



Biotech Daily

Monday May 18, 2020

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH UP: MESOBLAST UP 14%; USCOM DOWN 7%**
- * **MTP CONNECT: 'APPLY NOW FOR FEDERAL COVID-19 FUNDS'**
- * **PATRY'S: \$2.85m US GRANT FOR PAT-DX1 INVENTOR**
- * **KYOCERA PAYS REGENEUS \$1.5m FOR PROGENZA OA DUE DILIGENCE**
- * **CANADA'S CAREICA HEALTH TO REFER OVENTUS O2VENT FOR APNOEA**
- * **IMUGENE RELEASES 22m ESCROW SHARES**
- * **GI DYNAMICS EXTENDS \$6.6m CRYSTAL AMBER NOTE TO JUNE**
- * **PERENNIAL TAKES 5% OF MICRO-X**
- * **RACE REQUESTS 'M-D DR PETER MOLLOY TENURE' TRADING HALT**
- * **G MEDICAL REQUESTS 'PRODUCT REGISTRATION' TRADING HALT**
- * **CANN GLOBAL REQUESTS 'RESEARCH INITIATIVES' TRADING HALT**
- * **GENETIC TECHNOLOGIES NASDAQ EXTENSION; BOARD CHANGES**

MARKET REPORT

The Australian stock market was up 1.03 percent on Monday May 18, 2020, with the ASX200 up 55.7 points to 5,460.5 points. Twenty-six Biotech Daily Top 40 stocks were up, seven fell, five traded unchanged and two were untraded. All three Big Caps were up.

Mesoblast was the best on no news, up 52 cents or 14.25 percent to \$4.17, with 16.1 million shares traded. Medical Developments, Patrys and Polynovo climbed more than seven percent; Cynata and Resonance rose more than six percent; Genetic Signatures and Volpara were up more than five percent; Kazia, LBT, Oncosil and Starpharma were up four percent or more; Immutep and Pro Medicus were up more than three percent; Antisense, Impedimed, Next Science, Opthea, Prescient and Universal Biosensors rose more than two percent; Clinuvel, CSL, Neuren, Paradigm and Pharmaxis were up more than one percent; with Cochlear, Cyclopharm, Nanosonics and Resmed up by less than one percent.

Uscom led the falls, down 1.5 cents or 6.7 percent to 21 cents, with 169,938 shares traded. Actinogen lost 5.3 percent; Proteomics fell 4.2 percent; Telix shed 2.5 percent; with Compumedics, Dimerix and Orthocell down by more than one percent.

FEDERAL GOVERNMENT, MTP CONNECT

The Federal Government and MTP Connect say applicants have 14 days to apply for up to \$1 million per project to support Covid-19 related research projects.

Media releases from Federal Health Minister Greg Hunt and the Medical Technologies and Pharmaceuticals Industry Innovation Growth Centre (MTP Connect) said the third round of Medical Research Future Fund's Biomedical Translation Bridge grants were specifically "to help find new Covid-19-related medical devices, diagnostics, vaccines or therapeutic approaches".

MTP Connect told Biotech Daily that in December 2019, the first round of funding provided \$5.9 million for eight projects and second round applications were under assessment.

The media releases said that applications for the matched funding of up-to \$1 million per project opened today and would close on June 1, 2020. For details and to apply, go to:

<https://www.mtpconnect.org.au/projects/biomedicaltranslationbridgeprogram>.

Mr Hunt said that the projects "must make an impact within 12 months to ensure research can be quickly translated into products and treatment options".

"It is hoped the research will help improve the health of Australians and people around the world suffering from Covid-19, as well as create new research jobs," Mr Hunt said.

MTP Connect chief executive officer Dr Dan Grant said his organization was "looking to support small and medium enterprises, medical research institutes and universities conducting Covid-19 related research projects".

"Speed is of the essence here, so applications will only be open for two weeks from Monday May 18, via a straightforward expression of interest process," Dr Grant said.

"Our program will support medical devices and diagnostics research, prophylactic development - such as vaccines - and therapeutic approaches that will make an impact in 12-months or less," Dr Grant said.

"MTP Connect has designed this rapid Covid-19 round to get results as quickly as possible to help protect the health of Australians and others around the world with the earliest possible deployment of new vaccines, therapeutics and devices," Dr Grant said.

"By supporting the translation and commercialization of Australian research know-how, MTP Connect said the program was delivered with Biocurate, Uniquist, the Medical Device Partnering Program and the Queensland University of Technology.

PATRYS

Patrys says that the inventor of PAT-DX1, Dr James Hansen, has received a \$US1.83 million (\$A2.85 million) research grant to continue developing the technology.

Patrys said Dr Hansen would use the US National Institutes of Health grant to further research on the use of its PAT-DX1 deoxymab technology and its nanoparticle conjugated form PAT-DX1-NP for the malignant brain cancer glioblastoma multiforme.

The company said the grant, titled 'Targeting Glioblastoma with a Nuclear-Penetrating Anti-DNA Autoantibody', was awarded to the Yale University-based Dr Hansen by the US National Institutes of Health's National Institute of Neurological Disorders and Stroke.

Patrys chief executive officer Dr James Campbell said the company congratulated Dr Hansen and the team at the Yale School of Medicine for receiving the grants to fund further pre-clinical development of PAT-DX1 and PAT-DX1-NP.

