



Biotech Daily

Thursday June 25, 2020

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH DOWN: OPTISCAN UP 5%;
- ALTERITY, PARADIGM DOWN 11%**
- * **CSL PAYS \$656m+ FOR UNIQUE'S AMT-061 FOR HAEMOPHILIA-B**
- * **VISIONEERING SHARE PLAN RAISES \$1.1m; TOTAL \$6.1m**
- * **SUDA: ASX HALTS CANCER DRUG ACQUISITION, BACK-DOOR LISTING**
- * **LIFESPOT: TGA REGISTERS FEVERTEL THERMOMETERS**
- * **NEUREN REQUESTS 'CAPITAL RAISING' TRADING HALT**
- * **ADHERIUM 23m DIRECTOR OPTIONS EGM**
- * **THC TO SUPPLY MARIJUANA TO MEDLEAF NZ**
- * **ANTANAS GUOGA SELLS ALL 3.4m OPYL SHARES**

MARKET REPORT

The Australian stock market fell 2.48 percent on Thursday June 25, 2020, with the ASX200 down 148.0 points to 5,817.7 points. Nine of the Biotech Daily Top 40 stocks were up, 23 fell, five traded unchanged and three were untraded.

Optiscan was the best, up 0.2 cents or 5.1 percent to 4.1 cents, with 50,000 shares traded. Kazia, Polynovo and Proteomics climbed more than four percent; Compumedics and Telix were up more than three percent; Ellex and LBT rose more than two percent; with CSL, Pro Medicus and Resmed up by less than one percent.

Alterity and Paradigm led the falls, both down 11.1 percent to 1.6 cents and \$3.34, respectively, with 462,947 shares and 3.3 million shares traded, respectively. Amplia, Clinuvel, Next Science, Opthea and Orthocell lost more than seven percent; Dimerix, Mesoblast and Prescient were down more than six percent; Medical Developments was down 5.5 percent; Actinogen, Antisense, Oncosil and Uscom fell four percent or more; Genetic Signatures, Impedimed, Nanosonics, Resonance and Volpara were down more than three percent; Avita and Cochlear shed more than two percent; Cynata was down 1.6 percent; with Starpharma down 0.45 percent.

CSL

CSL says it will pay the Lexington, Massachusetts-based Uniqure \$US450 million (\$A656.1 million) upfront for the rights to AMT-061 for haemophilia-B.

CSL said ATM-061, or etranacogene dezaparvovec, was an adeno-associated virus (AAV) gene therapy program which used AAV to carry a gene cassette with the patent-protected Padua variant of factor IX (FIX), the blood clotting protein lacking in people with haemophilia-B.

The company said the AMT-061 program was in phase III clinical trials and “could be one of the first gene therapies to provide potentially long-term benefits to patients with haemophilia-B” with previous trials showing that one dose of AMT-061 could reduce or eliminate the tendency for bleeding for many years by increasing factor IX plasma levels. CSL said that “should AMT-061 be successful, appropriate candidate haemophilia B patients would be able to have a one-time treatment to restore [factor IX] activity to functional levels capable of eliminating the need for frequent and ongoing replacement therapies”.

The company said it would receive exclusive rights to AMT-061 and pay Uniqure \$US450 million upfront, plus unspecified regulatory and commercial sales milestone payments and royalties.

CSL said Uniqure would complete the phase III trial and scale up manufacture for early commercial supply, subject to regulatory clearances.

The company said that the acquisition would enhance its growing gene therapy portfolio and it was developing the stem cell gene therapy CSL200 for sickle cell disease as well as having an alliance with Seattle Children’s Research Institute to develop a stem cell gene therapy for primary immunodeficiency diseases.

CSL chief executive officer Paul Perrault said that the company’s “vision for haemophilia-B patients is to offer transformational treatment paradigms that help free them from the lifelong burden of this disease”.

“Upon approval, we believe this next-generation therapy would be highly complementary to our existing haemophilia-B product portfolio,” Mr Perrault said.

“We hope that it provides patients with an alternate best-in-class treatment option, building on our legacy of delivering lifesaving innovations in haematology,” Mr Perrault said.

CSL was up \$1.64 or 0.6 percent to \$294.00 with 1.05 million shares traded.

VISIONEERING TECHNOLOGY

Visioneering says its “over-subscribed” share purchase plan at 1.4 cents per Chess depository interest has raised \$1,067,000.

In April, Visioneering said it had commitments to raise \$5 million at 1.4 cents per Chess depository instrument (CDI) and hoped to raise a further \$1 million through a share plan (BD: Apr 29, 2020).

Today, the company said that investors would receive one free option for every two CDIs purchased.

Visioneering chief executive officer Dr Stephen Snowdy that the plan added to “the \$1.5 million we received under Covid-19 disaster relief in late April and the \$5 million raised in our recent placement”.

“The company is now funded at its current scale into the third quarter of 2021,” Dr Snowdy said.

“Despite downsizing the company’s workforce and enduring the challenges of the ongoing pandemic, Visioneering continues to execute on its growth strategy,” Dr Snowdy said.

