



# Biotech Daily

Thursday March 12, 2020

*Daily news on ASX-listed biotechnology companies*

- \* **ASX DOWN 7.4%, BIOTECH DOWN: ALTERITY UP 25%;  
- AMPLIA, OPTISCAN DOWN 20%**
- \* **FEDERAL, VICTORIA, WEHI NATIONAL DRUG DISCOVERY CENTRE**
- \* **PAINCHEK: 'BUSINESS MODEL MINIMIZES COVID-19 IMPACT'**
- \* **BIOTECH DAILY EDITORIAL: COVID-19 CORONAVIRUS CLAIMS**
- \* **BIOTRON: BIT225 'UNMASKS HIV-INFECTED CELLS'**
- \* **LITTLE GREEN PHARMA EXPANDS AUSTRALIAN MARIJUANA LICENCES**
- \* **L1 CAPITAL CEASES SUBSTANTIAL IN CRESO**
- \* **AUSCANN APPOINTS DR MARC RUSSO CHIEF MEDICAL ADVISOR**
- \* **BIO-MELBOURNE BREAKFASTS ON COVID-19 CORONAVIRUS**

## MARKET REPORT

The Australian stock market tumbled 7.36 percent on Thursday March 12, 2020, with the ASX200 down 421.3 points to 5,304.6 points – its lowest since July 2016. Five Biotech Daily Top 40 stocks were up, 32 fell and three traded unchanged. All three Big Caps fell.

Alterity (Prana) was the best of the five, up 0.3 cents or 25 percent to 1.5 cents with 2.2 million shares traded. Uscom climbed 10.9 percent; Ellex and Pro Medicus were up more than one percent; with Volpara up 0.4 percent.

Amplia (Innate) and Optiscan led the falls, down 20 percent to six cents and 1.6 cents, respectively, with 635,733 shares and 442,958 shares traded, respectively. Cynata lost 19.35 percent; Imugene fell 18.2 percent; Resonance shed 17.9 percent; Compumedics was down 16.7 percent; Mesoblast, Next Science and Prescient fell more than 14 percent; Immutep, Impedimed and Proteomics were down more than 13 percent; Dimerix, Oncosil, Orthocell and Patrys fell more than 12 percent; Polynovo lost 11.05 percent; Avita and Paradigm retreated more than 10 percent; Actinogen was down 9.1 percent; CSL, Genetic Signatures, Medical Developments and Opthea were down more than seven percent; Antisense and Kazia lost more than six percent; Cochlear, Cyclopharm and Nanosonics were down more than five percent; Neuren, Pharmaxis, Resmed and Starpharma fell more than four percent; Telix shed 2.7 percent; with Clinuvel down 1.6 percent.

[FEDERAL GOVERNMENT, VICTORIA GOVERNMENT  
THE WALTER AND ELIZA HALL INSTITUTE OF MEDICAL RESEARCH](#)

The Federal and Victoria Governments and the Walter and Eliza Hall Institute say they have opened a \$75 million National Drug Discovery Centre.

Media releases from the Walter and Eliza Hall Institute, the Federal Minister for Health Greg Hunt and Victoria Minister for Health Jenny Mikakos said the centre, would be based at WEHI and would “fast-track medicines to Australian patients” through access to robotic screening equipment to screen chemicals and identify those that could alter processes implicated by a disease or condition.

The Federal Government said it provided \$25 million, the Victoria Government provided \$18 million and the Walter and Eliza Hall Institute provided \$32 million to fund the centre. WEHI said the centre was the first of its kind in Australia and its investment included income from sales of venetoclax royalties and philanthropic gifts.

The Federal Government said it would subsidize 90 percent of the screening cost through the Medical Research Future Fund to reduce the cost from more than \$300,000 to between \$30,000 and \$45,000.

The media release said the first two subsidy recipients were for projects to find medicines for type 2 diabetes and cancer immunotherapy.

The Governments said Latrobe University and the Olivia Newton-John Cancer Research Institute’s Prof Matthias Ernst would lead a project “to identify new immunotherapy cancer treatments, uncovering ways of making cancer cells more visible to the immune system and enhance the effect of anti-tumor immune therapies ... [potentially leading] to new anti-cancer drugs that could treat breast, bowel, pancreatic and other solid tumors”.

The media release said the University of Sydney and the Centenary Institute’s Prof Anthony Don would lead a project to develop drugs that reversed systemic insulin resistance that caused type 2 diabetes without the weight gain side effect.

Mr Hunt said the centre would allow medical researchers “to fast-track the development of new drugs to treat common and rare diseases, improving the quality of life for many Australians”.

Ms Mikakos said the Centre would be “a game-changer for Victoria’s world-class researchers who now have the equipment they need to turn their biomedical discoveries into new medicines, bringing life-saving treatments to patients, sooner”.

The Federal Government said it would provide two funding rounds each year with increasing capacity until 2022, and round two subsidy applications would close on March 23, 2020.

[PAINCHEK](#)

Painchek says “at this stage” the Covid-19 coronavirus is not having an adverse impact on sales and implementation of its pain test for residential aged care customers.

Painchek said the test was “a software as a service technology that is deployed in the [internet] cloud and is not subject to territories or borders that can impact on supply to clients around the globe”, with a minimized need for sales and marketing personnel to have direct access to client premises.

The company said it expected that the need for its pain assessment in residential aged care facilities would continue in a virus challenged world, as regular and reliable pain assessment remains a key duty of care facility operators.

Painchek chief executive officer Philip Daffas said the company was “taking a rational and considered approach to the coronavirus risk factor in our outlook”.

