



Biotech Daily

Tuesday November 26, 2019

Daily news on ASX-listed biotechnology companies

- * **ASX UP, BIOTECH DOWN: DIMERIX UP 23%; ANTISENSE DOWN 10.5%**
- * **CYCLOPHARM VANDA GOULD IN CUSTODY ON TAX CASE**
- * **300-BED ENLIVEN LICENCES PAINCHEK MONITORS**
- * **PROTEOMICS, BIOPLATFORMS, UWA \$4.4m BIOMARKER FACILITY**
- * **AVITA 27% OPPOSE CEO MICHAEL PERRY 40m INCENTIVE UNITS**
- * **UP TO 44% OPPOSE BIOTRON EMPLOYEE SHARE PLAN**
- * **IQ3 60% OPPOSE AUDITOR CHANGE; RESOLUTION WITHDRAWN**
- * **CANN PLEADS SCHULTZ TO ASX 41% FALL QUERY**
- * **DORSAVI REQUESTS CAPITAL RAISING TRADING HALT**
- * **SIENNA REQUESTS CAPITAL RAISING TRADING HALT**
- * **KARST PEAK, ADAM LEITZES REDUCE TO 7% IN AVITA**
- * **CREDIT SUISSE BELOW 5% IN KAZIA**
- * **C2, CEO CRAIG COOPER, CHAIR NIALL CAIRNS TAKE 22% OF CARDIEX**
- * **CLINUVEL APPOINTS PROF JEFFERY ROSENFELD DIRECTOR**
- * **EXOPHARM CEO DR IAN DIXON \$280k BASE PAY; DAVID PARKER**

MARKET REPORT

The Australian stock market was up 0.83 percent on Tuesday November 26, 2019, with the ASX200 up 56.1 points to 6,787.5 points. Fifteen of the Biotech Daily Top 40 stocks were up, 20 fell and five traded unchanged. All three Big Caps were up.

Dimerix was the best, up 2.5 cents or 22.7 percent to 13.5 cents with two million shares traded. Alterity climbed 12 percent; Oncosil was up 8.3 percent; Avita and Neuren were up more than six percent; Proteomics improved 4.7 percent; Polynovo was up 3.9 percent; Cochlear, CSL, Mesoblast and Pharmaxis rose more than two percent; Kazia, Nanosonics, Orthocell and Resmed were up more than one percent; with Compumedics, Paradigm and Starpharma up by less than one percent.

Antisense led the falls, down 0.9 cents or 10.5 percent to 7.7 cents with 1.6 million shares traded. Actinogen lost 10 percent; Patrys fell 9.1 percent; Prescient shed 8.5 percent; LBT was down 7.9 percent; Cyclopharm, Medical Developments, Next Science, Opthea and Osprey fell more than four percent; both Imugene and Uscom were down 3.85 percent; Impedimed, Optiscan, Resonance and Volpara shed more than two percent; with Pro Medicus and Telix down more than one percent.

CYCLOPHARM

Cyclopharm managing-director James McBrayer has confirmed that director Vanda Gould has been taken into custody.

A newspaper report said that Mr Gould had been found guilty in a matter related to taxation.

Mr McBrayer told Biotech Daily that the company was seeking advice on Mr Gould's position as a director of the company.

Biotech Daily will attempt to provide more details in tomorrow's edition.

In 2014, Cyclopharm said that the Commonwealth Director of Prosecutions had withdrawn charges relating to tax and money laundering offences against Mr Gould and he had been reinstated as chairman (BD: Oct 17, 23, 2013; May 15, 2014).

Cyclopharm fell five cents or 4.2 percent to \$1.13.

PAINCHEK

Painchek says it has a licencing agreement with Enliven Presbyterian Support Southland aged care provider for its smartphone pain assessment device

Painchek said the Wellington, New Zealand-based Enliven would have access to its pain assessment device at its five aged care homes and up to 300 patients.

The company said the licence agreement followed a Painchek trial at Enliven's Peacehaven Village home.

Enliven Peacehaven manager Carol Riddle said the Painchek device had shown that "pain often goes unrecognized and undertreated in people with communication difficulties, or those living with dementia".