Visioneering was up 0.1 cents or 7.7 percent to 1.4 cents with 1.3 million shares traded.

SUDA PHARMACEUTICALS

Suda says the ASX might not allow it to be readmitted to the official list if it continued with a transaction to acquire “a promising [US] cancer therapy technology”

Earlier this month, Suda requested a trading halt “pending an announcement ... in relation to a proposed material licencing transaction and capital raising” which was followed by a voluntary suspension (BD: Jun 1, 5, 2020).

Today, the company said that it had hoped to finalize the transaction with “a leading US cancer research institute” and the arrangements for the proposed capital raising.

Suda said it established an independent transaction committee to assess the transaction, conducted due diligence and an independent valuation, advanced negotiations and the board was satisfied that the transaction was in the best interests of shareholders, pending a vote.

The company said it had engaged with the ASX in relation to the application of the Listing Rules to the proposed transaction and an independent expert was commissioned for an opinion on the fairness and reasonableness of the transaction.

Suda said it expected to be able to announce the transaction and capital raising when it emerged from the trading halt on June 3, 2020.

The company said that the ASX determined that the transaction would require it to re-comply with Chapters 1 and 2 of the ASX Listing Rules on admission, requirements for listing and quotation, for the purposes of Listing Rule 11.1.3, relating to a “change to nature or scale of activities”.

Listing Rule 11.1.3. says: “If ASX requires, the entity must meet the requirements in Chapters 1 and 2 as if the entity were applying for admission to the official list.”

Suda said it lodged an application for in-principle advice in relation to its suitability for readmission and the ASX formally advised that there was “a significant likelihood the ASX will exercise its discretion to decline Suda’s application for readmission if it chooses to proceed with the proposed transaction”.

The company decided that it was not possible to proceed with the proposed transaction, nor would the proposed capital raising.

Suda said that “the proposed transaction was, and remains, a significant commercial opportunity for Suda that would be potentially transformative to the company and was therefore entirely appropriate to pursue”.

The company will continue to develop its existing technology in the oncology space, anagrelide, along with its buccal spray program for Zolpimist for insomnia and products with partners Sanofi, Strides Pharma Global, Laboratorios Ordesa, Zelira Therapeutics and Cann Pharmaceutical Australia.

An ASX official referred Biotech Daily to ‘Guidance Note 12: Significant Changes To Activities’ https://www.asx.com.au/documents/rules/gn12_changes_to_activities.pdf and Listing Rule 1.19 on the ASX’s discretion concerning admission.

Suda fell 0.8 cents or 19.05 percent to 3.4 cents with two million shares traded.

LIFESPOT HEALTH

Lifespot says that following Australian Therapeutic Goods Administration registration its Fevertel infra-red thermometers are available for sale.

Lifespot said the Fevertel digital thermometer measured temperatures through the ear and forehead, and was listed as a class II medical device on the Australia Register of Therapeutic Goods.

Lifespot fell 0.4 cents or 11.4 percent to 3.1 cents.

NEUREN PHARMACEUTICALS

Neuren has requested a trading halt “pending an announcement by the company regarding a proposed capital raise”.

Trading will resume on June 29, 2020 or on an earlier announcement.

Neuren last traded at \$1.64.

ADHERIUM

Adherium says shareholders will vote to ratify and issue 23,000 000 options exercisable at four cents each to four directors.

Adherium said the extraordinary general meeting would vote to ratify the issue of 10,000,000 options each to executive chair James Ward-Lilley and chief executive officer Mike Motion, vesting in three tranches and exercisable at 4.0 cents each within seven years; issue 1,500,000 options each to directors Bryan Mogridge and Dr William Hunter exercisable at 4.0 cents each within 12 months of issue; and issue director Bruce McHarrie 500,000 employee share plan loan shares.

The company said shareholders would vote to ratify the issue of 104,261,036 shares to Bioscience Managers Translation Fund-1, along with the issue of 62,405,631 shares and 83,333,333 options to Bioscience Managers Translation Fund-1 as part of the recent \$5 million capital raising; and approve the executive share option plan (BD: May 26, 2020).. The meeting will be held online on July 24, 2020 at 9am (AEST).

Adherium fell 0.2 cents or 8.7 percent to 2.1 cents.

THC (THE HYDROPONICS COMPANY) GLOBAL GROUP

THC says it has an agreement to produce and supply medical marijuana products to the Auckland, New Zealand-based Medleaf Therapeutics.

THC said it would initially supply Medleaf with 2,250 bottles of full spectrum cannabidiol and balanced tetrahydrocannabinol with cannabidiol medicines from October 2020 to August 2021, with an automation renewal option.

THC fell 2.5 cents or 7.8 percent to 29.5 cents with 1.8 million shares traded.

OPYL

Melbourne’s Antanas Guoga says he has ceased his 11.4 percent substantial holding in Opyl, selling all 3,374,900 shares for nine cents a share on June 23, 2020.

Last week, Opyl said it raised \$738,000 at 10 cents a share (BD: Jun, 19, 2020).

Opyl fell 0.4 cents or four percent to 9.6 cents.