



Biotech Daily

Monday November 11, 2019

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH UP: IMUGENE UP 27%; OSPREY DOWN 7%**
- * **ADHERIUM TELLS ASX 4C QUERY: \$1.2m DEBT NOTE**
- * **BIONOMICS RECEIVES \$5.2m FEDERAL R&D TAX INCENTIVE**
- * **ZELDA RECEIVES \$1m FEDERAL R&D TAX INCENTIVE**
- * **ANATARA 46% OPPOSE DR RAMSDALE RIGHTS; 10% CAPACITY FAILS**
- * **ANTEO AGM: 27% OPPOSE PLACEMENT CAPACITY**
- * **BOD 2.75m DIRECTOR OPTIONS AGM FACES 27% DISSENT**
- * **AVITA REQUESTS CAPITAL RAISING TRADING HALT**
- * **DORSAVI REQUESTS 'ADDITIONAL CAPITAL RAISING' SUSPENSION**
- * **MICRO-X EXTENDS CAPITAL RAISING SUSPENSION**
- * **MEDLAB: RECORD MARIJUANA SALES IN OCTOBER**
- * **ANTISENSE 45m DIRECTORS' OPTIONS AGM**
- * **THC SOUTHPORT MARIJUANA MANUFACTURE PERMIT**
- * **RICHARD CASHIN DILUTED TO 11% OF GI DYNAMICS**
- * **CRESO, PHARMACIELO MEETINGS DELAY, SUSPENSION EXTENDED**
- * **INDUSTRY HOLDS MELBOURNE MARCH MEDICAL MARIJUANA MEETING**

MARKET REPORT

The Australian stock market was up 0.7 percent on Monday November 11, 2019, with the ASX200 up 48.4 points to 6,772.5 points. Twenty of the Biotech Daily Top 40 stocks were up, 11 fell, eight traded unchanged and one was untraded. All three Big Caps were up.

Imugene was the best, up 0.7 cents or 26.9 percent to 3.3 cents with 331.7 million shares traded. Proteomics climbed 11.7 percent; Orthocell was up 8.7 cents; Optiscan improved 7.3 percent; Prescient was up 6.5 percent; Actinogen climbed 5.3 percent; Clinuvel, Resonance and Starpharma were up four percent or more; CSL and Pro Medicus were up more than three percent; Cochlear, Dimerix and Pharmaxis rose more than two percent; Compumedics, Resmed and Telix were up more than one percent; with Cynata, Ellex, Mesoblast, Nanosonics, Polynovo and Volpara up by less than one percent.

Osprey led the falls, down 0.3 cents or 6.8 percent to 4.1 cents, with 50,000 shares traded. Amplia lost 5.9 percent; Antisense fell 4.8 percent; Immunetep, Medical Developments and Oncosil were down three percent or more; LBT shed 2.6 percent; with Opthea down 1.3 percent.

ADHERIUM

Adherium has told the ASX it has commitments to raise a further \$1.2 million through secured debt notes to the London, Canada-based Trudell Medical.

After the market closed on October 31, 2019, Adherium filed its Appendix 4C quarterly report which said it had receipts from customers of \$765,000 for the three months to September 30, with cash and equivalents of \$1,201,000 at that time, and an expected cash burn for the three months to December 31, 2019 of \$1,875,000, implying it did not have two quarters of cash.

Today, Adherium told an ASX Appendix 4C query it expected to raise \$1.2 million following the August said \$1.8 million raising through convertible notes to One Funds Management and Summatix (BD: Aug 22, 2019).

The company said that if approval by shareholders, the debt notes would be regarded as convertible notes.

Adherium said it expected that all notes would convert on completion of a minimum capital raising of \$2.5 million by January 31, 2020.

Adherium fell 0.8 cents or 18.6 percent to 3.5 cents.

BIONOMICS

Bionomics says it has received \$5,183,292 from the Australian Tax Office under the Federal Government Research and Development Tax Incentive program.

Bionomics said the rebate related to research and development expenditure for the year to June 30, 2019.

Bionomics was unchanged at 11 cents.

ZELDA THERAPEUTICS

Zelda says it has received \$982,000 from the Australian Tax Office under the Federal Government Research and Development Tax Incentive program.