"With this [application], we can unobtrusively carry out a clinical pain assessment in just a few minutes and even in circumstances when a patient is resting," Ms Riddle said.

Painchek chief executive officer Philip Daffas said the contract was "a first in New Zealand and the first where Painchek is fully integrated with the Procura residential management software from the outset".

"This validates our strategy," Mr Daffas said.

Painchek was unchanged at 26 cents with 2.9 million shares traded.

PROTEOMICS INTERNATIONAL

Proteomics says it has partnered with Bioplatfroms Australia and the University of Western Australia for a \$4.4 million facility to explore and identify biological markers.

Proteomics said the facility would examine biomarkers affecting medicine, agriculture, and the environment which "could lead to identifying new drug targets and the [development] of diagnostic tests".

The company said it would manage the facility with Perth's University of Western Australia (UWA).

Proteomics said the Sydney-based Bioplatfroms, through Australia's National Collaborative Research Infrastructure Strategy would contribute \$1.9 million to the facility for capital and operational purposed.

The company said it would receive half of the Bioplatfrom funds and match the amount "dollar for dollar".

Proteomics said the facility would combine its expertise with that of the University "to determine how proteins change in abundance and type in response to disease and harsh environments".

Proteomics was up 1.5 cents or 4.7 percent to 33.5 cents.

AVITA MEDICAL

Avita's annual general meeting passed all resolutions, with 26.70 percent opposition to chief executive officer Dr Michael Perry's 39,554,252 restricted security units.

Last month, Avita said shareholders would vote to issue Dr Perry 39,554,252 additional long-term incentive restricted security units, subject to vesting conditions and performance milestones (BD: Oct 25, 2019).

Today, the company said that Dr Perry's security units were opposed by 170,847,948 votes (26.70%) and supported by 469,139,451 votes (73.30%).

Avita said the employee share plan faced 137,680,791 votes (21.55%) in opposition, with the remuneration report passed more easily with 85,490,415 votes (13.33%) against.

The company said the re-election of directors Suzanne Crowe, Louis Drapeau and Damien McDonald were passed overwhelmingly.

The company's most recent Appendix 3B new issue announcement said it had 2,117,425,777 shares on issue, which meant that the opposition to Dr Perry's incentive amounted to 8.07 percent of the shares on issue, sufficient to requisition extraordinary general meetings.

Avita was up 3.5 cents or 6.1 percent to 61 cents with 64.05 million shares traded.

BIOTRON

Biotron annual general meeting passed all resolutions, with up to 44 percent opposition to the employee share plan.

Biotron's meeting results notice said that the employee share plan was opposed by 34,539,924 votes (44.29%) with 43,453,166 votes (55.71%) in favour, while the issue of 7,000,000 options to chief executive officer Dr Michelle Miller was opposed by 38,996,258 votes (41.96%), with 53,948,183 votes (58.04%) in favor.

Biotron said that the re-election of director Robert Thomas was passed by a wider margin, the remuneration report passed with 65,968,316 votes (87.0%) in favor and 9,842,839 votes (13.0%) against and the election of Prof Stephen Locarnini passed overwhelmingly.

The company's most recent Appendix 3B new issue announcement said it had 602,324,714 shares on offer meaning that the votes against Dr Miller's options amounted to 6.5 percent of the company, sufficient to requisition extraordinary general meetings.

Biotron was up 0.3 cents or 4.9 percent to 6.4 cents with 2.9 million shares traded.

IQ3 CORP

The IQ3 annual general meeting passed all resolutions, but with 60.0 percent opposition from proxy votes led the withdrawal of the change of auditor resolution.

In its notice of meeting, IQ3 said that London-headquartered auditor RSM had resigned as auditor and it proposed to appoint BDO East Coast Partnership as the replacement auditor.

The company said the change of auditor resolution was withdrawn prior to the meeting, but 20,505,112 proxy votes (60.0%) opposed the change with 13,660,508 votes (40.0%) in favor.

IQ3 said that the remuneration report and the election of director and Peter Coolentianos were passed unopposed with director Monika Pawel elected overwhelmingly.

The company's most recent Appendix 3B said it had 103,925,001 shares on issue, meaning that the opposition to the change of auditor amounted to 19.7 percent of the company's shares on issue, sufficient to requisition extraordinary general meetings.

