



# Biotech Daily

Monday June 22, 2020

*Daily news on ASX-listed biotechnology companies*

- \* **ASX FLAT, BIOTECH DOWN: PROTEOMICS UP 13%; OPTISCAN DOWN 13%**
- \* **VICTORIA: JAALA PULFORD INNOVATION, MEDICAL RESEARCH MINISTER**
- \* **VIC AAMRI WELCOMES 1<sup>ST</sup> DEDICATED MINISTER FOR MEDICAL RESEARCH**
- \* **THC RAISES \$6.6m, SHARE PLAN FOR MORE**
- \* **DIMERIX PLACEMENT RAISES \$5.8m**
- \* **KAZIA: 'PAXILISIB BEATS TEMOZOLOMIDE FOR GLIOBLASTOMA'**
- \* **TALI COMPETES MONASH UNI RESEARCH; WORKS WITH DUKE**
- \* **IMAGION: 1st MAGSENSE BREAST CANCER TRIAL**
- \* **AZURE PREPARES FOR IVB003 PANCREATIC CANCER TRIAL**
- \* **EMERALD TO USE BINAH TECH FOR COVID-19 VACCINE TRIAL MONITORING**
- \* **PATRY'S 1-FOR-3 RIGHTS FOR \$4.3m**
- \* **IMMUTEP RECEIVES \$1.4m R&D TAX INCENTIVE**
- \* **FEDERAL COURT APPROVES AVITA US MOVE**
- \* **GI DYNAMICS: EGM BACKS ASX DELISTING**
- \* **GENETIC TECHNOLOGIES: US GENETYPE BREAST CANCER TEST PATENT**
- \* **ALTHEA, COLLECTIVE TO MANUFACTURE MARIJUANA BEVERAGES**
- \* **MGC UNMARKETABLE PARCEL FACILITY**
- \* **MEDLAB: SEAN HALL 22%; MICHAEL HALL 6%, DREW TOWNSEND 6%**
- \* **STAR BRIGHT REDUCES TO 21.6% OF ANTERIS (ADMEDUS)**
- \* **BIONOMICS CHAIR DR ERROL DE SOUZA FULL-TIME, PRO-RATA PAY CUT**

## MARKET REPORT

The Australian stock market edged up 0.03 percent on Monday June 22, 2020, with the ASX200 up 1.9 points to 5,944.5 points. Thirteen of the Biotech Daily Top 40 stocks were up, 23 fell, three traded unchanged and one was untraded.

Proteomics was the best, up five cents or 12.8 percent to 44 cents, with 135,366 shares traded. Paradigm climbed 9.25 percent; Oncosil was up 6.1 percent; Orthocell and Universal Biosensors improved five percent or more; Amplia and Antisense were up more than four percent; Opthea was up 3.3 percent; Kazia, Neuren, Resmed and Resonance rose more than two percent; with Impedimed and Next Science up more than one percent.

Optiscan led the falls, down 0.6 cents or 13.3 percent to 3.9 cents, with 1.1 million shares traded. Dimerix lost 12.5 percent; Mesoblast was down 10.6 percent; Imugene and LBT fell more than eight percent; Actinogen and Patrys were down more than seven percent; Alterity fell 6.25 percent; Genetic Signatures, Medical Developments, Polynovo, Prescient and Volpara were down three percent or more; Compumedics, Nanosonics, Starpharma and Uscom shed more than two percent; with Avita, Clinuvel, Cochlear, Ellex, Pharmaxis, Pro Medicus and Telix down by more than one percent.

## VICTORIA GOVERNMENT

Victoria has appointed Jaala Pulford as Minister for Employment, Minister for Innovation, Medical Research and the Digital Economy and Minister for Small Business.

A media release from Premier Daniel Andrews said that former Minister for the Prevention of Family Violence, Natalie Hutchins, had been appointed Minister for Victim Support, Corrections, Youth Justice, and Crime Prevention and the Member for Essendon Danny Pearson had been appointed Assistant Treasurer and Minister for Regulatory Reform. The Victoria Government said that the Minister for Jobs, Precincts and Regions Martin Pakula would also take on Industry Support and Recovery.

