



Biotech Daily

Wednesday December 11, 2019

Daily news on ASX-listed biotechnology companies

- * **ASX UP, BIOTECH DOWN: IMPEDIMED UP 19%; PARADIGM DOWN 7%**
- * **KAZIA GDC-0084 JOINS 'GBM AGILE' GLIOBLASTOMA MULTI-DRUG TRIAL**
- * **PROBIOTEC BUYS CONTRACT PHARMA SERVICES FOR \$4.5m**
- * **ADHERIUM HOPES TO RAISE \$5.4m IN RIGHTS OFFER**
- * **BIONOMICS SELLS FRENCH SUBSIDIARIES TO DOMAIN FOR \$3m**
- * **PHARMAUST OPENS 2 MORE DOG CANCER TRIAL CENTRES**
- * **BAILLIE GIFFORD REDUCES TO 7% OF COCHLEAR**
- * **REGAL FUNDS TAKES 5% OF MEDICAL DEVELOPMENTS**
- * **REGAL FUNDS REDUCES TO 12% OF OPTHEA**
- * **EXECUTIVE DIRECTOR DR IAN DIXON TAKES 9% OF MEDIGARD**
- * **ALTERITY 587m OPTIONS EXPIRE, VOLUNTARY ESCROW RELEASE**
- * **COGSTATE APPOINTS KEITH HAWKINS CO SEC**

MARKET REPORT

The Australian stock market was up 0.68 percent on Wednesday December 11, 2019, with the ASX200 up 45.7 points to 6,752.6 points. Fourteen of the Biotech Daily Top 40 stocks were up, 18 fell, five traded unchanged and three were untraded.

Impedimed was the best, up three cents or 19.35 percent to 18.5 cents, with 3.25 million shares traded. Oncosil climbed 14.3 percent; Dimerix and Compumedics were up more than five percent; Prescient improved 4.8 percent; Kazia was up 3.9 percent; Antisense rose 2.5 percent; CSL and Cynata were up more than one percent; with Clinuvel, Cochlear, Medical Developments, Nanosonics, Opthea, Starpharma and Volpara up by less than one percent.

Paradigm led the falls, down 25 cents or 7.4 percent to \$3.13, with 3.1 million shares traded. Imugene and Next Science lost more than six percent; Actinogen, LBT and Osprey fell five percent or more; Patrys, Polynovo and Uscom were down four percent or more; Pro Medicus was down 3.7 percent; Immutep, Resonance and Telix shed more than two percent; Cyclopharm, Genetic Signatures, Mesoblast and Orthocell were down more than one percent; with Avita and Resmed down by less than one percent.

KAZIA THERAPEUTICS

Kazia says its lead program GDC-0084 has joined the phase II/III, multi-drug glioblastoma adaptive, innovative learning environment (GBM Agile) trial.

Kazia said the trial was sponsored and administered by the Global Coalition for Adaptive Research and included a stage one examination of the drug to meet pre-defined efficacy hurdles before stage two.

The company said it expected to commence recruitment of 200 patients by September 30, 2020, subject to a definitive agreement, for a primary endpoint of overall survival.

Kazia said it would use data from the trial for marketing approval from the US Food and Drug Administration and other regulatory agencies.

The company said that the GBM Agile trial was “a ‘master protocol’ study into which different drug candidates can be placed for testing against a common control arm”.

Kazia chief executive officer Dr James Garner said that the GBM Agile study had “three enormous advantages to Kazia”.

“First, the highly innovative adaptive design allows us to test GDC-0084 in the fastest and most cost-effective way possible,” Dr Garner said.

“Second, the considerable technical, scientific, and operational capability in GCAR gives us access to resources that we could never hope to draw upon otherwise,” he said.

“Third, the quality of the study, and the caliber of the participating sites, means that GDC-0084 will have the best possible opportunity to demonstrate its potential,” Dr Garner said.

“No company our size could run a study like this single-handedly, so we have adopted GBM Agile as our primary path-to-market strategy for GDC-0084,” Dr Garner said.

Kazia was up 2.5 cents or 3.9 percent to 66.5 cents.

PROBIOTEC

Probiotec says it has bought Sydney’s Contract Pharmaceutical Services of Australia (CPSA) for \$4 million in cash, plus inventory expected to be worth \$500,000.

Probiotec said that CPSA was “a leading high-end pharmaceutical contract packer that has been established for over 30 years” providing packing services and formats including foil, carded and clamshell blister packing, bottle filling, labelling, secondary packaging and additional services for the pharmaceutical, cosmetic and food industries.

The company said that CPSA would continue to operate the assets on behalf of Probiotec for a period of about six, after which it would transfer to existing Probiotec facilities

Probiotec said that the acquisition was forecast to have “a modest positive impact on 2019-'20 earnings” whilst the assets transition into Probiotec facilities before generating circa \$2 million to \$2.5 million earnings before interest, taxation, depreciation and amortization (Ebitda) in 2020-'21.

The company said the acquisition was funded from existing cash reserves following the recent \$10.6 million placement (BD: Sep 25, 2019).

Probiotec managing-director Wes Stringer said that the acquisition of CPSA was “the continuation of the company’s strategy of increasing its manufacturing capabilities, scale and reach ... and leveraging the group’s substantial operational footprint”.