IQ3 Corp was untraded at 17.5 cents.

CANN GROUP

Cann Group 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 Cann's share price fell 41.1 percent from a high of 73 cents to a low of 43 cents on November 25, 2019 and noted a "significant increase" in trading volumes. Cann was up five cents or 11.2 percent to 49.5 cents with 9.6 million shares traded.

DORSAVI

Dorsavi has requested a trading halt pending an announcement "in relation to a proposed capital raising from institutional and retail investors".

Trading will resume on November 28, 2019 or on an earlier announcement.

Dorsavi last traded at three cents.

SIENNA CANCER DIAGNOSTICS

Sienna has requested a trading halt "in connection with a proposed capital raise".

Trading will resume on November 28, 2019 or on an earlier announcement.

Sienna last traded at 3.1 cents.

AVITA MEDICAL

Karst Peak Capital and Adam Leitzes say they have reduced their substantial holding in Avita from 156,015,827 shares (8.33%) to 149,478,250 shares (7.06%).

The Hong Kong-based Karst Peak said that on November 20 it sold 6,537,577 shares but failed to disclose the price of shares are required by the Corporations Act.

KAZIA THERAPEUTICS

Credit Suisse Holdings says it is below five percent in Kazia, after becoming a substantial holder earlier this month with 4,481,851 shares (6.21%) (BD: Nov 6, 2019).

The Sydney-based Credit Suisse said that between November 18 and 20, 2019 it bought, transferred and borrowed shares, and on November 20, sold 1,306,850 shares for \$588,083 or 45 cents a share.

Yesterday, Kazia climbed 29 cents or 65.9 percent to 73 cents on the news that data from the first nine of 29 patients in its phase II study of GCD-0084 for glioblastoma showed the drug could "provide clinical benefit" (BD: Nov 25, 2019).

Kazia was up one cent or 1.4 percent to 74 cents with 1.4 million shares traded.

CARDIEX

C2 Ventures, Craig Cooper and Niall Cairns say they have increased their holding in Cardiex from 137,616,769 shares (19.78%) to 158,960,194 shares (22.17%).

In January, Cardiex said it had a \$2.5 million convertible note with C2 Ventures, owned by chief executive officer Craig Cooper and chairman Niall Cairns (BD: Jan 22, 2019).

Last week, Cardiex said that the Sydney-based C2 Ventures would convert 640,303 notes into 21,343,425 shares at 3.0 cents a share to take more than 20 percent of the company, with \$221,194 remaining in convertible notes (BD: Nov 22, 2019).

Cardiex was up 0.2 cents or 7.4 percent to 2.9 cents.

CLINUVEL PHARMACEUTICALS

Clinuvel says it has appointed Prof Jeffery Rosenfeld as a non-executive director. Clinuvel said Prof Rosenfeld had “experience in senior healthcare and research executive roles and a distinguished career in the Australian Army Reserve”. The company said Prof Rosenfeld was the founding director of the Melbourne’s Monash University Institute of Medical Engineering and was the chair of the University of Melbourne Security and Health Executive Leadership Institute, the director of neurosurgery at Melbourne’s Alfred Hospital, and head of Monash University’s department of surgery. Clinuvel fell three cents or 0.1 percent to \$28.80 with 120,931 shares traded.

EXOPHARM

Exopharm says chief executive officer Dr Ian Dixon is paid a base rate of \$280,000 a year, with director David Parker’s Cobblestone providing company secretarial services. Exopharm said it appointed Mr Dixon as chief executive officer and managing-director on May 1, 2018 with an initial two-year contract and would extend the contract “to ensure continuity of service”. The company said Mr Dixon could receive bonuses of up to \$80,000 and 200,000 shares in the first 12 months of the contract based on the achievement of key performance indicators. Exopharm said it would pay Cobblestones Advisory \$150 an hour for company secretary and chief financial officer services and \$75 an hour for book-keeping and accounting services. According to Commsec data Mr Parker was the company secretary and a director of Exopharm and the Cobblestone website describes Mr Parker as its founding director. Exopharm fell 1.5 cents or 4.2 percent to 34 cents.