



Biotech Daily

Tuesday September 29, 2020

Daily news on ASX-listed biotechnology companies

- * **ASX FLAT, BIOTECH UP: DIMERIX UP 49%; OPTISCAN DOWN 20%**
- * **FEDERAL \$9m FOR PAEDIATRIC CANCER RESEARCH**
- * **PARADIGM: BENE PHARMACHEM 25-YEAR PPS SUPPLY DEAL**
- * **ATOMO TO DISTRIBUTE ACCESS BIO'S SARS-COV-2 ANTIGEN TEST**
- * **NEUREN FILES NNZ-2591 EU ORPHAN DRUG APPLICATIONS**
- * **RHYTHM VALIDATES FINAL COLOSTAT BIOMARKERS**
- * **REGENEUS RECEIVES \$677k R&D TAX INCENTIVE**
- * **PHARMAUST: MONEPANTEL SELECTIVE FOR CANCER CELLS**
- * **4D REQUESTS 'REGULATORY APPROVAL' TRADING HALT**
- * **BOTANIX PLEADS SCHULTZ TO ASX 46% PRICE QUERY**
- * **KAZIA 2m DIRECTORS OPTIONS, 25% FEES HIKE AGM**
- * **USCOM 1.4m CHAIR PROF ROB PHILLIPS RIGHTS AGM**
- * **OSPREY WINS SUPPLIER HORIZON GONG**
- * **PROF PHILLIP DUBOIS REPLACES EMVISION DIRECTOR RYAN LAWS**
- * **MAYNE APPOINTS INTERIM CFO PETER PALTOGLOU CFO**
- * **BIO-MELBOURNE CORPORATE GOVERNANCE PROGRAM**

MARKET REPORT

The Australian stock market was unchanged on Tuesday September 29, 2020, with the ASX200 down 0.2 points to 5,952.1 points. Twenty-one Biotech Daily Top 40 stocks were up, nine fell, eight traded unchanged and two were untraded. All three Big Caps were up.

Dimerix was the best on no news, up 12 cents or 49.0 percent to 36.5 cents, with 18.2 million shares traded. Paradigm climbed 14.5 percent; Compumedics and Medical Developments improved more than six percent; Clinuvel and LBT were up four percent or more; Osprey, Polynovo and Prescient were up three percent or more; Alterity, Cynata, Kazia, Neuren, Pro Medicus and Uscom rose more than two percent; Cochlear, Impedimed, Nova Eye, Resmed and Volpara were up more than one percent; with Avita, CSL, Cyclopharm and Nanosonics up by less than one percent.

Optiscan led the falls, down 2.5 cents or 20 percent to 10 cents, with four million shares traded. Mesoblast lost 5.6 percent; Amplia, Immutep and Opthea shed two percent or more; Genetic Signatures and Universal Biosensors were down more than one percent; with Next Science and Telix down by less than one percent.

FEDERAL GOVERNMENT

The Federal Government says it will provide \$9 million for research grants into the causes, biology and progression of cancer in children and adolescents.

A media release from Federal Health Minister Greg Hunt said the 2020 Childhood Cancer Research Grants would include \$3 million for cancers in children from birth to 14 years of age, \$3 million for cancers in children between 10 and 19 years of age and \$3 million to support the overall best research, irrespective of age group.

The Government said the scope and priorities of the grants were informed in consultation with the Kids' Cancer Project and Cancer Australia.

The media release said that in the decade to 2015, nearly 1,000 Australian children under 15 years of age died of cancer and it was the leading cause of death from disease among Australian children.

"Delays in diagnosing childhood cancers can limit treatment options, and for some cancers, there are currently no effective treatments," Mr Hunt said.

The Government said the funding was from the \$20 billion Medical Research Future Fund. The grant guidelines are available at: <https://www.grants.gov.au/>.

PARADIGM BIOPHARMACEUTICALS

Paradigm says its licence and supply agreement with Bene Pharmachem for pentosan poly-sulphate sodium (PPS) has been extended for 25 years.

Paradigm said the agreement would include pentosan poly-sulphate sodium for several indications in all major pharmaceutical markets except Japan, which was covered under a separate agreement.

The company said that the Geretsried, Germany-based Bene Pharmachem remained the only US Food and Drug Administration approved manufacturer and supplier of pentosan poly-sulphate sodium.

Paradigm chief executive officer Paul Rennie said there were "no generic versions of Bene PPS on the market and this makes the exclusive supply of Bene PPS so valuable to our commercial plans".

