



Biotech Daily

Tuesday July 28, 2020

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH DOWN: PARADIGM UP 6%; OSPREY DOWN 14%**
- * **GENETIC SIGNATURES RECEIPTS UP 85% TO \$8.8m**
- * **IMPEDIMED RECEIPTS UP 21% TO \$5.4m**
- * **RESONANCE RECEIPTS UP 2% TO \$3.6m**
- * **PHARMAUST RECEIPTS DOWN 7.7% TO \$3.5m**
- * **OSPREY: H1 RECEIPTS DOWN 42% TO \$1.5m**
- * **HYDRIX RIGHTS RAISE \$2m, \$1m PLACEMENT TO GO**
- * **ATOMO, ACCESS BIO 2m NORTH AMERICA COVID-19 ANTIBODY TESTS**
- * **OPTISCAN \$350k FOR MICROSCOPES TO UNNAMED CHINA CUSTOMERS**
- * **VISIONEERING: OCULUS NATURALVUE ASIA DISTRIBUTOR**
- * **ONCOSIL FDA HDE APPLICATION FOR BILE DUCT CANCER**
- * **REDHILL: ENVISIONRX TAKES TALICIA FOR HELICOBACTER**
- * **CELLMID: TRU BEAUTY TO DISTRIBUTE ÉVOLIS HAIR CARE IN THE US**
- * **ELIXINOL JAPAN MARIJUANA DEAL**

MARKET REPORT

The Australian stock market fell 0.39 percent on Tuesday July 28, 2020, with the ASX200 down 23.7 points to 6,020.5 points. Ten of the Biotech Daily Top 40 stocks were up, 16 fell, 12 traded unchanged and two were untraded. All three Big Caps fell.

Paradigm was best, up 20 cents or 6.25 percent to \$3.40, with 2.9 million shares traded. Universal Biosensors climbed four percent; Amplia, Compumedics, Neuren and Proteomics were up more than three percent; Orthocell rose 2.9 percent; with Nanosonics, Next Science and Pro Medicus up by less than one percent.

Osprey led the falls, down 0.8 cents or 14.3 percent to 4.8 cents, with 79.0 million shares traded. Immutep and Imugene lost more than nine percent; Kazia was down 6.5 percent; Genetic Signatures shed 5.3 percent; Starpharma fell 4.6 percent; Cynata, Opthea, Pharmaxis and Resonance were down three percent or more; Polynovo and Volpara shed more than two percent; Avita, Clinuvel, CSL and Medical Developments were down more than one percent; with Cochlear, Mesoblast and Resmed down by less than one percent.

GENETIC SIGNATURES

Genetic Signatures says that receipts from customers for the year to June 30, 2020 were up 85.4 percent to \$8,816,000 compared to the previous year.

Genetic Signatures said receipts from customers for its respiratory pathogen detection kits for the three months to June 30, 2019 improved 278.3 percent to \$4,751,000 compared to the previous corresponding period.

The company said the growth of sales for the three months to June 30, 2020 “was largely attributed to demand for the new Easyscreen [severe acute respiratory syndrome coronavirus-2] Sras-Cov-2 detection kit and increasing sales to customers in Australia and Europe”.

Genetic Signatures it had cash and cash equivalents at June 30, 2020 of \$31,176,000, which was sufficient to fund 6.5 quarters of operations, compared to \$6,311,000 at June 30, 2019.

Genetic Signatures fell 15 cents or 5.3 percent to \$2.67 with 617,477 shares traded.

IMPEDIMED

Impedimed says receipts from customers for the 12 months to June 30, 2020 were up 20.8 percent to \$5,385,000 compared to the previous year.

Impedimed said that customer receipts for the three months to June 30 were up 15.2 percent to \$1,378,000 compared to the previous corresponding period.

The company said its receipts came from sales of its bio-impedance spectroscopy technologies including Sozo for heart failure and lymphedema

Impedimed said it had had cash and cash equivalents at June 30, 2020 of \$19,663,000, which would provide 5.4 quarters of cash, compared to \$11,330,000 at June 30, 2019.

Impedimed was unchanged at 7.5 cents with 3.1 million shares traded.

RESONANCE HEALTH

Resonance says that receipts from customers for the 12 months to June 30, 2019 were up 1.75 percent to \$3,601,000 compared to the previous corresponding period.

Resonance said receipts from customers for its magnetic resonance imaging software and liver iron concentration analysis technology for the three months to June 30, 2020 were down 14.9 percent to \$855,000.