## VICTORIA ASSOCIATION OF AUSTRALIAN MEDICAL RESEARCH INSTITUTES

The Victoria Association of Australian Medical Research Institutes has welcomed the appointment of Jaala Pulford as Victoria's "first dedicated Minister for Medical Research". Vic AAMRI said that the appointment "highlights the importance of the medical research sector to the economic strength of Victoria, and the health of all Victorians".

Vic AAMRI chair and Burnet Institute director Prof Brendan Crabb said that Victoria was "a world leader in medical research and innovation, including in Australia's Covid-19 response and having a dedicated minister will further reinforce the key role it plays in the state's economy and healthcare system".

"We're in a good position in Victoria, following decades of strong investment by the Victorian Government in health and medical research that has fostered our global reputation as a world leader," Prof Crabb said.

"Having a dedicated minister for medical research will only add to this," Prof Crabb said.

## THC (THE HYDROPONICS COMPANY) GLOBAL GROUP

THC says it has raised \$6.6 million through a placement to institutional and sophisticated investors at 30 cents a share and offer a share purchase plan.

THC said eligible shareholders would be able to apply for up to \$30,000 of new shares at the same price under the share plan, which had a record date of June 19, was expected to open on June 25 and close on July 10, 2020.

THC said the funds would be used for working capital and to support acceleration of marijuana medicine manufacturing at its Southport facility.

The company said MST Financial was the lead manager to the placement.

THC fell four cents or 10.5 percent to 34 cents with 1.8 million shares traded.

## DIMERIX

Dimerix says it has raised \$5.8 million through a placement to institutional, sophisticated and professional investors at 36 cents a share.

Dimerix said the placement was at an 18.2 percent discount to the last closing price on June 17, 2020 and a 9.4 percent discount to the 15-day volume weighted average price.

The company said the funds would support activities associated with the Remap-Cap study, which included DMX-200 for Covid-19 related acute respiratory distress syndrome (Ards), for development of its kidney program, including logistics and distribution costs, additional manufacturing scale-up, resource, corporate costs and general working capital. Dimerix said Taylor Collison was leader manager and Argonaut was co-manager to the placement.

Dimerix fell 5.5 cents or 12.5 percent to 38.5 cents with 2.9 million shares traded.

### KAZIA THERAPEUTICS

Kazia says its ongoing 30-patient phase II trial shows that paxalisib is better than the US Food and Drug Administration (FDA)-approved temozolomide for glioblastoma.

Kazia said the interim data was presented as a poster by New York's Sloan Kettering Cancer Centre at the American Association of Cancer Research's meetings April 27 and 28, 2020 and from June 22 to 24, 2020.

The company said the interim data showed that progression-free survival for paxalisib was 8.5 months compared to 5.3 months for temozolomide and overall survival was 17.7 months with paxalisib compared to 12.7 months for temozolomide.

Kazia said it previously presented nine-patient data from stage one of the trial, but the interim analysis included all 30 patients.

The company said it also presented data from its 16-patient phase I study of Cantrixil for ovarian cancer, which found one complete response and two partial responses, for an overall response rate of 19 percent.

Kazia was up one cent or 2.2 percent to 47 cents.

### TALI DIGITAL (FORMERLY NOVITA HEALTHCARE, AVEXA)

Tali says it has completed research projects with Monash University and will work with the Duke Clinical Research Institute to evaluate its cognitive assessment tool.

Tali said it had agreed to assign Monash's intellectual property from research projects in Tali Train and Tali Detect to its subsidiary Tali Health for an undisclosed confidential fee.

The company said the research programs with the Durham, Carolina-based Duke University of Medicine's Duke Clinical Research Institute would evaluate attention-related abilities in children between three and eight years.

