



# Biotech Daily

Wednesday January 29, 2020

*Daily news on ASX-listed biotechnology companies*

- \* **ASX, BIOTECH UP: IMMUTEP UP 5%; RESONANCE DOWN 25.5%**
- \* **MESOBLAST H1 RECEIPTS DOWN 26% TO \$31.2m**
- \* **COGSTATE H1 RECEIPTS DOWN 25% TO \$18m**
- \* **NEXT SCIENCE \$6m SALES, \$4.8m CUSTOMER RECEIPTS**
- \* **TELIX RECEIPTS UP 44% TO \$3.6m**
- \* **STARPHARMA H1 RECEIPTS DOWN 3% TO \$2.1m**
- \* **RESONANCE H1 RECEIPTS UP 9% TO \$1.7m**
- \* **ADHERIUM RIGHTS RAISE \$526k OF \$5.4m; EXPECTS \$2.5m**
- \* **BOTANIX RECEIVES \$7.6m R&D TAX INCENTIVE**
- \* **CANN GROUP CUTS STAFF 25%, COSTS BY \$7m; MILDURA FACILITY**
- \* **DORSAVI, HEATHROW AIRPORT RENEW VISAFE CONTRACT**
- \* **EMVISION STARTS BRAIN SCANNER PILOT STROKE TRIAL**
- \* **EXOPHARM BEGINS EXOSOME FOR WOUND HEALING STUDY**
- \* **CARDIEX HIRES MEDL MOBILE FOR SOFTWARE**
- \* **MEDLAB: TASMANIAN ALKALOIDS TO MANUFACTURE NANABIS**
- \* **RESPIRI PREPARES WHEEZO US FDA 510(K) SUBMISSION**
- \* **PERENNIAL VALUE MANAGEMENT TAKES 8% OF GENETIC SIGNATURES**
- \* **PLATINUM INVESTMENT TAKES 9% OF AMPLIA**
- \* **AMPLIA'S DR CHRISTIAN BEHRENBRUCH, ELK RIVER BELOW 5%**
- \* **ESENSE-LAB LOSES CEO HAIM COHEN, PIERS LEWIS INTERIM CEO**

## MARKET REPORT

The Australian stock market recovered 0.53 percent on Wednesday January 29, with the ASX200 up 37.0 points to 7,031.5 points. Twenty-one of the Biotech Daily Top 40 stocks were up, 12 fell, five traded unchanged and two were untraded. All three Big Caps rose.

Immutep was the best, up 1.5 cents or 5.45 percent to 29 cents, with 1.5 million shares traded. Medical Developments climbed five percent; Avita, Cyclopharm, Impedimed and Next Science improved more than four percent; Compumedics, LBT and Osprey were up more than three percent; Oncosil, Paradigm, Resmed and Starpharma rose more than two percent; with Cochlear, CSL, Cynata, Genetic Signatures, Mesoblast, Neuren, Polynovo and Prescient up by more than one percent.

Resonance led the falls, down 6.5 cents or 25.5 percent to 19 cents with 8.5 million shares traded. Amplia lost 6.25 percent; Imugene and Patrys fell five percent or more; Proteomics was down 3.3 percent; Actinogen, Antisense, Opthea and Pro Medicus shed two percent or more; with Orthocell down 1.1 percent.

## MESOBLAST

Mesoblast says receipts from customers for the six months to December 31, 2019 were down 25.95 percent to \$US21,111,000 (\$A31,164,754.86).

Mesoblast said receipts included \$US17,500,000 in upfront and milestones payments from Grünenthal under its strategic partnership for the development of its phase III allogenic product candidate for chronic low back pain due to degenerative disc disease. The company said it received \$US3,611,000 in royalties from JCR Pharmaceuticals for of Temsell sales for steroid-refractory acute graft versus host disease in Japan.

Mesoblast was up three cents or one percent to \$3.00 with 3.4 million shares traded.

## COGSTATE

Cogstate says that receipts from customers decreased 25.0 percent to \$US12,468,587 (\$A18,433,371.99) for the six months to December 31, 2019.

Cogstate said that it received \$US6,535,228 from clinical trials customers for the three months to December 31 and it had \$US7,200,450 in cash and cash equivalents.

In its commentary on the Appendix 4C quarterly report, Cogstate said that sales contracts totalled \$US26.9 million for the six months to December 31, 2019 compared to \$US10.0 million the previous year.

