



Biotech Daily

Tuesday November 5, 2019

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH UP: ONCOSIL UP 11%; LBT DOWN 15%**
- * **FDA OKAYS REDHILL'S TALICIA (SYDNEY'S HELICONDA) FOR H PYLORI**
- * **ALCIDION RAISES \$16.2m**
- * **EMVISION RAISES \$4.5m**
- * **EYE-CO FLUDROCORTISONE ACETATE EARLY TRIAL RESULTS**
- * **CANN GLOBAL CONVERTIBLE NOTES FOR \$2.2m**
- * **PLATINUM DILUTED TO 9% OF KAZIA**
- * **PETER, DIANA DIAMOND REDUCE TO 7.7% OF NOVITA**
- * **CRESO TAKES 'PHARMACIELO ACQUISITION' HALT TO SUSPENSION**
- * **OBJ TAKES 'MATERIAL ACQUISITION' HALT TO SUSPENSION**
- * **TOTAL BRAIN REQUESTS 'CAPITAL RAISING' HALT**

MARKET REPORT

The Australian stock market was up 0.15 percent on Tuesday November 5, 2019, with the ASX200 up 10.2 points to 6,697.1 points. Twenty of the Biotech Daily Top 40 stocks were up, 11 fell, seven traded unchanged and two were untraded. All three Big Caps were up.

Oncosil was the best, up 1.5 cents or 11.1 percent to 15 cents with 1.6 million shares traded. Pharmaxis climbed 7.9 percent; Antisense and Patrys were up five percent or more; Dimerix, Genetic Signatures, Imugene and Telix improved more than four percent; Impedimed, Kazia and Neuren were up more than three percent; Avita, Compumedics, Cyclopharm, Ellex, Starpharma and Volpara rose more than two percent; Cochlear and Pro Medicus were up more than one percent; with Clinuvel, CSL, Cynata and Resmed up by less than one percent.

LBT led the falls, down 3.5 cents or 14.6 percent to 20.5 cents, with 5.7 million shares traded. Prescient lost 10 percent; Alterity fell 7.7 percent; Orthocell was down 6.7 percent; Proteomics fell 4.55 percent; Next Science was down 3.2 percent; Nanosonics, Opthea and Polynovo shed more than two percent; with Medical Developments and Paradigm down by more than one percent.

[REDHILL BIOPHARMA](#)

Redhill says the US Food and Drug Administration has approved the Giaconda-based Talicia delayed-release capsules, for Helicobacter pylori infection.

In 2010, Israel's Redhill bought Talicia, or Heliconda (RHB-105), as well as Myoconda (RHB-104) and Picoconda (RHB-106) from Sydney's Giaconda (BD: Aug 17, 2010).

The combination antibiotics were developed by Prof Tom Borody who has continued as a scientific consultant to Redhill.

Today, the company said that Helicobacter pylori bacterial infection was a group I carcinogen with the strongest risk factor for gastric cancer, and a major risk factors for peptic ulcer disease and gastric mucosa-associated lymphoid tissue lymphoma.

Redhill said that Talicia was an oral capsule, delayed-release combination of the antibiotics, amoxicillin and rifabutin, and a proton pump inhibitor, omeprazole.

The company said that Talicia was the only rifabutin-based therapy approved for the treatment of Helicobacter pylori infection and was designed to address the high resistance of Helicobacter pylori bacteria to current clarithromycin-based standard-of-care therapies.

The company said that Talicia was eligible for eight years of US market exclusivity under qualified infectious disease product designation and had patent protection until 2034.

Redhill said that more than two million patients were expected to be treated for Helicobacter pylori infection each year in the US.

Talicia phase III study lead investigator Prof David Graham said that the clinical studies for "Talicia found zero resistance to rifabutin and showed 17 percent resistance to clarithromycin, a current standard-of-care macrolide antibiotic, consistent with current data showing that clarithromycin-containing therapies fail in approximately 25-40 percent of cases".

Redhill said it expected to launch Talicia in the US expected by April 2020.

On the Nasdaq, Redhill was up 43 US cents (62.3 Australian cents) or 6.21 percent to US\$7.35 (\$A10.65) with 5,073,628 shares traded.

[ALCIDION GROUP](#)

Alcidion says it has raised \$16.2 million in a placement at 18 cents a share "bringing several leading institutions onto Alcidion's share register as cornerstone investors".

Alcidion said the placement price was a 12.2 percent discount to the last traded price on October 31 and a 14.3 percent discount to the 10-day volume weighted average price to October 31, 2019.

Alcidion managing-director Kate Quirke said that in the past year the hospital patient monitoring and tracking software company had "delivered significant growth, demonstrating the strength of its product suite for healthcare providers who are increasingly turning to smart technology to improve patient outcomes and enhance productivity".