Paradigm was up 35 cents or 14.5 percent to \$2.76 with 4.1 million shares traded.

ATOMO DIAGNOSTICS

Atomo says that pending approvals it will sell Access Bio's severe acute respiratory syndrome coronavirus-2 (Sars-Cov-2) test in Australia, New Zealand and India.

In July, Atomo said it had a binding agreement with the Somerset, New Jersey-based Access Bio to supply two million rapid diagnostic tests (BD: Jul 28, 2020).

Today, the company said that under the non-exclusive agreement it would be responsible for registering the test, branded as the Atomo Covid-19 Antigen Test in each jurisdiction.

Atomo said the test used a nasopharyngeal swab, processed at the point-of-care with results available after 10 minutes, and would complement its Atomo rapid antibody test for Covid-19, the illness caused by the Sars-Cov-2 infection.

Atomo managing director John Kelly said that "having the ability to screen for both acute infection and prior exposure at the same time, with results delivered after 10 minutes at the point of testing, could be game-changing in the way we diagnose Covid-19.

"Antigen tests have been proven to provide good detection of [Sars-Cov-2] infection in the early stage onset of symptoms".

Atomo was up 1.5 cents or 4.1 percent to 38 cents with 5.2 million shares traded.

NEUREN PHARMACEUTICALS

Neuren says it has submitted orphan drug applications to the European Medicines Agency for NNZ-2591 for Phelan-McDermid, Angelman and Pitt Hopkins syndromes.

Last year, Neuren said the US Food and Drug Administration had granted it orphan status for all three indications (BD: Oct 11, 16, 2019).

Today, the company said orphan drug designation included free protocol assistance, fee reductions and 10 years of market exclusivity, plus an additional two years if approved for paediatric use, and it expected a decision in January or February 2021, with phase II trials planned for 2021.

Neuren was up three cents or 2.7 percent to \$1.135.

RHYTHM BIOSCIENCES

Rhythm says the final two adjunct biomarkers from its Colostat blood test for colorectal cancer have been validated and proven to be reproducible.

Earlier this month, Rhythm said antibodies from two of four Colostat adjunct biomarkers had been validated and proven to be reproducible (BD: Sep 16, 2020).

Today, the company said all five biomarkers, including four adjunct and one lead, would be combined to form the final Colostat test kit.

Rhythm said it would refine the Colostat algorithm through further testing of cancerous and healthy blood samples, transfer the core technology to a third-party manufacturer and complete further verification testing to finalize the first prototype.

The company said it intended Colostat to be a “low-cost, simple, blood test for the detection of colorectal cancer aimed at mass-market screening”.

Rhythm was up half a cent or two percent to 25 cents with eight million shares traded.

REGENEUS

Regeneus says it has received \$676,591 from the Australian Tax Office under the Federal Government Research and Development Tax Incentive program.

Regeneus said the rebate related to expenditure for the year to June 30, 2020.

Regeneus was up one cent or 6.7 percent to 16 cents.

PHARMAUST

Pharmaust says screening of RNA sequencing by the Olivia Newton-John Cancer Research Institute found that sheep worm drench monepantel is selective for cancer cells. Pharmaust said Melbourne’s Olivia Newton-John Institute investigated how the entire genome of melanoma, lung cancer and ovarian cancer cell lines responded to monepantel compared to a non-cancer cell line control.

The company said it identified the genes that were switched on and off when treated with monepantel and found that changes in gene expression were relatively modest in the non-cancer cells compared to changes in the cancer cell lines, indicating that monepantel did not affect non-cancer cells, was selective towards cancer cells and supported the safety profile of monepantel on non-cancer cells.

The company said it also demonstrated that cancer cell genes involved in promoting cell division were suppressed and those involved in inducing cancer cell death were induced. Pharmaust said it had identified several genes that would be investigated further to establish the mechanism of action of monepantel.

Pharmaust was up one cent or eight percent to 13.5 cents with 1.97 million shares traded.

4D MEDICAL (FORMERLY 4DX)

4D has requested a trading halt “pending an announcement by the company to the market regarding a regulatory approval”.

Trading will resume on October 1, 2020 or on an earlier announcement.

4D was up one cent or 0.7 percent to \$1.525.

BOTANIX PHARMACEUTICALS

Botanix has told the ASX that it is not aware of any information it has not announced which, if known, could explain recent trading in its securities.