The company said it had cash and cash equivalents at June 30, 2020 of \$6,859,000, or 39 quarters of operations, compared to \$3,081,000 at June 30, 2019.

Resonance fell half a cent or 3.2 percent to 15 cents with 1.6 million shares traded.

PHARMAUST

Pharmaust says receipts from customers for the year to June 30, 2020 were down 7.7 percent to \$3,509,000 compared to the previous corresponding period.

Pharmaust said receipts from customers for the three months to June 30, 2020 fell 16.7 percent to \$624,000.

The company said receipts were from its wholly-owned subsidiary Epichem’s medicinal chemistry contracts.

Pharmaust said it had cash and cash equivalents of \$2,877,000 at June 30, 2020 compared to \$2,089,000 at June 30, 2019 and had an estimated 7.6 quarters of funding.

Pharmaust was up half a cent or 2.8 percent to 18.5 cents with 2.3 million shares traded.

OSPREY MEDICAL

Osprey says customer receipts for the six months to June 30, 2020 were down 41.8 percent to \$US1,073,000 (\$A1,496,900).

Osprey said that for the three months to June 30, 2020 it had a decline in sales of its Dyevert Plus cardiac dye reduction system which “was driven by disruptions from the Covid-19 pandemic which resulted in the postponement of elective heart procedures and restricted access to hospitals for the majority of the quarter”.

The company said that it had cash and cash equivalents of \$US9,772,000, which would fund 3.5 quarters of operations, compared to cash at June 30, 2019 of \$US16,275,000. Osprey fell 0.8 cents or 14.3 percent to 4.8 cents with 79.0 million shares traded.

HYDRIX

Hydrix says it has applications for \$2.1 million in an “over-subscribed” rights offer at 7.5 cents a share, with \$1 million to go in a placement.

Hydrix said the one-for-three, underwritten, pro-rata, non-renounceable offer had received applications for \$720,556 worth of shares from shareholders, with \$1,384,251 applications for shortfall shares taking the total to \$2,104,807.

The company said it would scale back the applications to the \$1,990,557 or 26,540,754 shares it proposed earlier this month.

Hydrix said that investors in the rights offer would receive one free attaching option for every three new shares purchased, exercisable at 12 cents by July 31, 2022.

The company said it had binding commitments to raise a further \$1 million in a placement at 7.5 cents a share, also with one free attaching option for every three shares acquired.

Hydrix said the funds would be used to distribute its Angel Medical cardiac arrest alert system, partially repay debt, expands its services business, invest in product innovation, and increase financial strength and flexibility to navigate Covid-19 related disruptions.

Hydrix was unchanged at 9.5 cents.

ATOMO DIAGNOSTICS

Atomo says it has a binding agreement with the Somerset, New Jersey-based Access Bio Inc to supply two million of its rapid diagnostic tests for Covid-19.

In May, Atomo said that France’s NG Biotech SAS had ordered 1,369,000 blood-test devices for Covid-19 antibody rapid testing as part of a binding agreement to buy a total of 2.5 million tests for France and the UK (BD: May 7, 2020).

Today, the company said that following regulatory approvals, its test would be launched in the US, Canada and Mexico, and would be manufactured and sold by Access Bio.

Atomo said that Access was obliged to sell a minimum of two million products by September 30, 2021

The company said that it would receive a percentage of the gross revenue from sales.

Atomo chief executive officer John Kelly said that Access Bio was “a leading manufacturer in rapid diagnostics, with strong ties to US markets”.

Mr Kelly said that Access was “a long-standing trusted partner ... [with] existing partnerships for HIV and hepatitis C”.

“Our companies believe that blood-based rapid diagnostic testing is an essential component of the global fight against Covid-19,” Mr Kelly said.

“Given the increasing urgency of the situation in the US, we are delighted to be able to play our part in attempting to defeat this pandemic,” Mr Kelly said.

Atomo was up 2.5 cents or 6.8 percent to 39.5 cents with 20.3 million shares traded.

OPTISCAN IMAGING

Optiscan says it has will sell two of its Five-2, or Viewnivo, confocal microscopes to unnamed Chinese customers, with expected revenue of more than \$350,000.

Optiscan said it expected to receive formal orders for the microscopes "next month".

Optiscan chief executive officer Darren Lurie said the company was "delighted to see the progress that our multi-distributor model for the Chinese market is making".

"Our distributors are actively working to develop their pipeline of further sales notwithstanding the disruption caused by Covid-19," Mr Lurie said.

Optiscan was unchanged at 4.5 cents.

