



Biotech Daily

Wednesday September 23, 2020

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH UP: ANTISENSE UP 15%; PATRYS DOWN 7%**
- * **RECCE PLACEMENT RAISES \$28m**
- * **BRAZIL APPROVES REDHILL OPAGANIB FOR COVID-19 PNEUMONIA TRIAL**
- * **POLYNOVO APPOINTS INNOVA FINLAND NOVOSORB DISTRIBUTOR**
- * **ATOMO APPOINTS DIVOC TO SELL COVID-19 ANTIBODY TEST IN INDIA**
- * **PALLA PHARMA SELLS TASMANIA PROPERTY FOR \$3m**
- * **ONCOSIL RECEIVES \$2.8m R&D TAX INCENTIVE**
- * **RHYTHM SIGNS 6th COLOSTAT TRIAL SITE**
- * **BARD1: GENEVA UNI STUDY OPTIMIZES OVARIAN CANCER KIT**
- * **MEDLAB NANOCELLE AUSTRALIAN PATENT**
- * **BOD MARIJUANA WINS GRAS STATUS**
- * **NEUROTECH STARTS IN-VITRO MARIJUANA STUDIES**
- * **FEDERAL COURT ORDERS BACK THC PLACEMENT**
- * **BIONOMICS: FIRB OKAYS APERION INVESTMENT**
- * **PLATINUM BELOW 5% IN ANTISENSE**
- * **THORNEY TAKES 5.2% OF ZELIRA IN \$2m PLACEMENT**
- * **PAC PARTNERS CEASES IN ALTHEA**
- * **MARK LAMBERT, BVF DILUTED TO 15.9% OF BIONOMICS**

MARKET REPORT

The Australian stock market rose 2.42 percent on Wednesday September 23, 2020, with the ASX200 up 139.8 points to 5,923.9 points. Twenty-four Biotech Daily Top 40 stocks were up, nine fell, six traded unchanged and one was untraded. All three Big Caps rose.

Antisense was the best, up 1.5 cents or 15 percent to 11.5 cents, with 2.75 million shares traded. Amplia climbed 11.4 percent; Compumedics was up 6.8 percent; Clinuvel and Uscom were up more than five percent; Cochlear, Cynata, Immutep, Oncosil and Proteomics improved four percent or more; CSL, Opthea and Resonance rose more than three percent; Cyclopharm, Medical Developments, Nanosonics, Polynovo, Pro Medicus, Resmed and Volpara were up two percent or more; Kazia, Mesoblast, Paradigm, Pharmaxis and Starpharma were up more than one percent; with Next Science and Telix up by less than one percent.

Patrys led the falls, down 0.1 cents or 6.7 percent to 1.4 cents, with 6.2 million shares traded. Dimerix fell 4.3 percent; Prescient lost three percent; Imugene shed 2.2 percent; Impedimed, Nova Eye and Orthocell were down more than one percent; with Avita and Neuren down by less than one percent.

RECCE PHARMACEUTICALS

Recce says it has raised \$27,950,000 through a placement to institutional, professional and sophisticated investors at \$1.30 a share.

Recce said the placement was at a 16 percent discount to the 20-day volume weight average price of \$1.55 and a 400 percent premium to its October 2019 capital raise.

The company said former executive chairman Dr Graham Melrose had agreed to sell 1,576,923 shares on the same terms as the placement for \$2.05 million.

Recce said the proceeds would be used to advance its synthetic anti-infectives, including Recce-327, Recce-435 and Recce-529, for antibiotic resistance superbugs and emerging viral pathogens, for clinical and pre-clinical trials, regulatory submissions and for general corporate purposes.

The company said Shaw and Partners was the lead manager to the placement and would be paid six percent of the total raised and issued 3.75 million unlisted options, exercisable at \$1.56 each within three years.

Recce fell eight cents or 4.9 percent to \$1.555 with 1.1 million shares traded.

REDHILL BIOPHARMA

Redhill says Brazil has approved its up-to 270-patient, phase II/III trial of opaganib for severe Covid-19 and pneumonia.

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

Today, the company said the Brazilian Health Regulatory Agency approved the global multi-center, randomized, double-blind, parallel-arm, placebo-controlled phase II/III trial of opaganib, formerly Yeliva or ABC294640 and to date, it had initiated 16 trial sites in Italy, the UK, Russia, Israel, Mexico and Brazil.

Redhill said that in parallel, an up to 40-patient, randomized, double-blind, placebo-controlled US trial had enrolled approximately 75 percent of patients and was set to be completed in the coming weeks.

Redhill chief operating officer Gilead Raday said that Brazil had "a significant number of Covid-19 cases and its addition is expected to further accelerate the global phase II/III study with opaganib".