Tali said the first project would begin this year.

Tali was up 0.1 cents or 3.85 percent to 2.7 cents with 12.4 million shares traded.

### IMAGION BIOSYSTEMS

Imagion says its first-in-human Magsense trial of up-to 20 breast cancer patients will be conducted in Australia.

Imagion said the multi-site study would evaluate its Magsense nanoparticles, which worked as a magnetic resonance imaging (MRI) contrast agent, for safety and initial effectiveness for lymph nodal metastases in human epidermal growth factor receptor 2 (HER2) breast cancer.

The company said its Magsense technology used super magnetic relaxometry, with nanoparticles coated with tumor-targeting antibodies to tag cancer and sensors to detect the attached particles.

Imagion said its Magsense nanoparticles provided an enhanced image of specific diseased tissue to improve the ability of existing imaging technology to identify cancer tissue.

The company said it expected to begin enrollment by the end of the year.

Imagion executive chair Bob Proulx said that the primary objective was to demonstrate that the nanoparticles were safe, but the trial would "generate valuable data to show the effectiveness of our targeted nanoparticles in detecting the presence and spread of HER2 breast cancer using two different imaging modes".

"These study data will help us assess the best commercial pathway for improving nodal staging of HER2 breast cancer," Mr Proulx said.

Imagion was up 0.4 cents or 13.3 percent to 3.4 cents with 35.6 million shares traded.

## [AZURE HEALTH TECHNOLOGY \(MERGED WITH INVICTUS BIOPHARMA\)](#)

Azure says it is preparing for a 40-patient, phase II clinical study of IVB003 for pancreatic adeno-carcinoma or pancreatic cancer.

Earlier this month, Azure said it had raised \$1,686,000 through the issue of convertible notes at \$1.00 each to sophisticated investors to fund the acquisition of Invictus Biopharma for its tocotrienols pharmaceuticals, food additive and supplements business (BD: Jun 4, 2020).

Today, the company said the study would be randomized, double-blind and placebo-controlled and would analyze the safety and efficacy of IVB003, a drug candidate based on the non-invasive and direct delivery of tocotrienols using its proprietary transmucosal delivery platform.

Azure said the study would be conducted at six sites in Australia and New Zealand, with Datapharm Australia as its clinical research organisation.

Azure chief scientific officer Dr David Kingston said “tocotrienols, delivered orally, have been shown in both animal and clinical studies to induce programmed cancer cell death and inhibit transmigration of stem-cell like cancer cells” a key process in the spread of cancer cells, or metastasis.

“IVB003 delivers tocotrienols directly to the target organs and tissues non-invasively through AZT’s proprietary and patented transmucosal delivery platform and has a good safety and toxicity profile,” Dr Kingston said.

Azure said the current standard of care for pancreatic cancer provided only limited improvements to overall survival, progression-free survival and quality of life, which created an unmet clinical need for pancreatic cancer.

Azure is a public unlisted company.

## [EMERALD CLINICS](#)

Emerald says it has a \$US100,000 (\$A145,798) agreement with Binah AI and has been selected to remotely monitor 150 patients in a phase I Covid-19 vaccine trial.

Emerald chairman Dr Stewart Washer told Biotech Daily that the proposed vaccine was being developed by an unnamed, non-Australian pharmaceutical company and the trial would be part of larger global study.

In its media release, Emerald said that it would integrate the Ramat Gan, Israel-based Binah’s smartphone technology into its “real-world evidence” monitoring engine, which used video and artificial intelligence to capture vital signs, including heart rate and blood-oxygen saturation levels.

The company said that following testing and validation of the Binah technology, its data base analysis system would be able to capture and provide live reports of vital signs using just a mobile telephone camera.

Emerald said it would pay Binah a subscription fee for user licences through the agreement, which would support the launch of a new digital health and clinical monitoring service Sentinel Plus.