Cogstate was up four cents or 9.8 percent to 45 cents.

## NEXT SCIENCE

Next Science says it has \$US4.1 million (\$A6.06 million) in unaudited sales for the year to December 31, 2019 and \$US3,263,000 (\$A4,823,533) in receipts from customers.

Last April, Next Science said it had raised \$35 million in its initial public offer at \$1.00 a share to list on the ASX (BD: Apr 17, 2019).

Next Science was up nine cents or four percent to \$2.33.

## TELIX PHARMACEUTICALS

Telix says receipts from customers for the year to December 31, 2019 were up 44.1 percent to \$3,561,000.

Last year, Telix said it had an invoice for \$217,000 in product revenue for 2018, but only \$6,000 was received for the year to December 31, 2018, while consolidated 2018 product revenue for the acquired Belgium-based Advanced Nuclear Medicines Ingredients SA (ANMI) business was \$2,471,000.

Today, the company said it delivered 11,530 individual patient doses, prepared from 4,619 TLX591-CDx prostate cancer imaging kits in Europe and the US.

The company said it received \$4.41 million in orders, including \$3.56 million in cash and \$850,000 in outstanding receivables for the period.

Telix was up half a cent or 0.3 percent to \$1.495.

## STARPHARMA HOLDINGS

Starpharma says receipts from customers for the six months to December 31, 2019 were down 2.6 percent to \$2,068,000.

Starpharma said it received \$900,000 from product supply and royalty receipts for sales of Vivagel BV for bacterial vaginosis in the three months to December 31, 2019.

Starpharma was up 2.5 cents or 2.1 percent to \$1.195.

## RESONANCE HEALTH

Resonance says receipts from customers for the six months to December 31, 2019 were up 9.45 percent to \$1,737,000.

Resonance said it had cash and cash equivalents of \$3,387,000 at December 31, 2019 with an expected cash burn for the three months to March 31, 2020 of \$718,000.

The company said it had a new contract to provide services to an unnamed pharmaceutical company for a clinical trial and extended an existing service contract with another unnamed pharmaceutical company, for a total aggregated sum of \$US327,700 (\$A484,015).

Resonance said these contracts were not announced as the individual contract sums were not material.

Resonance fell 6.5 cents or 25.5 percent to 19 cents with 8.5 million shares traded.

## ADHERIUM

Adherium says its one-for-one rights issue at three cents a share has \$525,519 of a hoped for \$5.4 million and expects to meet the minimum of \$2.5 million.

Adherium said it had applications for rights and the top-up facility for \$525,519 leaving a shortfall of \$4,866,183 (BD: Dec 11, 2019).

The company said that shortfall subscription commitments, combined with applications exceeded the \$2.5 million minimum subscription amount and the directors reserved their right to place the shortfall shares.

Adherium was up 0.6 cents or 17.2 percent to 4.1 cents.

## BOTANIX PHARMACEUTICALS

Botanix says it has received \$7,560,856 from the Australian Tax Office under the Federal Government Research and Development Tax Incentive program.

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

Botanix was up 0.1 cents or 1.1 percent to 9.1 cents with 2.2 million shares traded.

## CANN GROUP

Cann Group says it has reduced staff by 25 percent, eliminated \$7 million in annualized costs and will proceed with the first stage of its Mildura marijuana facility.

In November, Cann Group said it would adopt a staged approach to its Mildura facilities rather than build them as a single stage development (BD: Nov 22, 2019).

Today, the company said the first stage of construction would include stage 1A for a capacity of 12,500 kilograms (kgs) of cannabis dry flower and stage 1B for a capacity of 25,000 kgs, with a potential capacity of 70,000 kgs of dry marijuana flower.

Cann Group said it expected plant material in the facility this year and the first harvest was targeted by April 2021, subject to funding and approvals necessary to meet this timeline.

The company said it would require between \$65 million and \$75 million in funding to complete construction of stage 1A and expected to finalize the funding package for stage 1A with an Australian bank by April 2020, involving both debt and equity.

Cann Group said construction of stage 1B was expected to be funded by working capital and debt and Aurora Cannabis had told the company that it would not participate in any new funding.

Cann Group was up six cents or 4.3 percent to \$1.46 with 2.0 million shares traded.

## DORSAVI

Dorsavi says it has a repeat Visafe technology contract with Heathrow Airport to facilitate changes in baggage handling workforce behavior.

Dorsavi said the contract would be conducted over five days over the next four months.

