



Biotech Daily

Wednesday September 2, 2020

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH UP: ORTHOCELL UP 8.5%; OSPREY DOWN 11%**
- * **RHYTHM RIGHTS RAISE \$3.6m; TOTAL \$6m**
- * **MESOBLAST AUSTRALIAN APPROVAL FOR PHASE III COVID-19 TRIAL**
- * **TBG WINS US FDA COVID-19 RAPID ANTIBODY TEST EMERGENCY USE**
- * **G MEDICAL: ASX CONFIRMS DELISTING**
- * **M&G REDUCES TO 9.1% OF MESOBLAST**
- * **SG HISCOCK TAKES 5.1% OF ALTHEA**
- * **RACE: PHIL LYNCH CEO, DR DANIEL TILLET BACK TO CSO, ON \$200k PA**
- * **THC LOSES CEO KEN CHARTERIS, JARROD WHITE INTERIM; EXECUTIVES**
- * **MGC APPOINTS EVAN HAYES DIRECTOR, 2 EXECUTIVES**

MARKET REPORT

The Australian stock market was up 1.84 percent on Wednesday September 2, 2020, with the ASX200 up 109.8 points to 6,063.2 points. Twenty of the Biotech Daily Top 40 stocks were up, 13 fell, five traded unchanged and two were untraded. All three Big Caps rose.

Orthocell was the best, up 3.5 cents or 8.5 percent to 44.5 cents, with 765,156 shares traded. Resonance rose 7.1 percent; Proteomics was up 5.4 percent; LBT and Optiscan improved more than four percent; Impedimed, Telix and Universal Biosensors were up three percent or more; Avita, Compumedics, CSL, Impedimed, Medical Developments and Opthea rose two percent or more; Antisense, Clinuvel, Nanosonics, Nova Eye, Pharmaxis, Pro Medicus and Resmed were up more than one percent; with Cochlear and Polynovo up by less than one percent.

Osprey led the falls, down 0.3 cents or 10.7 percent to 2.5 cents, with 24.1 million shares traded. Cynata, Genetic Signatures, Prescient and Starpharma fell more than four percent; Imugene lost 3.7 percent; Dimerix and Next Science shed more than two percent; Alterity, Kazia and Mesoblast were down more than one percent; with Paradigm and Volpara down by less than one percent.

RHYTHM BIOSCIENCES

Rhythm says it has raised \$3,627,004 through a non-renounceable, pro-rata rights offer at six cents a share, including \$658,381 through a shortfall.

In July, Rhythm said it hoped to raise \$3,627,000 in a three-for-five rights offer at six cents a share, in addition to its \$2.4 million placement (BD: Jul 23, 31, 2020).

The company said the funds would be used for research and development, clinical trial recruitment, regulatory applications, marketing and business development, and general working capital.

Today, Rhythm said the offer was not underwritten but it received commitments to subscribe for the shortfall.

Rhythm was unchanged at 10.5 cents with 1.3 million shares traded.

MESOBLAST

Mesoblast says it has Australian approval to join a 300-patient, phase III trial of remestemcel-L for Covid-19 patients with acute respiratory distress syndrome (Ards).

Mesoblast said Monash Health's human research ethics committee had granted the approval to Melbourne and Sydney-based participating hospitals to join the randomized controlled study, conducted by the US National Institutes of Health-funded Cardiothoracic Surgical Trials Network, to evaluate up to 300 ventilator-dependent patients (BD: Apr 6, 30, May 6, 2020).

Mesoblast said patients would receive either two intravenous infusions of remestemcel-L three to five days apart or a placebo.

The company said it would complete an interim analysis of the first 90 patients this month in the US.

Mesoblast chief executive Prof Silviu Itescu said that "as an Australian company ... we have a responsibility to evaluate remestemcel-L in Australian patients as the country continues to grapple with Covid-19".

Monash Health principal investigator Prof Tony Goldschlager said that Monash was "pleased ... [to be] involved in this important Covid-19 trial, especially given the extensive experience we have had with Mesoblast's mesenchymal lineage cells".

Mesoblast fell nine cents or 1.7 percent to \$5.15 with 9.5 million shares traded.

TBG DIAGNOSTICS

TBG says Taiwan subsidiary TBG Biotechnology Corp has US Food and Drug Administration emergency use authorization for its Covid-19 rapid antibody test kit.

TBG said the immunoglobulin G and immunoglobulin M (IgG/IgM) test kit would be authorized for use only in certified laboratories to detect antibodies in blood serum and plasma to the severe acute respiratory syndrome-coronavirus-2 (Sars-Cov-2), the virus that caused Covid-19.

The company said the test kits would be exported from Taiwan and be available under emergency use for the duration of the Covid-19 declaration justifying emergency use of in-vitro diagnostics for Sars-Cov-2.