The ASX said the company’s share price rose 45.6 percent from 7.9 cents yesterday September 28 to 11.5 cents today September 29, 2020 but did not note an increase in the trading volume.

Botanix closed up one cent or 11.1 percent at 10 cents with 47.3 million shares traded.

KAZIA THERAPEUTICS

Kazia says its annual general meeting will vote to issue 2,000,000 options to directors and to increase its directors’ fees pool by 25 percent from \$560,000 to \$700,000.

Kazia said that shareholders would vote to grant chief executive officer Dr James Garner 800,000 options as a long-term incentive, exercisable at 88.12 cents by January 13, 2025 and vesting in four equal tranches from January 13, 2021, to January 31, 2024.

The company said it would vote to grant 400,000 options each to directors Iain Ross, Bryce Carmine and Steven Coffey, exercisable at a 43 percent premium to the five-day volume weighted average price to the date of grant by November 13, 2024, and vesting in four equal tranches from January 1, 2021 to July 1, 2022,

Kazia said the meeting would vote to adopt the remuneration report, re-elect Mr Carmine as a director, adopt the employee share option plan, ratify the prior issue of shares and approve a 10 percent placement capacity.

The virtual meeting will be held at: <https://web.lumiagm.com/348336580> on November 6, 2020 at 9am (AEDT).

Kazia was up two cents or 2.1 percent to 96 cents.

USCOM

Uscom says shareholders will vote to issue 1,436,782 share rights to executive chairman Prof Rob Phillips, and approve his purchase of 3,090,000 shares.

Last year, Uscom said it hoped to raise up to \$1,050,000 through a private placement at 10 cents each to management and major shareholders, including 3,000,000 shares to Prof Phillips, pending shareholder approval (BD: Sep 30, 2019).

Today, the company said that, if approved by the annual general meeting, the issue of shares would raise \$300,000 at 10 cents a share.

Uscom said the share rights would be issued under its equity incentive plan, subject to the achievement of performance and vesting conditions and vest on July 1, 2021.

Uscom said the meeting would vote to adopt its remuneration report, re-elect directors Brett Crowley and Xianhui Meng, ratify the issue of private placement shares, approve a 10 percent placement capacity and appoint BDO Audit Pty Ltd as its auditor.

The meeting will be on-line on October 29, 2020 at 11:30am (AEDT).

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

OSPREY MEDICAL

Osprey says the Charlotte, North Carolina-based group purchasing organization Premier Inc has been it the Supplier Horizon Award.

Osprey said it was one of nine suppliers to receive the award for its support of Premier members “through exceptional local customer service and engagement, value creation through clinical excellence and a commitment to lower costs”.

Osprey was up 0.1 cents or 3.7 percent to 2.8 cents with 7.7 million shares traded.

EMVISION MEDICAL DEVICES

Emvision says it has appointed neuro-radiologist Prof Phillip Dubois as an independent non-executive director, replacing Ryan Laws.

Emvision said Prof Dr Dubois was currently a professor of radiology at the University of Queensland Medical School, a non-executive director of Magnetica and Sonic Healthcare and was previously an executive director and the chief executive officer of Sonic’s imaging division.

The company said Dr Dubois was the founder, former chief executive officer and chairman of Queensland X-ray and had served on numerous government and radiology group bodies.

Emvision was up 12 cents or 4.6 percent to \$2.73.

MAYNE PHARMA GROUP

Mayne says it has appointed Peter Paltoglou as chief financial officer, a role he has held on an interim basis since March 20, 2020.

Mayne said Mr Paltoglou had more than 20 years’ experience in capital markets, corporate strategy and mergers and acquisitions and was previously the chief development officer at Mayne and the managing director of investment banking at Credit Suisse Emerging Companies in Australia.

Mayne was up half a cent or 1.3 percent to 39 cents with 3.2 million shares traded.

BIO-MELBOURNE NETWORK

Bio-Melbourne Network says it will hold three workshops in a new program, titled ‘Bio-Business Insights: Fundamentals in Corporate Governance’.

The Network said the program would provide early-stage companies and career professionals planning to become directors insights on best practice for developing, managing and maintaining board efficiency.

The Bio-Melbourne Network said that the program would be delivered through three workshops in October and November 2020, with guest speakers from Ernst & Young, Allens, Integrity Governance and Mexec careers, with more speakers to be announced.

The Network said the first session would be on October 13, 2020 from 9-11am (AEDT).

To register go to: <https://bit.ly/2S300Rt>.