Zelda managing director Dr Richard Hopkins told Biotech Daily that the rebate related to research and development expenditure for the year to June 30, 2019.

Zelda was up 0.1 cents or 1.5 percent to 6.8 cents.

ANATARA LIFESCIENCES

Anatara's annual general meeting rejected the enhanced placement capacity and saw 45.19 percent opposition to performance rights for director Dr Tracie Ramsdale.

Anatara said it had proposed to grant non-executive director Dr Ramsdale \$21,896 in performance rights for her role as interim chief executive officer between May 17, 2018 and January 7, 2019, but the resolution was opposed by 10,102,104 votes (45.19%) and supported by 12,253,364 votes (54.81%) in favor.

Anatara said the 10 percent placement capacity was rejected as a special resolution requiring a 75 percent majority with 8,011,119 votes (32.68%) against the resolution and 16,502,169 votes (67.32%) in favor of the resolution.

The company said the remuneration report passed easily and director Dr David Brookes was elected unopposed.

The company's most recent Appendix 3B new issue announcement said that Anatara had 49,562,693 shares on issue, meaning the votes against Dr Ramsdale's rights amounted to 20.4 percent of the company, sufficient to requisition extraordinary general meetings.

Anatara was unchanged at 22 cents.

ANTEO DIAGNOSTICS

Anteo says that all of its resolutions were passed on a show of hands, but it appears to have lost its 10 percent placement capacity special resolution.

In its results of meeting notice, Anteo said that 121,158,956 votes (26.8%) opposed the placement capacity and 330,972,227 votes (73.6%) were in favor, with the special resolution requiring a 75 percent majority.

Anteo said there were a further 59,897,555 proxy votes, but did not say whether they were voted.

The company said that all other resolutions passed easily.

Anteo's most recent Appendix 3B new issue announcement said it had 1,494,307,400 shares on issue, meaning the votes against the placement capacity amounted to 8.1 percent of the company, sufficient to requisition extraordinary general meetings.

Anteo was unchanged at 1.3 cents with 1.7 million shares traded.

BOD AUSTRALIA

Bod says that all annual general meeting resolutions were passed but four of five votes giving 2.75 million options to directors were opposed by up to 27.4 percent of the meeting. Bod said that the greatest opposition was to resolutions giving 500,000 options each to Simon O'Loughlin and Akash Bedi with 5,823,651 votes (27.42 %) opposed and 15,411,242 votes (72.58%) in favor.

The company said that the opposition to 750,000 options for Mark Masterson and 500,000 options for Patrice Malard passed with a slightly wider majority with all other resolutions, including the issue of 500,000 options to director George Livery, the election of Mr O'Loughlin, Mr Bedi, Mr Masterson and Mr Malard, the remuneration report and the 10 percent placement capacity passed overwhelmingly, as was the 66.7 percent increase in the pool of non-executive directors' pay to \$500,000 a year.

Bod's most recent Appendix 3B new issue announcement said it had 88,754,865 shares on issue, meaning that the largest opposition votes against Mr Masterson's options of 5,824,651 votes amounted to 6.6 percent of the company, sufficient to requisition extraordinary general meetings

Bod was up half a cent or 1.6 percent to 32 cents.

AVITA MEDICAL

Avita says it has requested a trading halt "in order to finalize arrangements around a potential capital raise".

Trading will resume on November 13, 2019 or on an earlier announcement.

Avita last traded at 69 cents.

DORSAVI

Dorsavi has requested a voluntary suspension pending the release of an announcement relating to "operations and ... to raise additional capital".

Dorsavi said it expected the suspension to remain in place until November 28, 2019 or the release of an announcement.

Dorsavi last traded at 3.4 cents.

MICRO-X

Micro-X says it has requested an extension to its voluntary suspension for capital management review and capital raising (BD: Nov 4, Nov 2019).

Micro-X said it expected the suspension to last until November 18, 2019 or on the release of an earlier announcement.

Micro-X last traded at 25 cents.

MEDLAB CLINICAL

Medlab says October was a record month for sales of its medical marijuana products Nanabis and Nanabidial for pain management with 846 bottles dispensed.

Medlab said that through the sales of Nanabis, October 2019 was a record month for revenue from marijuana products.

