.05 percent.

The Perth-based Merchant Funds said it bought the shares and exercised options between June 6 and October 15, 2019 with the single largest purchase on June 6 of 12,815,275 shares for \$488,677 or 3.8 cents a share.

Zelda was up 0.8 cents or 12.1 percent to 7.4 cents with 2.8 million shares traded.

INVITROCUE

Invitrocue says directors Prof Henry Yu, Kit Wei Lui and Ee Ting Ng resigned on October 15, and the October 18, 2019 meeting to remove them has been cancelled.

Last month, Invitrocue said it received notices from Prof Yu, Mr Lui and Ms Ng to remove chief executive officer Dr Steven (Boon Sing) Fang as a director, which was lost by 42 million votes, and from Dr Fang and directors Gary Pace and Andreas Lindner to remove Prof Yu and Mr Lui as directors (BD: Sep 9, Oct 11, 2019).

Invitrocue was in a suspension and last traded at six cents.

IDT AUSTRALIA

IDT says director and former chairman Graeme Kaufman has told the company he does not wish to stand for re-election and will retire at the next annual general meeting.

IDT said Mr Kaufman was currently the chairman of Paradigm Biopharmaceuticals and was formerly the chairman of Bionomics.

IDT fell half a cent or 2.9 percent to 16.5 cents.

SIENNA CANCER DIAGNOSTICS

Sienna says it has appointed director Carl Stubbings to replace Matthew Hoskin as chief executive officer, effective immediately.

Sienna said Mr Stubbings was previously the chief executive officer of BCal, the commercialization lead at Minomic, a director of Analytica, Focus Diagnostics head of sales and marketing and Benitec's chief business officer.

Sienna was up half a cents or 11.1 percent to five cents.

NOXOPHARM

Noxopharma says director Dr Beata Edling "has resigned from the board due to family reasons, effective immediately".

Noxopharm said it would revert to its original three directors and defer a replacement until it approached its proposed 2020 dual listing.

In July, the company said it appointed Dr Beata Niechoda as a director (BD: Jul 16, 2019).

Biotech Daily believes Dr Beata Edling and Dr Beata Niechoda are the same person.

The company said that Dr Gisela Mautner had been promoted from medical director to chief medical officer, Dr Olivier Laczka had been appointed drug discovery and research director and Greg Ambra had been appointed head of North American operations.

Noxopharm was up one cent or 2.7 percent to 38 cents.