The company said the Perth-based Linear Clinical Research would pay the company a \$5,000 per month retainer and consultation and data management fees on a per patient basis for a separate agreement to remotely evaluate more than 150 healthy volunteer trial participants for a phase I trial for a Covid-19 vaccine.

The company said the Linear agreement was subject to review after an initial three-month period, with the study expected to be completed in December 2022.

The company said chief executive officer Dr Michael Winlo was a director of Linear.

Emerald was up 0.4 cents or 7.1 percent to six cents with 1.3 million shares traded.

## PATRY'S

Patrys says it expects to raise \$4.29 million through a fully-underwritten, non-renounceable, one-for-three rights issue at 1.2 cents a share.

Patrys said the issue price was at an 18.4 percent discount to the 10-day volume weighted average price to June 17 and a 14.3 percent discount to the closing price on June 17, 2020.

The company said shareholders would receive one option for every three new shares subscribed, exercisable at 2.4 cents per option within three years.

Patrys said the offer would be underwritten by Lazarus Corporate Finance, with the company's two largest eligible shareholders agreeing to sub-underwrite the offer for \$750,000 and entities associated with chairman John Read and chief executive officer Dr James Campbell committing \$50,000 each.

The company said the record date would be July 2, with the offer opening on July 7 and closing on July 29.

Patrys said the funds would be used to develop PAT-DX1 for an expected clinical trial in late 2021 or early 2022, for broader development of its Deoxymab platform and for funding operations, offer costs, working capital and other business development and corporate activities.

Patrys was up 0.1 cents or 7.1 percent to 1.3 cents with 2.5 million shares traded.

## IMMUTEP

Immutep says it has received \$1,437,826 from the Australian Tax Office under the Federal Government Research and Development Tax Incentive program.

Immutep said the rebate related to expenditure for the year to June 30, 2019.

Immutep was unchanged at 15.5 cents with 1.6 million shares traded.

## AVITA MEDICAL

Avita says the Federal Court of Australia has approved its scheme of arrangement to redomicile to the US.

Earlier this month, Avita said shareholders had overwhelmingly supported the redomicile to the US at its scheme meeting (BD: Apr 21, Jun 15, 2020).

Today, the company said it would list on the ASX as Avita US from June 24, 2020 under the same ASX code.

Avita said June 29, 2020 would be the last day of trading of its American depositary shares on the Nasdaq, the scheme would be implemented on June 29 and it would list as Avita US on the Nasdaq immediately following implementation.

The company said trading of its Avita US Chess depositary interests would commence on June 30, 2020.

Avita fell half a cent or 1.1 percent to 45 cents with 15.1 million shares traded.

## GI DYNAMICS

GI Dynamics says that its extraordinary general meeting voted 99.6 percent in favor of delisting from the ASX.

GI Dynamics said trading would be suspended on July 21, it would delist on July 22, 2020 and if investors did not sell their Chess depositary instruments by the delisting date, they would need to convert them to US shares.

GI Dynamics fell 0.1 cents or 25 percent to 0.3 cents with 11.0 million shares traded.



## GENETIC TECHNOLOGIES

Genetic Technologies says it has been granted a US patent for its Genotype polygenic risk test for breast cancer.

Genetic Technologies said the patent was titled 'Methods for assessing risk of developing breast cancer' but did not provide the expected duration of the patent.

According to the US Patent and Trademark Office website the filing date was April 19, 2016.

The company said it had filed a provisional patent for its Covid-19 severity risk test, titled 'Methods of assessing risk developing a severe response to Coronavirus infection' but did not state in which jurisdiction it had been filed, nor the expected duration if granted.

Biotech Daily asked Genetic Technologies for the complete details of the patents, but had not received a reply by the time of publication.

Genetic Technologies was unchanged at 0.6 cents with 46.4 million shares traded.

## ALTHEA GROUP

Althea says subsidiary Peak Processing Solutions has an agreement with Collective Project to manufacture and distribute marijuana-infused canned beverages.

Althea said it would manufacture the beverages at its Tecumseh, Ontario-based facility, subject to receipt of a Health Canada standard processing licence.