Medlab was up five cents or 14.7 percent to 39 cents.

ANTISENSE THERAPEUTICS

Antisense says shareholders will vote to issue directors Mark Diamond, Robert Moses, Prof Graham Mitchell, Dr Gary Pace and William Goolsbee with 45,000,000 options.

Antisense said it would propose to issue managing-director Mr Diamond 14,000,000 options, chairman Mr Moses 10,000,000 options, and 7,000,000 options each to Mr Mitchell, Dr Pace and Mr Goolsbee.

The company said that 2,000,000 of each director's options would be exercisable at eight cents each, with the remaining options exercisable at a 145 percent of the five-day volume weighted average share price to the date of issue, within two years.

Antisense said that if approved, the shares would be issued by December 31, 2019.

The company said that the exercise price of the options reflected the increase in company share price which followed the positive preliminary results from six patient ATL1102

Duchenne muscular dystrophy phase II trial (BD: Sep 18, 2019).

Antisense said it would propose to adopt the remuneration report, re-elect directors Dr Pace and Mr Goolsbee, ratify the issue of shares, approve the employee share plan, and approve a 10 percent placement facility.

The meeting will be held at Karstens, Level 11, Room 1103, 123 Queen Street, Melbourne on December 11, 2019 at 2pm (AEDT).

Antisense fell half a cent or 4.8 percent to 10 cents with 2.1 million shares traded.

THC GLOBAL GROUP (FORMERLY HYDROPONICS GROUP)

THC says the Federal Office of Drug Control has been granted a manufacturing permit for its Southport, Gold Coast, Queensland manufacturing facility.

THC said the manufacturing permit allowed the company to "accept medicinal cannabis plant material from any Australian licenced and permitted cultivator, including from the company's own cultivation facilities, and to immediately commence production of Australian medicinal cannabis medicines".

THC chief executive officer Ken Charteris said that the permit was "a major milestone for THC Global, ... with [the company] now able to operate the largest pharmaceutical bio-floral extraction facility in the southern hemisphere".

The company said it was fully licenced and permitted for medicinal marijuana production at the Southport facility.

THC was up five cents or 13.7 percent to 41.5 cents with 1.7 million shares traded.

GI DYNAMICS

The New York-based Richard Cashin says his 199,364,713 share-holding in GI Dynamics has been diluted from 12.7 percent to 11.08 percent.

Mr Cashin said that on October 4 and November 4, 2019, Chess Depository Interests were "allotted to another party", which decreased his voting power by about 1.62 percent. Last week, Crystal Amber increased its holding in GI Dynamics to 72.62 percent through the conversion of warrants (BD: Nov 8, 2019).

GI Dynamics was untraded at 3.5 cents.

CRESO PHARMA

Creso says the scheme meetings have been delayed and requested an extension to its voluntary suspension regarding the company's Pharmacielo acquisition.

In June, Creso said the Vancouver, British Columbia-based Pharmacielo would acquire it for \$122 million in a share and option scheme (BD: Jun 7, 2019).

Earlier this month, Creso requested a trading halt "pending an announcement regarding the proposed acquisition of the company by Pharmacielo" which it took to a voluntary suspension (BD: Nov 1, 5, 2019).

After the close of market on Friday November 8, the company said it expected an announcement by November 15, 2019.

In a separate announcement, Creso said its share and option scheme meetings scheduled for today have been adjourned to Monday November 18, 2019.

Creso last traded at 20 cents.

MEDICINAL CANNABIS INDUSTRY AUSTRALIA

Medicinal Cannabis Industry Australia says it will hold a medical marijuana meeting, titled Acannabis, in Melbourne on March 3 and 4, 2020.

The industry association said the conference would discuss patient and doctor opportunities, the barriers to the use of medical marijuana and the ways to build confidence in cannabis as a medicine.

The industry said that early bird tickets were on-sale from November 11 to December 20, 2019 at <https://www.acannabis.com.au/>.

Medicinal Cannabis Industry Australia chair Peter Crock said the conference would offer a "platform to gain a deep understanding of ground-breaking research, an inside perspective on global trends and a unique opportunity for the agri-tech and med-tech sector to have the conversations required to leverage our advantages".