



Biotech Daily

Thursday May 7, 2020

Daily news on ASX-listed biotechnology companies

- * **ASX DOWN, BIOTECH EVEN: PARADIGM UP 12%; OSPREY DOWN 10%**
- * **CSL \$1.2b LOAN**
- * **ATOMO: NG BIOTECH ORDERS 422k MORE COVID-19 TESTS**
- * **NEUREN STARTS 1st NNZ-2591 CLINICAL TRIAL**
- * **STARPHARMA: DEP-IRINOTECAN 'SAFE', PHASE II CANCER TRIAL**
- * **JAPAN PATENT FOR IMMUTEP IMP321 CANCER COMBINATION**
- * **TOTAL BRAIN RECEIVES \$1.4m IN US, AUSTRALIAN COVID-19 RELIEF**
- * **CELLMID REQUESTS 'MEDIA ARTICLE' TRADING HALT**
- * **NOXOPHARM REQUESTS CAPITAL RAISING TRADING HALT**
- * **MGC REQUESTS 'DISTRIBUTION AGREEMENT' TRADING HALT**
- * **AUSTRALIAN ETHICAL REDUCES TO 10.3% OF ANTISENSE**
- * **AUSTRALIAN ETHICAL TAKES 6.6% OF IMMUTEP**
- * **JIMMY THOMAS, IVY PONNIAH TAKE 6.6% OF STEMCELL UNITED**
- * **AUSCANN TO LOSE 12-MONTH CEO IDO KANYON**
- * **STEMCELL UNITED APPOINTS ALAN DRONKERS 'MARIJUANA ADVISOR'**

MARKET REPORT

The Australian stock market fell 0.38 percent on Thursday May 7, 2020, with the ASX200 down 22.5 points to 5,384.6 points. Fourteen of the Biotech Daily Top 40 stocks were up, 13 fell and 13 traded unchanged. All three Big Caps were up.

Paradigm was the best for the second day in a row, up 26 cents or 12.15 percent to \$2.40, with 4.1 million shares traded. Prescient climbed 9.3 percent; Dimerix was up 8.3 percent; Polynovo improved 7.9 percent; Opthea rose 6.95 percent; Avita was up 5.75 percent; Genetic Signatures was up 4.8 percent; Clinuvel, Cynata, Ellex, and Starpharma were up more than three percent; Nanosonics and Pro Medicus rose more than two percent; Cochlear, Next Science and Resmed were up more than one percent; with CSL up 0.4 percent.

Osprey led the falls, down 0.1 cents or 10 percent to 0.9 cents, with 763,158 shares traded. Imugene lost 9.7 percent; Patrys was down 7.7 percent; Alterity fell five percent; Mesoblast shed 4.1 percent; Cyclopharm was down 3.85 percent; Optiscan, Universal Biosensors and Uscom shed more than two percent; Pharmaxis and Telix lost more than one percent; with Medical Developments and Volpara down by less than one percent.

CSL

CSL says it has a \$US750 million (\$A1,170.3 million) loan with four maturities, scheduled to close in late May 2020, subject to due diligence by the lenders.

CSL said \$US100 million would be repayable at 2.38 percent interest within seven years, \$US300 million would be repayable at 2.65 percent interest within 10 years, \$US150 million would be repayable at 2.73 percent interest within 12 years and \$US200 million would be repayable at 2.83 percent interest within 15 years.

The company said the funds would be used for general corporate purposes.

CSL was up \$1.15 or 0.4 percent to \$307.93 with 689,567 shares traded.

ATOMO DIAGNOSTICS

Atomo says it has an unscheduled order from France's NG Biotech SAS for a further 422,000 blood-test devices for Covid-19 antibody rapid testing.

Atomo said the NG Biotech rapid test had Conformité Européenne (CE) mark for professional use for Covid-19 testing, it obtained results from a drop of blood in 15 minutes and indicated whether the person had antibodies as a result of infection.

The company said the order would be for a period until July 31, 2020 and took the total of devices ordered by NG Biotech over the last six weeks to 1,369,000.

Atomo said it planned to expand its production capacity to meet the anticipated ongoing demand for its rapid test devices, with the first phase of additional capacity scheduled to come online in July and further increases by the end of the year.

Atomo managing director John Kelly said the company was "excited about continuing to scale up our supply to NG Biotech as it starts to rollout the Covid-19 rapid test in France". "We remain in active discussions with NG Biotech regarding the potential expansion of our Covid-19 partnership across other territories and intended uses," Mr Kelly said.

"Discussions with two US-based companies in relation to commercialization of Covid-19 tests, subject to [US Food and Drug Administration] approval, are progressing positively and we continue to have discussions related to the supply of Covid-19 tests to the Australian market," Mr Kelly said.

Atomo was unchanged at 44.5 cents with 31.3 million shares traded.

NEUREN PHARMACEUTICALS

Neuren says it has begun its first phase I, 30-patient clinical trial of NNZ-2591 in healthy Australian adults to assess safety, tolerability and pharmacokinetics.

Last October, Neuren said it had orphan drug designation from the US Food and Drug Administration (FDA) for NNZ-2591 for Phelan-McDermid, Angelman and Pitt Hopkins syndromes (BD: Oct 11, 16, 2019).

Today, the company said the phase I trial would be open label and the first stage would test a single oral dose of NNZ-2591 at three ascending dose levels.

Neuren said the second stage would then test twice daily oral dosing for 14 days at two ascending dose levels, subject to a review of the first stage, and which it expected to conclude this year.