On the Nasdaq, Redhill was up 24 US cents or 2.35 percent to \$US10.46 (\$A14.67) with 206,824 shares traded.

POLYNOVO

Polynovo says it has appointed the Helsinki-based Innova Medical Oy to sell its Novosorb biodegradable temporizing matrix for burns in Finland.

Polynovo said Innova supplied a range of wound and second degree burn products and serviced a broad range of surgeries, including plastics, trauma, general and burns.

The company said there had already been four surgical applications in Finland, for a chronic leg stump wound, burns and scar revision, and "the surgeons had reached skin graft closure stage on two of these with excellent result to date.

Polynovo said it expected to announce further European distribution agreements.

Polynovo managing director Paul Brennan said "the Innova Medical Oy team have been engaged with us for some time".

"The evaluation surgeries were completed with donated product, however, we expect sales to commence shortly," Mr Brennan said.

Polynovo was up six cents or 2.7 percent to \$2.25 with 2.4 million shares traded.

ATOMO DIAGNOSTICS

Atomo says it has appointed New Delhi's Divoc Laboratories to launch and sell its Atomorapid Covid-19 antibody test in India.

Atomo said Divoc would distribute the test on a non-exclusive basis to government, corporate, laboratories and through an established home visit network.

The company said it would provide 77,000 test kits product registration approval in India expected by July 2021.

Atomo said the agreement would be terminated if Divoc failed to order one million units over the 12 months following regulatory approval.

The company said it would receive a fixed transfer price per unit and a percentage of revenues on final product sales above that price.

Atomo managing-director John Kelly said that rapid testing was "a significant pillar of India's response to managing the Covid-19 pandemic with the numbers of daily rapid tests increasing significantly in recent months".

Atomo was up 2.5 cents or 7.1 percent to 37.5 cents with 6.4 million shares traded.

PALLA PHARMA (FORMERLY TASMANIAN POPPY INDUSTRIES)

Palla Pharma says it has sold its Tasmania-based property, where its former manufacturing facility was based, for \$2,980,000.

Palla Pharma said it would continue to use a portion of the premises for seasonal poppy straw storage through a long-term lease with the unnamed purchaser.

The company said its Tasmania premises had been partly used for in-season poppy straw storage before being freighted to its Melbourne manufacturing operations, to which it relocated in 2015.

Palla Pharma said it expected to complete the transaction in November 2020 and the gain on the sale of about \$1 million would be used to reduce debt.

Palla Pharma was up one cent or 1.35 percent to 75 cents.

ONCOSIL MEDICAL

Oncosil says it has received \$2,763,476 from the Australian Tax Office under the Federal Government Research and Development Tax Incentive program.

Oncosil said the rebated related to research and development for the year to June 30, 2020.

Oncosil was up half a cent or 4.2 percent to 12.5 cents with 1.4 million shares traded.

RHYTHM BIOSCIENCES

Rhythm says it has ethics approval for the University of Wollongong's Illawarra Health and Medical Research Institute to join its Colostat trial for colorectal cancer.

Rhythm said it had appointed Prof Philip Clingan as the principal investigator for the sixth site and had recruited the first patient.

Rhythm was unchanged at 20.5 cents with 1.2 million shares traded.

[BARD1 LIFE SCIENCES](#)

Bard1 says it has optimized its research use-only kit for ovarian cancer on the Luminex platform and a retrospective study has confirmed it is suitable to detect ovarian cancer. Bard1 said the study, conducted at the University of Geneva, showed a “very strong correlation” between the peptide signals from its optimized version 2 kit developed on the Luminex platform compared to previous data from the Meso Scale Diagnostics platform using the same samples.

The company said the test showed good discrimination between cancer patients and controls, even with fewer peptides, which could improve the ease of clinical use.

Bard1 said the next step would be to independently validate the test in a study at Griffith University’s Immunology Research Group.

Bard1 chief executive officer Dr Learne Hinch said the optimization was “an important milestone, enabling us to confidently advance the development of a commercial Bard1 autoantibody test for ovarian cancer on the Luminex platform”.

“Additionally, the Luminex platform can be applied for development of other tests using our Bard1 autoantibody approach for breast and lung cancer,” Dr Hinch said.

Bard1 was up 0.1 cents or 3.7 percent to 2.8 cents with 81.96 million shares traded.

[MEDLAB CLINICAL](#)

Medlab says it has an Australian patent for its Nanocelle drug delivery platform, used to improve drug solubility.

Medlab said the patent, titled ‘Transmucosal and transdermal delivery systems’ would protect its intellectual property until March 2036.