“Following the acquisition of South Pack Laboratories in 2017 and ABS in July 2019, we are excited to continue to grow our capabilities and reach in the industry and we expect the combination of Probiotec’s businesses to provide significant benefits, synergies and opportunities to the wider Probiotec Group,” Mr Stringer said.

Probiotec was up nine cents or 4.8 percent to \$1.95.

ADHERIUM

Adherium says it hopes to raise up to \$5.4 million in a one-for-one, non-renounceable, pro-rata, rights offer at three cents a share.

Adherium said the funds would be used to develop product features for its Hailie (formerly Smartinhaler) asthma puffer use sensor, gain reimbursement, extend its portfolio of products from asthma into chronic obstructive pulmonary disease and for working capital. The company said the record date was December 16, the offer would open on December 19, 2019 and close on January 10, 2020.

Adherium fell 0.3 cents or 7.9 percent to 3.5 cents.

BIONOMICS

Bionomics says it will sell its French contract research subsidiaries Neurofit and Prestwick Chemical to Domain Therapeutics for EUR1,810,029 (\$A2,945,780).

In August, Bionomics said that most of its revenue for the year to June 30, 2019 of \$4,311,708 came from Neurofit and Prestwick's pre-clinical animal testing and chemistry (BD: Aug 20, 2019).

Today, the company said the sale price was the amount of intercompany debt owed to the subsidiaries for scientific research on its drug candidates.

Bionomics said it expected to complete the sale on or about January 31, 2020, subject to entering definitive contractual documentation and regulatory approval.

Bionomics fell 0.2 cents or 2.2 percent to 8.8 cents.

PHARMAUST

Pharmaust says it has contracted two new centres for its trial of monepantel in dogs with treatment-naïve B-cell lymphoma.

Pharmaust said it had contracted the University of Sydney's University Veterinary Teaching Hospital and the Perth-based West Australian Veterinary Emergency Specialists through its trial manager, the University of Melbourne's Department of Veterinary Clinical Sciences' Werribee-based U-Vet.

Pharmaust was up 0.2 cents or 2.1 percent to 9.8 cents.

COCHLEAR

Baillie Gifford & Co and associates say they have reduced their substantial shareholding in Cochlear from 4,852,925 shares (8.43%) to 4,254,022 shares (7.36%).

The Edinburgh-based Baillie Gifford said it bought and sold shares between December 21, 2017 and December 10, 2019, with the largest recent sale of 13,133 shares for GBP1,556,562 or \$A228.52 a share on December 10, 2019.

Cochlear was up 74 cents or 0.3 percent to \$228.16 with 167,900 shares traded.

MEDICAL DEVELOPMENTS INTERNATIONAL

Regal Funds Management says it has become a substantial shareholder in Medical Developments with 3,301,082 shares or 5.03 percent.

The Sydney-based Regal Funds said it bought shares between September 23 and December 6, 2019, with the single largest purchase 155,570 shares for \$1,107,658 or \$7.12 a share on December 6.

Medical Developments was up six cents or 0.8 percent to \$7.25.

[OPTHEA](#)

Regal Funds Management says it has reduced its substantial shareholding in Opthea from 32,051,888 shares (12.83%) to 31,391,439 shares (11.66%).

The Sydney-based Regal Funds said it bought and sold shares between August 28 and December 6, 2019, with the largest recent purchase 1,004,906 shares for \$2,663,001 or \$2.65 a share on December 6 and the largest recent sale 200,000 shares for \$724,000 or \$3.62 a share on October 25.

Opthea was up two cents or 0.7 percent to \$2.72.

[MEDIGARD](#)

Executive director Dr Ian Dixon says he has become a substantial shareholder in Medigard with 16,037,140 shares or 9.30 percent.

The Melbourne-based Dr Dixon said that he acquired 10,208,569 shares for \$142,920 or 1.4 cents a share and through Helium Superannuation Fund he indirectly acquired 4,400,000 shares for \$61,600 or 1.4 cents a share.

Medigard was untraded at two cents.

[ALTERITY THERAPEUTICS \(FORMERLY PRANA BIOTECHNOLOGY\)](#)

Alterity says 586,672,964 options, exercisable at 4.5 cents a share, will expire and be released from voluntary escrow on December 19, 2019.

In April, Prana said it had a \$41.8 million takeover deal with the Boston-based Life Biosciences to change its name to Alterity, including the issue of 539,811,066 two-for-one free-attaching warrants exercisable at 4.5 cents each, vesting on June 8 and expiring on December 19, 2019, and a placement for a further 46,861,898 warrants on the same terms (BD: Apr 9, 2019).

Alterity was unchanged at 2.3 cents.

[COGSTATE](#)

Cogstate says it has appointed Keith Hawkins, replacing Claire Newstead-Sinclair as company secretary effective from December 20, 2019.

Cogstate said Mr Hawkins was had more than 30 years' experience in accounting and finance for companies including Eaton Corp and Honeywell International, and was previously the director of finance for Redr Australia.

The company said Mr Hawkins held a Bachelor of Business.

According to Mr Hawkins LinkedIn page, the degree was conferred by Melbourne's Footscray Technical College, now Victoria University.

Cogstate was up one cent or 3.3 percent to 31 cents.