TBG said that under the emergency use authorization the test kit had "not undergone the same type of review as an FDA-approved or cleared [in-vitro diagnostic]".

TBG was in an ASX suspension and last traded at 27 cents.

[G \(GEVA\) MEDICAL INNOVATIONS HOLDINGS](#)

G Medical says the ASX has formally confirmed that it will remove the company from listing, subject to conditions.

Last year, G Medical said it hoped to raise \$US17,000,000 to list on the Nasdaq, and later said it would withdraw its Nasdaq registration to pursue an Over-The-Counter Quality Exchange second board, as the Nasdaq listing was not in the best interest of its shareholders and in August said it had made a formal application to delist from the ASX in preparation to list on the Nasdaq by 2021 (BD: May 20, Aug 26, 2019).

Today, G Medical said the removal would be subject to shareholder approval, a timetable of key dates and details of the share disposal process following removal.

G Medical was unchanged at 4.1 cents with 2.6 million shares traded.

[MESOBLAST](#)

M&G says it has reduced its substantial shareholding in Mesoblast from 59,684,727 shares (10.21%) to 53,272,228 shares (9.1%).

Last month, the London-based M&G said that it had reduced its holding from 65,668,769 shares (11.24%) to 59,684,727 shares (10.21%) (BD: Aug 21, 2020).

M&G later said it had reduced its holding from 64,531,906 shares (11.04%) to 58,000,971 shares (9.91%) (BD: Aug 24, 2020).

Today, M&G said that it sold shares between August 20 and 31, 2020, with the single largest sale 947,475 shares for \$4,860,563 or \$5.13 a share on August 26, 2020.

[ALTHEA GROUP HOLDINGS](#)

SG Hiscock & Company says it has become a substantial shareholder in Althea with 11,813,182 shares or 5.06 percent of the company.

The Melbourne-based SG Hiscock failed to supply the cost of the shares as required under Section 671B of the Corporations Act 2001.

Althea was unchanged at 38 cents.

[RACE ONCOLOGY](#)

Race says it has appointed Phil Lynch as chief executive officer and managing director, with Dr Daniel Tillett stepping down as interim chief operating officer.

Race said Dr Tillett would continue as chief scientific officer and executive director and executive chair Dr John Cullity would return to non-executive chair (BD: Oct 15, 2019).

The company said Mr Lynch and Dr Tillett would each receive \$200,000 a year as half-time employees and would be entitled to short-term bonuses of up-to 40 percent of salary as well as 2,000,000 options exercisable at a 48 percent premium to the 10-day volume weighted average price within five years, vesting over three year.

Race said Mr Lynch was appointed as a non-executive director in June 2020, following more than 30 years with Johnson & Johnson, including as the head of commercial growth and innovation (BD: Jun 1, 2020).

The company said Mr Lynch held a Bachelor of Business from Monash University and completed post-graduate studies at the University of Virginia's Darden Business School.

Race said Dr Tillett was appointed as a non-executive director in September 2019 and as chief scientific officer and executive director in October 2019 (BD: Sep 17, 2019).

Race was up 1.5 cents or 1.9 percent to 81 cents.

[THC \(THE HYDROPONICS CO\) GLOBAL GROUP](#)

THC says it has stood down chief executive officer Ken Charteris, replaced by chief financial officer Jarrod White on an interim basis.

THC said it had appointed former head of corporate strategy Sonny Didugu as chief operating officer, Lou Cattelan would join its board management committee and Philip Leighfield had been appointed as joint company secretary.

The company said Mr White had been with the company since 2017, including as chief financial officer since 2019, and Mr Didugu had held senior executive management roles with the company since 2018.

THC said both Mr White and Mr Didugu would receive no further remuneration for their additional responsibilities and it would begin a search for a time chief executive officer.

THC fell two cents or 8.9 percent to 20.5 cents with 2.7 million shares traded.

[MGC \(MEDICAL GRADE CANNABIS\) PHARMACEUTICALS](#)

MGC says it has appointed Evan Hayes as a non-executive director and advisor and Amir Polak as chief technology officer and head of pharmaceutical production.

MGC said it had also appointed Sabina Suljaković as the head of quality assurance in Slovenia.

The company said Mr Hayes was currently the Asia-Pacific managing director of Factors Group and an executive director, chairman of the scientific advisory board and chief scientific officer of Bioceuticals.

MGC said Mr Polak was previously the co-founder of Green City, the head of chemical production at Nano-Dimension, and previously consulted with MGC.

The company said Ms Suljaković was a registered pharmacist and registered qualified person and responsible person at the Slovenian Agency for medicines and medical devices.

MGC fell 0.1 cents or four percent to 2.4 cents with 18.3 million shares traded.