Medlab chief executive officer Dr Sean Hall said the patent was “the first patent granted for our Nanocelle drug delivery platform ... and a huge validation of the science behind Nanocelle and its innovative mode of action”.

Medlab was up one cent or 5.9 percent to 18 cents with 1.1 million shares traded.

[BOD AUSTRALIA](#)

Bod says its marijuana cannabidiol and hemp oil preparation is generally recognised as safe (Gras) under US Food and Drug Administration guidelines.

Bod said that an independent expert panel provided the self-affirmed Gras status which was “a major achievement” and meant that its proprietary extract was now considered safe for use in a range of food supplement and beverage applications.

The company said it would progress the launch of 10 new products in oil and soft gel capsule formats for the US, with partner the Health and Happiness Group Ltd.

Bod was up five cents or 16.4 percent to 35.5 cents with 1.1 million shares traded.

[NEUROTECH INTERNATIONAL](#)

Neurotech says it has begun in-vitro cell studies to determine the neuroprotective, anti-inflammatory and neuro-modulatory activities of its marijuana strains.

Neurotech said the studies were part of its research into marijuana for neurological disorders including autism, epilepsy and attention deficit hyperactivity disorder.

Earlier this month, the company said Melbourne’s ACS Laboratories had conducted genetic profiling and potency analysis of 80 marijuana samples from Dolce Cann Global and would begin in-vitro testing (BD: Sep 7, 2020).

Neurotech was up 0.1 cents or 7.7 percent to 1.4 cents with 2.05 million shares traded.

THC GLOBAL GROUP

THC says it has received orders from the Federal Court of Australia relating to the cleansing notice for its June 2020 placement and sellers' disclosure obligations.

In June, THC said it had raised \$6.6 million through a placement to institutional and sophisticated investors at 30 cents a share and in July, said it had raised \$1,535,000 through a share purchase plan at the same price (BD: Jun 22, Jul 17, 2020).

Today, the company said that following becoming aware of an issue with the cleansing notice, it re-lodged the notice as a cleansing prospectus with the Australian Securities and Investments Commission and made an application to the Federal Court that the placement not be ruled invalid.

THC was up half a cent or 1.9 percent to 27 cents.

BIONOMICS

Bionomics says the Foreign Investment Review Board has no objection to Aperion Investment Group acquiring up to 52 percent of the company.

Bionomics was up half a cent or 2.9 percent to 18 cents.

ANTISENSE THERAPEUTICS

The Sydney-based Platinum Investment Management says it has ceased to be a substantial shareholder in Antisense.

In January, Platinum said it held 23,655,381 shares or 5.15 percent of the company (BD: Jan 19, 2020).

Today, Platinum said that on December 30, 2019 bought 1,421,000 shares for 8.0 cents a share and on September 21, 2020 it sold 634,681 shares for 12.0 cents a share.

Biotech Daily calculates that Platinum now holds 4.998 percent of Antisense.

Antisense was up 1.5 cents or 15 percent to 11.5 cents with 2.75 million shares traded.

ZELIRA THERAPEUTICS

Zelira says Thorney Investment Group has become a 5.2 percent substantial shareholder through a \$2 million private placement at 5.4 cents a share.

Zelira said it would issue Thorney 37,037,000 shares at 5.4 cents a share, an 11.8 percent discount to the 15-day volume weighted average price, and issue Thorney one-for-one free attaching unquoted options, exercisable at 7.0 cents within two years from issue.

Zelira said the funds would be used to accelerate commercialization of its marijuana-based products.

Zelira fell 0.6 cents or 9.5 percent to 5.7 cents with 10.4 million shares traded.

ALTHEA GROUP HOLDINGS

Melbourne's PAC Partners Securities says it has ceased its substantial holding in Althea.

Last year, PAC said it had reduced its holding in Althea to 14,029,902 shares or 6.0 percent of the company (BD: Sep 26, 2019).

Today, PAC said that on September 21, 2020 it ceased to be an associate of Mancann Pty Ltd, which held 10,000,000 shares, due to the expiration of voluntary escrow share arrangements, (BD: Sep 14, 2020).

Biotech Daily calculates that PAC now holds 1.7 percent of Althea.

Althea was up three cents or 5.45 percent to 58 cents.

BIONOMICS

Mark Lambert and BVF Partners say their 108,537,206 share-holding in Bionomics has been diluted from 17.33 percent to 15.94 percent.

The San Francisco, California-based Mr Lambert said that he and BVF were diluted on September 21, 2020 following the issue of shares.

In June, Bionomics said it hoped to raise \$22 million from Malta's Apeiron, including \$5,433,320 in two tranches at four cents a share and up to \$15,000,000 through a pro-rata entitlement offer at the same price (BD: Jun 2, 2020).