Dorsavi chief executive officer Dr Andrew Ronchi said “the data insights we have delivered in previous projects have assisted in reducing manual handling injuries by more than 50 percent in some parts of the business”.

Dorsavi was up 0.3 cents or 12 percent to 2.8 cents.

## EMVISION MEDICAL LASERS

Emvision says it has begun a six-month, 30-patient pilot trial of its portable brain scanner unit for stroke patients and has begun scanning patients.

Last year, Emvision said it completed safety testing and key checks of its brain scanner to begin the clinical trial at Brisbane’s Princess Alexandra Hospital (BD: Dec 19, 2019).

Emvision was up four cents or 4.9 percent to 85 cents.

## EXOPHARM

Exopharm says it has dosed the first of up to 20 patients in its phase I human Plexoval study, using exosomes isolated from human platelets for wound healing.

Exopharm fell half a cent or 1.75 percent to 28 cents.

## CARDIEX

Cardiex says it has hired the Irvine, California-based Medl Mobile to develop a “consumer facing” application and clinician portal for its central blood pressure monitor.

Cardiex said the consumer application would be subscription-based to provide consumers, athletes and those with inflammation, heart, brain and other vascular disorders with preventative information.

The company said the clinician portal would connect clinicians and health professionals with its devices and wearables and allowing physicians to view patient data.

Cardiex said clinicians would be reimbursed by accessing remote blood pressure current procedural terminology (CPT) codes and the central blood pressure CPT code.

Cardiex said Medl would develop and design features and applications for its Beijing-based Mobvoi’s smart-watch, subject to its Mobvoi agreement (BD: Sep 11, 2019).

The company said Medl would develop its subscription-based internet cloud architecture platform for consumer and clinical data to be collected from its monitors.

Cardiex was up 0.1 cents or 3.85 percent to 2.7 cents with 1.2 million shares traded.

## MEDLAB CLINICAL

Medlab says it has a three-year agreement with Tasmanian Alkaloids to manufacture its Nanabis marijuana-based medicine.

Medlab said the agreement would allow it to ramp up manufacturing, increase product quality and for stronger compliance with the Australian Therapeutic Goods Administration, US Food and Drug Administration and the European Medicines Agency.

Tasmanian Alkaloids chief executive officer Dr Ross Murdoch said it was “well placed to be a lead service provider in the Australian and Asia Pacific region”.

Medlab was up 2.5 cents or 7.9 percent to 34 cents.

### RESPIRI

Respiri says it will prepare and lodge a 510(k) submission to the US Food and Drug Administration for its Wheezo asthma diagnostic.

Respiri said it had hired Melbourne medical devices quality and regulatory consultancy firm Compliance Management Solutions to prepare the submission.

Respiri was up 0.6 cents or 7.4 percent to 8.7 cents with 1.15 million shares traded.

### GENETIC SIGNATURES

Perennial Value Management says it has increased its substantial shareholding in Genetic Signatures from 10,436,415 shares (7.33%) to 11,909,422 shares (8.37%).

The Sydney-based Perennial said that between December 13, 2019 and January 24, 2020 it bought 1,473,007 shares for \$1,442,342.65 or an average of 97.9 cents a share.

Genetic Signatures was up one cent or one percent to \$1.00.

### AMPLIA THERAPEUTICS

Platinum Investment Management says it has become a substantial shareholder in Amplia with 5,715,000 shares or 8.60 percent.

The Sydney-based Platinum said that it acquired 5,715,000 shares on January 24, 2020 for \$400,050 or 7.0 cents a share.

Last week, Amplia said it raised \$930,482 in a placement at seven cents share with Platinum a "cornerstone" investor (BD: Jan 20, 2020)

Amplia fell half a cent or 6.25 percent to 7.5 cents.

### AMPLIA THERAPEUTICS

Amplia director Dr Christian Behrenbruch and Elk River Holdings say they have increased, been diluted and ceased to be substantial with 2,742,142 shares (4.13%).

The Melbourne-based Dr Behrenbruch and Elk River said that they bought 250,000 shares on September 17, 2019 for \$25,000 or 10 cents a share and were diluted in the recent placement (BD: Jan 20, 2020).

### ESENSE-LAB

Esense-Lab says chief executive officer Haim Cohen has resigned and Piers Lewis has been appointed as interim chief executive officer.

Esense said it would begin a search for a new chief executive officer.

Esense-Lab was unchanged at 1.2 cents.