VISIONEERING TECHNOLOGIES

Visioneering says Singapore's Oculus Private will distribute its Naturalvue multifocal one-day contact lenses in Singapore and Hong Kong.

Visioneering said that other markets in Southeast and Northeast Asia would be added as it obtained regulatory clearances.

Visioneering chief executive officer Dr Stephen Snowdy said "the explosive growth of near-sightedness in children, particularly in Asia, is a significant health issue and a burden for health care systems and eye care professionals and effective solutions are needed".

"Naturalvue multifocal contact lenses are a proven solution that slow the worsening of near-sightedness in children," Dr Snowdy said.

Visioneering fell 0.2 cents or 11.1 percent to 1.6 cents with 7.7 million shares traded.

ONCOSIL MEDICAL

Oncosil says it has filed a US Food and Drug Administration humanitarian device exemption (HDE) application for its radiation treatment for bile duct cancer.

Last year, Oncosil said the FDA granted humanitarian use designation (HUD) to its radiation treatment for intra-hepatic cancer and distal cholangiocarcinoma, or bile duct cancer, and it would apply for humanitarian device exemption using data from its radiation for pancreatic cancer or Panco study (BD: Oct 11, 2019).

Today, the company said the submission was "an important milestone" in its strategy to explore US regulatory pathways and leverage its technology into other cancer indications.

Oncosil said that in July 2019, it held pre-submission meetings with the FDA for the HDE submission for bile duct cancer, and the filing of the HDE submission showed "the success of both the HUD designation and the HDE pre-submission meeting".

Oncosil was unchanged at 12 cents with 4.4 million shares traded.

REDHILL BIOPHARMA

Redhill says pharmacy benefit manager Envisionrx has added Talicia, formerly RHB-105 or Heliconda, to its formularies as an unrestricted branded agent for Helicobacter pylori.

In 2010, Israel's Redhill bought Myoconda (RHB-104), Heliconda (RHB-105) and Picoconda (RHB-106) from Sydney's Giaconda (BD: Aug 17, 2010).

Today, the company said that Talicia delayed-release capsules would be added to the Twinsburg, Ohio-based Envisionrx lists effective from July 1, 2020.

Redhill said that Helicobacter affected about 35 percent of the US population and was the strongest known risk factor for peptic-ulcer disease and gastric cancer.

On the Nasdaq, Redhill was up eight US cents or 1.17 percent to \$US6.90 (\$A9.67), with 189,37 shares traded.

CELLMID

Cellmid says Tru Beauty Concepts will distribute its Évolis anti-aging hair care products in North Eastern salons in the US from August 1, 2020 for an initial five years.

Cellmid said the exclusive distribution agreement included listing on the electronic commerce Salon Interactive portal.

The company said Tru Beauty was a salon distributor for 40,000 beauty salons and spas in Massachusetts, Connecticut, Rhode Island, New York, New Jersey, Pennsylvania, Delaware, Maryland, Virginia, Washington DC and West Virginia.

Cellmid said the deal was “expected to deliver significant revenue growth” from the January 2021.

Cellmid was up one cent or 8.3 percent to 13 cents with 1.4 million shares traded.

ELIXINOL GLOBAL

Elixinol says it had a two-year agreement with Elixinol Japan, allowing Elixinol Japan to manufacture and sell Elixinol branded cannabidiol food additives in Japan.

Last year, Elixinol said it sold its 50.5 percent of Elixinol Japan to Takeshi Sakurada for about \$346,000, following an investigation into non-compliant marijuana-derived cannabidiol products sold by Elixinol Japan (BD: Dec 3, 2019).

Today, the company said that the exclusive trademark and know-how licence required Elixinol Japan to pay Elixinol a three percent royalty on Elixinol Japan’s net sales for the first year, then a royalty of five percent on net sales for subsequent years.

The company said the products would be manufactured in Japan to meet market specific regulatory requirements.

Elixinol said the agreement would be renewed automatically for a further three years and could be terminated for cause, including a material breach of the agreement and failure to exceed unspecified annual revenue targets.

Elixinol chief executive officer Oliver Horn said that Japan was one of the biggest cannabidiol (CBD) markets in Asia and “thanks to an early mover advantage and a highly capable team in Japan, Elixinol is in the very fortunate position of having one of the country’s strongest CBD brands”.

“We are very excited about this new chapter following last year’s regulatory challenges, and we are now looking forward to start building and investing in the Elixinol brand again,” Mr Horn said.

Elixinol was up 1.5 cents or 8.1 percent to 20 cents with 3.5 million shares traded.