Painchek fell 0.2 cents or 2.2 percent to 8.8 cents with 6.8 million shares traded.

## [BIOTECH DAILY EDITORIAL: COVID-19 CORONAVIRUS CLAIMS](#)

A number of companies have made announcements, primarily to calm investors, saying they are not affected by the Covid-19 coronavirus.

Others have said that they have tests, diagnostics and drugs in development or able to be used in managing patients.

Last week, Dr Boreham's Crucible covered the potential risks and benefits to the biotechnology sector and not much has changed since then.

Earlier this week, Polynovo said that it was unaffected by the pandemic and we decided that was not sufficient to be reported.

Mesoblast and Cynata have discussed the potential of stem cells for treating issues following infection from Covid-19, applicable to any cold or influenza infection, as would be the case with the Respiro claim that it "agreed to a request" to supply its Wheezo to three hospitals in China.

Given that Painchek primarily services residential aged care facilities, we believe this announcement is relevant.

We shall not publish 130 companies saying that the Covid-19 does not affect them.

Where companies claim they will benefit from the pandemic we shall report that and leave readers to make up their own minds on whether the claims are valid.

**David Langsam**  
**Editor**

## [BIOTRON](#)

Biotron says its research shows that its antiviral BIT225 "unmasked HIV-infected cells" usually hidden from the immune system.

Biotron said that the data "may have profound implications for the future treatment and cure of HIV-1 infection".

Last year, the company said its 27-patient, phase II combination trial of BIT225 with anti-retro-viral drugs for HIV-infected patients showed "statistically significant immunological benefits" (BD: Sep 28, 2019).

Today, the company said that data showed that BIT225 "unmasked HIV-infected cells", usually hidden from the immune system, despite treatment with anti-HIV-1 drugs.

Biotron said BIT225 stimulated the innate immune system so that the body's cells could see the HIV-infected reservoir cells and eliminate any residual virus.

The company said that the data indicated that the addition of BIT225 to anti-HIV-1 drugs stimulated "the innate immune system so that the body's cells can see the HIV-infected reservoir cells and take the necessary steps to eliminate any residual virus".

"The results are encouraging and may have profound implications for the future treatment and cure of HIV-1 infection," Biotron said.

The company said this new data was reported at the Conference on Retroviral and Opportunistic Infections in Boston held from March 8 to 11, 2020.

Biotron was unchanged at 11.5 cents with 38.6 million shares traded.

## [LITTLE GREEN PHARMA](#)

Little Green Pharma says the Australian Office of Drug Control has expanded its medical marijuana licence to allow cultivation, production and ancillary activities.

Little Green said it had also been granted a manufacturing licence to manufacture marijuana dry flower, extracts, tinctures and resins at its new manufacturing facility.

The company said it expected first planting by July 2020.

Little Green was unchanged at 30 cents.

## CRESO PHARMA

L1 Capital Global Opportunities Fund says it has ceased to be a substantial shareholder in Creso.

Last week, the Melbourne and Cayman Islands-based L1 Capital said that it had become substantial with 11,390,976 shares or 5.48 percent (BD: Mar 9, 2020).

Today, L1 Capital said that it disposed of 1,764,351 shares on February 26, 2020, reducing its total holding to 9,626,625 shares.

According to Creso's most recent Appendix 2A application for quotation of securities, the company has 207,809,368 shares on issue and Biotech Daily calculates that L1 retains 4.63 percent of Creso.

Creso fell 0.7 cents or 9.6 percent to 6.6 cents with 1.8 million shares traded.

## AUSCANN GROUP HOLDINGS

Auscann says it has appointed Dr Marc Russo as chief medical advisor, replacing Dr Danial Schechter.

Auscann said Dr Russo was a pain medicine specialist, had established the Broadmeadow, New South Wales-based Hunter Pain Clinic and was deputy chair of the NSW Regional Committee of the Australian and New Zealand College of Anaesthetists' Faculty of Pain Medicine.

Auscann fell two cents or 10 percent to 18 cents with 1.7 million shares traded.

## BIO-MELBOURNE NETWORK

The Bio-Melbourne Network says that next Thursday's Bio-Breakfast will discuss Covid-19 and is entitled 'How to make a vaccine; why is Victoria so important?'.

The Network said that the Commonwealth Scientific and Industrial Research Organisation Health and Biosecurity Business Unit director Dr Rob Grenfell would address the Bio-Breakfast and would be followed by a panel discussion featuring Defence Materials Technology Centre Medical Countermeasures program leader Dr Felicia Pradera, CSL Organisation Transformation head Dr Andrew Douglas and the Peter Doherty Institute for Infection and Immunity's group leader Prof Damian Purcell.

The Network said the panel discussion would be facilitated by Melbourne's St Vincent's Hospital director of emergency medicine Dr Andrew Walby.

Bio-Melbourne said the Bio-Breakfast would address Australia's response to the Covid-19 pandemic, whilst also discussing the importance of the State of Victoria in severe acute respiratory syndrome-coronavirus-2 (Sars-CoV-2) research and vaccine development.

The Bio-Breakfast, sponsored by the State Government of Victoria through the Department of Jobs, Precincts and Regions, will be held in the Supper Room at Melbourne Town Hall, corner of Collins and Swanston Streets, Melbourne, on Thursday March 19, 2020 with registration from 7:20am for a 7:30am networking breakfast followed by presentations and discussion from 8am until 9am.

To register go to: <https://bit.ly/2TX8cmK>.