Althea was unchanged at 35.5 cents.

## MGC PHARMACEUTICALS

MGC says it has a share sale facility for holders of unmarketable parcels of shares, worth less than \$500, based on 2.4 cents a share on the record date of June 19, 2020.

MGC said that based on the sale price, unmarketable parcels were holders of 20,833 shares or fewer.

The company said the facility would allow shareholders to sell shares without brokerage or handling costs and allow the company to reduce administrative costs.

MGC said the closing date for the facility would be August 7, 2020.

MGC fell 0.2 cents or 8.3 percent to 2.2 cents with 3.7 million shares traded.

## MEDLAB CLINICAL

Medlab chief executive officer Sean Hall says his 58,425,555 share-holding has been diluted from 25.05 percent to 21.70 percent.

The Millers Point, New South Wales-based Mr Hall said that he was diluted in the \$5.4 million placement at 15 cents a share (BD: Jun 15, 2020).

Medlab fell one cent or 6.45 percent to 14.5 cents with 2.1 million shares traded.

## MEDLAB CLINICAL

Medlab chair Michael Hall says he has increased and been diluted from 15,194,445 shares (7.30%) to 15,907,383 shares (5.91%).

The Point Piper, New South Wales-based Mr Hall said that he acquired 137,062 shares in on-market sales on May 30, 2019 and April 14, 2020 for \$46,614 or 34 cents a share and exercised options on July 1, 2019 for 850,000 shares for \$255,000 or 30 cents a share.

Mr Hall said he was diluted by the issue of shares to Vollamagna Inc on March 8, 2019 and placements in December 2019 and June 2020 (BD: Dec 16, 2019; Jun 15, 2020).

### MEDLAB CLINICAL

Medlab non-executive director Drew Townsend says he has increased and been diluted from 16,055,553 shares (7.72%) to 16,135,553 shares (5.99%).

The Burraneer, New South Wales-based Mr Townsend said that he acquired 80,000 shares for \$16,000 or 20 cents a share in an off-market transfer on May 24, 2019 and exercised options on July 1, 2019.

Mr Townsend said that he was diluted due to the issue of shares to Vollamagna on March 8, 2019 and due to two \$5 million and \$5.4 million placements on December 23, 2019 and June 19, 2020 (BD: Dec 16, 2019; Jun 15, 2020).

### ANTERIS TECHNOLOGIES (FORMERLY ADMEDUS)

Star Bright Holding says it has reduced its holding in Anteris from 133,453,435 shares (22.62%) to 1,277,155 post-consolidation shares (21.61%).

In February, Admedus said that its 100-to-one consolidation had been approved by an extraordinary general meeting (BD: Feb 26, 2020).

The Hong Kong-based Star Bright said that between May 27 and June 18, 2020 it sold 60,159 shares for \$348,731 or \$5.80 a share.

Anteris fell 12 cents or 2.4 percent to \$4.85.

### BIONOMICS

Bionomics says consultant executive chairman Dr Errol De Souza has been reappointed until June 30, 2021, with pay rise which is a pro-rata pay cut.

Last year, Bionomics said Dr De Souza's salary would be \$18,000 a month for 10 days a month, equivalent to \$216,000 a year for the part-time position (BD: Mar 15, 2020).

Today, the company said that Dr De Souza would be paid \$US21,000 (\$A30,640) per month or \$367,680 a year.

A Bionomics executive told Biotech Daily that Dr De Souza's new salary was for a full-time position.

The company said that Dr De Souza would be reimbursed for you to \$US18,000 for US health insurance costs.

Bionomics said that Dr De Souza would be entitled to a bonus of up-to 70 percent of his base remuneration, up-to \$US176,400, pending financial, strategic and operational targets, as well as 12,000,000 options exercisable at four cents each within five years, as a long-term incentive.

Bionomics fell 0.3 cents or 4.3 percent to 6.7 cents.