Dr Campbell said the company was "delighted that the deoxymab platform technology, invented by Dr Hansen ... has been recognised for its potential to improve outcomes for patients with brain cancers and brain metastases, which are often highly aggressive and life threatening".

Patrys was up 0.1 cents or 7.7 percent to 1.4 cents with 1.1 million shares traded.

REGENEUS

Regeneus says Tokyo's Kyocera Corp has completed due diligence on Progenza for knee osteoarthritis and will pay a JPY100,000,000 (\$A1.5 million) milestone.

Regeneus said the payment was "refundable if a definitive commercial licence [was] not executed" (BD: Mar 2, 2020).

The company said Kyocera had until the end of July 2020 for exclusive rights to negotiate a commercial license for Progenza for osteoarthritis in Japan.

Regeneus was up one cent or 15.4 percent to 7.5 cents.

OVENTUS

Oventus says Western Canada's Careica Health will include its O2Vent as an alternative for obstructive sleep apnoea patients.

Oventus said that the Winnipeg, Manitoba-based Careica would refer patients who were intolerant of continuous positive airway pressure (CPAP) from 26 Canadian homecare locations in Manitoba, Saskatchewan, Alberta and British Columbia to four sites using the Oventus 'lab-in-lab' model, which used a scanner to measure the patient's mouth size for a custom-fit for the O2Vent (BD: Jun 24, 2019).

The company said that under the three-year agreement all four locations were expected to order at least 20 O2vent Optima devices a month.

Oventus chief executive officer Dr Chris Hart said that "as Covid-19 restrictions start to lift in Canada, we currently expect to see the four lab-in-lab sites deployed by mid-June".

Oventus was up half a cent or two percent to 25 cents.

IMUGENE

Imugene says it will release 22,039,290 shares from voluntary escrow on May 27, 2020.

According to Imugene's most recent Appendix 3B new share issue announcement, the company had 4,297,976,194 shares available for trading and with the escrow release would have 4,320,015,484 shares available for trading, with a further 105,955,065 shares in ASX escrow.

Imugene was unchanged at three cents with 7.1 million shares traded.

GI DYNAMICS

GI Dynamics says it has further extended the maturity date of its \$US5,000,000

(\$A6,595,767) Crystal Amber Fund convertible note from May 15 to June 15, 2020.

Earlier this month, GI Dynamics extended the maturity date from May 1 to May15, 2020, and said that if funding was not secured it "would need to cease operations" and delist from the ASX (BD: Jun 15, 2017; May 4, 2020).

GI Dynamics was untraded at 0.2 cents.

MICRO-X

Sydney's Perennial Value Management says it has become a substantial shareholder in Micro-X with 18,676,430 shares or 5.23 percent of the company.

Perennial said that between April 23 and May 13, 2020 it bought the 18,676,430 shares for \$2,657,557 or an average of 14.2 cents a share.

Micro-X was unchanged at 13.5 cents.

RACE ONCOLOGY

Race has requested a trading halt “pending an announcement regarding the tenure of the managing-director” Dr Peter Molloy.

In the request, Race did not name Dr Molloy, who was the founder, chief executive officer and managing-director of Race when it listed on the ASX in 2016 (BD: Jul 13, 2016).

Trading will resume on May 20, 2020 or on an earlier announcement.

Race last traded at 38 cents.

G (GEVA) MEDICAL INNOVATIONS HOLDINGS

G Medical has requested a trading halt “pending the release of an announcement regarding an update on the registration status of the company’s products”.

Trading will resume on May 20, 2020 or on an earlier announcement.

G Medical last traded at 7.2 cents.

CANN GLOBAL

Cann Global has requested a trading halt “pending release of an announcement by the company regarding current research initiatives”.

Trading will resume on May 20, 2020 or on an earlier announcement.

Cann Global last traded at 0.7 cents.

GENETIC TECHNOLOGIES

Genetic Technologies says it has a Nasdaq listing requirement extension, and has appointed Peter Rubinstein as chairman and Stan Sack as chief operating officer.

Genetic Technologies said it was granted a 180-day extension to September 9, 2020 to comply with the minimum shareholder equity requirement under Nasdaq rules.

In March, the company said it would appeal a determination letter from the Nasdaq indicating that it did not comply with the Listing Rule 5550(b) the Equity Rule, which required the company to have a minimum of \$US2,500,000 (\$A4,074,472) in stockholders’ equity or a market value of listed securities of \$US35 million or net income from continuing operations of \$US500,000 in the most recent fiscal year or two of the last three most recently completed fiscal years (BD: Mar 16, 2020).

Today, the Nasdaq panel said the company had “demonstrated, on multiple occasions, the ability to raise capital in trying circumstances, it has genetic testing products under development that will likely have a broad appeal within the market place and it has retained HC Wainwright to complete another capital raise by the end of July 2020”.

In the same announcement, Genetic Technologies said it had appointed director Mr Rubinstein as chairman and Mr Sack as chief operating officer.

The company said Mr Sack had 15 years’ experience as an executive and in the aged care sector.

Genetic Technologies said Dr Jerzy Muchnicki would remain interim chief executive officer as the company continued “to review and strengthen [the] board and executive composition”.

Genetic Technologies was unchanged at 0.6 cents with 12.3 million shares traded.