"The funds raised strengthen our balance sheet and will ensure the company can capitalize on the growth opportunity ahead, both via organic prospects as well as in new markets," Ms Quirke said.

"The funds will also be used to invest in the business to ensure our products continue to be at the forefront of innovation, continuing to address the evolving needs of healthcare," Ms Quirke said.

Alcidion said that the placement lead manager was Melbourne's Henslow Pty Ltd which was joint bookrunner with Sydney's Curran & Co.

Alcidion was up 3.5 cents or 17.1 percent to 24 cents with 8.9 million shares traded.

EMVISION

Emvision says it has raised \$4,500,000 in a placement of shares to institutional and sophisticated investors at 74 cents a share.

Emvision said the price was a 13 percent discount to the last traded price of 85 cents.

The company said the funds raised would be used for commercial product development of its portable brain scanner and to progress clinical validation.

Emvision said that Sydney's Blue Oceans Equities was the lead manager to the placement.

Emvision was unchanged at 85 cents.

EYE CO PTY LTD

Eye Co says its phase Ib safety study of fludrocortisone acetate for dry age-related macular degeneration shows it does not raise intraocular pressure.

Eye Co said that increased intraocular pressure was commonly observed with other intraocular agents including anti-vascular endothelial growth factor (VEGF) therapies.

The company said that one of nine patients in the trial had shown increased visual acuity.

Last year, Eye Co said it had ethics approval for the nine-patient phase Ib study, "the first time this drug will be used in humans with retinal disease" (BD: Nov 20, 2018).

Today, the company said that fludrocortisone acetate was "a potential breakthrough treatment for geographic atrophy associated with the dry form of [age-related macular degeneration]".

Eye Co said that pre-clinical data indicated that fludrocortisone acetate would be effective in other inflammatory or wet retinal diseases.

The company said that dry age-related macular degeneration would affect more than 100 million people in the major pharmaceutical markets over the next 10 years, providing "substantial market opportunity as there is currently no registered or available effective treatment for this condition globally".

The company said it expected the study "to conclude in mid-2020".

Eye Co is a private company.

CANN GLOBAL

Cann Global says it will issue New York's L1 Capital Global Opportunities Master Fund 2,600,000 convertible notes to raise \$2.22 million after costs.

Cann Global said that the funds would be used to increase inventory and production, to continue growth initiatives and for working capital.

The company said the notes would have an initial term of 120 days, with a resolution to be put to shareholders by April 1, 2020 to approve longer-term replacement notes.

Cann Global said that as well as the notes it would issue 25,000,000 collateral shares to L1 Capital, which would function as security for the loan, not as a fee.

The company said that 90 days after issue, L1 Capital could redeem up to \$400,000 of notes each month, either as shares at a 10 percent discount to the previous 5-day volume weighted average price, subject to certain equity conditions, or as cash at a five percent premium price, and notes might be converted into shares at four cents each.

The company said the maximum number of shares redeemed or converted from the notes was 200,000,000, but this limit would not apply to the replacement notes.

Cann Global said that if it made a placement, L1 Capital would be able to convert notes at the placement price, for up to the amount of the placement.

Cann Global fell 0.3 cents or 13.0 percent to two cents with 16.8 million shares traded.

KAZIA THERAPEUTICS

The Sydney-based Platinum Investment Management says its 6,578,348 share-holding has been diluted from 11.48 percent to 9.12 percent.

Last week, Kazia said it has raised \$4 million through a placement to institutional, professional, and sophisticated investors at 40 cents a share (BD: Oct 28, 2019).

Kazia was up 1.5 cents or 3.75 percent to 41.5 cents.

NOVITA HEALTHCARE

Peter and Diana Diamond say they have reduced their holding in Novita from 60,000,000 shares (9.45%) to 50,000,000 shares (7.70%).

The Perth-based Mr and Ms Diamond said that between September 29 and November 1, 2019 they sold 10,000,000 shares for \$595,000 or 5.95 cents a share.

Novita fell 1.4 cents or 15.7 percent to 7.5 cents with 263.7 million shares traded.

CRESO PHARMA

Creso has requested a voluntary suspension following the trading halt “regarding the proposed acquisition of the company by Pharmacielo” (BD: Nov 1, 2019).

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).

Today, the company said it expected an announcement by November 8, 2019.

Creso last traded at 20 cents.

OBJ

OBJ has requested a voluntary suspension to follow the trading halt requested on November 1, 2019 regarding a material acquisition announcement (BD: Nov 1, 2019).

OBJ said it expected an announcement by November 8, 2019.

OBJ last traded at 1.5 cents.

TOTAL BRAIN

Total Brain has requested a trading halt “pending an announcement in relation to a capital raising”.

Trading will resume on November 7, 2019 or on an earlier announcement.

Total Brain last traded at 4.5 cents.