The company said the subjects would be split into five dosing cohorts of six subjects and it would analyze adverse events, physical and laboratory measurements and pharmacokinetic parameters.

Neuren said data from the trial would form part of an FDA investigational new drug application to proceed to phase II trials in children with neurodevelopmental disorders.

Neuren was unchanged at \$1.72.

STARPHARMA HOLDINGS

Starpharma says success in its seven-patient, phase I trial will take DEP-irinotecan to a phase II trial for colorectal, pancreatic and breast cancer.

Starpharma said seven patients were given doses of dendrimer-enhanced product (DEP) irinotecan ranging up to 12.5 milligrams/square metre (mg/m²) in up to 10 cycles in the phase I trial to evaluate safety, tolerability, pharmacokinetics, preliminary efficacy and to identify a recommended phase II dose.

The company said that all but one patient enrolled had previously been treated with at least 10 cycles of prior anticancer therapy.

Starpharma said that encouraging signs of efficacy, including prolonged stable disease and substantial tumor shrinkage, were observed in 50 percent of evaluable patients and in all three tumor types.

The company said patients generally experienced less severe side effects than typically associated with the marketed form of irinotecan, Camptosar, and showed no cases of severe diarrhoea.

Starpharma said adverse events were consistent with those seen with Camptosar, which included nausea, vomiting, alopecia and neutropaenia, though were generally less severe and were mostly mild.

The company said it identified 12.5mg/m² as its recommended phase II dose, to be administered intravenously once every three weeks.

Starpharma said the recruitment of up to 30 patients for the phase II trial was underway at trial sites in the UK and Sydney and would establish anti-tumor activity and safety.

Starpharma was up three cents or 3.1 percent to 99 cents.

IMMUTEP

Immutep says the Japan Patent Office has granted a patent for its immunotherapy candidate eftilagimod alpha or IMP321 and a chemotherapy agent for cancer.

Immutep said the patent, titled 'Combined Preparations for the Treatment of Cancer' would protect its intellectual property until December 19, 2034.

Immutep was unchanged at 13.5 cents with 4.5 million shares traded.

TOTAL BRAIN

Total Brain says it has received \$US762,000 (\$A1,189,027) from the US Paycheck Protection Program and \$215,000 from Australian Government stimulus packages for Covid-19 relief.

Total Brain director Matt Morgan told Biotech Daily that the funds would be used to offset payroll costs for employees, with the US loan forgivable in eight weeks if used on payroll, utilities or rent.

The company said it had already received the US portion and expected to receive the Australian portion over the next few months.

Total Brain was up 6.5 cents or 11.7 percent to 62 cents.

CELLMID

Cellmid has requested a trading halt "whilst the company considers its response to a media article published this morning".

Trading will resume on May 11, 2020 or on an earlier announcement.

Cellmid last traded at 18.5 cents.

NOXOPHARM

Noxopharm has requested a trading halt “pending the release of an announcement relating to a proposed capital raising program”.

Trading will resume on May 13, 2020 or on an earlier announcement.

Noxopharm last traded at 19.5 cents.

MGC PHARMACEUTICALS

MGC has requested a trading halt “pending the release of an announcement by the company in relation to a distribution agreement”.

Trading will resume on May 11, 2020 or on an earlier announcement.

MGC last traded at 2.6 cents.

ANTISENSE THERAPEUTICS

Australian Ethical Investment says it has reduced its substantial shareholding in Antisense from 55,087,546 shares (11.27%) to 50,169,853 shares (10.26%).

The Sydney-based Australian Ethical said that between April 24 and May 5, 2020 it sold 4,917,693 shares for \$239,302 or an average of 4.87 cents a share.

Antisense was unchanged at 4.8 cents.

IMMUTEP

Australian Ethical Investment says it has become a substantial shareholder in Immutep with 32,000,000 shares or 6.56 percent of the company.

The Sydney-based Australian Ethical said that on May 5, 2020 it bought the shares for \$4,000,000 or 12.5 cents a share.

STEMCELL UNITED

Jimmy Thomas and Ivy Ruth Ponniah say they have increased their substantial holding in Stemcell United from 33,990,000 shares (5.297%) to 42,011,092 shares (6.548%).

Last July, the Melbourne-based Mr Thomas and Ms Ponniah said that they had become substantial in the company with 32,195,449 shares or five percent (BD: Jul 4, 2019).

Stemcell United was up 0.1 cents or 10 percent to 1.1 cents.

AUSCANN GROUP

Auscann says chief executive officer Ido Kanyon has resigned “due to personal reasons” with director Dr Marcel Bonn-Miller to assume his executive responsibilities.

Last May, Auscann appointed Mr Kanyon as chief executive officer (BD: May 22, 2019).

Today, the company said Mr Kanyon would remain with the company for up to six months to ensure an orderly transition and it had started the search for a new chief executive officer.

Auscann fell 0.5 cents or 2.8 percent to 17.5 cents with 2.2 million shares traded.

STEMCELL UNITED

Stemcell United says it has appointed Alan Dronkers as a strategic advisor to assist the growth and development of its marijuana business.

Stemcell United said Mr Dronkers would advise it on marijuana genetics for stem cell development and on the commercialization of marijuana-based cosmetics and beauty products.

The company said Mr Dronkers was currently a special advisor to the Thailand Ministry of Agriculture, a marijuana industry advisor to the Government of Laos and an adjunct lecturer at the Rajabhat University of Chiang Mai, Thailand and the Mahanakorn University of Technology.

Stemcell United said he was involved in the reintroduction of marijuana into Thailand and was a member of the Sensi Seeds and Hemplax Groups.