



Biotech Daily

Monday October 19, 2020

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH UP: AMPLIA UP 23%; OPTHEA DOWN 14%**
- * **FEDERAL \$30m FOR UNIVERSITY, BUSINESS COVID-19 COLLABORATIONS**
- * **AVECHO: 'TPM MARIJUANA INCREASES CBD BIO-AVAILABILITY IN RATS'**
- * **NUHEARA IQBUDS BOOST ON UK NHS; Q1 DEFIES COVID-19**
- * **OPTHEA US IPO PRICED AT \$2.38, EXPECTS TO RAISE \$181m**
- * **ADALTA RECEIVES \$806k R&D TAX INCENTIVE**
- * **ANATARA REQUESTS CAPITAL RAISING TRADING HALT**
- * **PATRY'S 14.6m DIRECTOR OPTIONS AGM**
- * **STARPHARMA 973k CEO PERFORMANCE RIGHTS AGM**
- * **ALCIDION 3.1m EXECUTIVE INCENTIVE PERFORMANCE RIGHTS AGM**
- * **NYRADA 1.8m DIRECTOR DR IAN DIXON OPTIONS AGM**
- * **BIONOMICS 500k DIRECTOR DR JANE RYAN OPTIONS AGM**
- * **ANATARA LOSES DIRECTOR DR TRACIE RAMSDALE**
- * **NEUROTECH CHANGE: BRIAN LEEDMAN, DAVID CANTOR, PETER GRIFFITH**
- * **GEOFF HOLLIS REPLACES IMAGION CFO BRIAN CONN**

MARKET REPORT

The Australian stock market climbed 0.85 percent on Monday October 19, 2020, with the ASX200 up 52.6 points to 6,229.4 points. Twenty-one of the Biotech Daily Top 40 stocks were up, 14 fell and five traded unchanged. All three Big Caps were up.

Amplia was the best for the second trading day in a row, up five cents or 22.7 percent to 27 cents, with 1.8 million shares traded. Universal Biosensors climbed 8.3 percent; Dimerix rose 7.3 percent; Pro Medicus improved 6.7 percent; Uscom was up 5.7 percent; Compumedics was up 4.65 percent; Avita, Imugene, Mesoblast, Proteomics and Volpara were up three percent or more; Cochlear, Immutep, Kazia, Neuren, Paradigm and Polynovo rose two percent or more; Clinuvel, CSL, Impedimed, Nanosonics, Pharmaxis and Resmed were up more than one percent; with Next Science up 0.8 percent.

Opthea led the falls, down 38 cents or 13.7 percent to \$2.40, with 4.7 million shares traded. Antisense lost 7.1 percent; Alterity shed 6.25 percent; Patrys fell 4.55 percent; Cyclopharm, Genetic Signatures, Oncosil and Telix were down more than three percent; Nova and Prescient shed more than one percent; with Actinogen, Cynata, Medical Developments and Starpharma down by less than one percent.

FEDERAL GOVERNMENT

The Federal Government says it will direct more funding into university and business research collaborations to drive innovation and support Covid-19 recovery.

A media release from Federal Education Minister Dan Tehan said the amount of funding available for industry-engaged research would be increased by \$30 million a year, with the funds coming from the \$800 million Australian Research Council Linkage program.

Mr Tehan said that “encouraging greater collaboration between universities and businesses will ensure we are producing job-ready graduates with the skills that will be in demand for the jobs of the future”.

AVECHO BIOTECHNOLOGY (FORMERLY PHOSPHAGENICS)

Avecho says preliminary in-vivo studies of its tocopheryl phosphate mixture (TPM) marijuana formulations show it increases cannabidiol (CBD) bio-availability in rats.

Avecho said in-vivo testing, conducted at the University of Copenhagen’s Bioneer Farma, found that all TPM formulations produced higher average area-under-the-curve than commercial CBD formulation, ranging from four to 40 times and peak plasma concentration ranging between six and 41 times than the commercial CBD formulation.

The company said the increases were statistically significant for the best formulations.

Avecho said further animal studies might be conducted but it planned to begin human clinical trials, with dosing to begin by April 2021.

Avecho chief executive officer Dr Paul Gavin said the company’s products “aim to increase the oral absorption of cannabinoids, overcome the limitations associated with poor bio-availability and high variability in absorption, and improve the cost and benefits to patients”.

Avecho was up 0.1 cents or 14.3 percent to 0.8 cents with 20.5 million shares traded.

NUHEARA

Nuheara says that its Iqbuds Boost have been put on the UK National Health Services’ hearables category and it has recovered from Covid-19 delays.

Nuheara said the UK NHS had created a new category for audiological equipment, services and related consumables and would include its Iqbuds Boost for 24 months.

Nuheara chief executive officer Justin Miller said the company was “delighted that the NHS UK has followed the lead of NHS Scotland and created a framework that now supports a hearables category”.

“With the framework now in place, we also look forward to the prospect of expanding our product offering within it,” Mr Miller said.

Separately, Nuheara said receipts from customers for the three months to September 30, 2020 were up 17.7 percent to \$532,000 compared to the previous corresponding period.

The company said receipts were down 32.7 percent from \$790,000 for the three months to June 30, 2020.

“Nuheara has made a solid start to the new financial year with a great recovery from Covid-19 manufacturing delays that impacted the business,” Mr Miller said.

“We had a record quarter of product shipments with revenue that then exceeded our total invoiced product revenue for the entirety of [2019-’20],” Mr Miller said. “The strong sales performance was reinforced by the commencement of a [Hewlett Packard] collaboration that delivered on our commitment to drive revenue diversification through also building on Nuheara’s service offering”.

Nuheara was up 0.2 cents or 4.1 percent to 5.1 cents with 2.8 million shares traded.

OPTHEA

Opthea says it expects to raise \$US128.2 million (\$A180.8 million) through a US initial public offer, priced at \$US13.50 (\$A19.03) per American depository share (ADS). Opthea said it would offer 8,563,300 ADSs, representing 68,506,400 Australia shares, or each ADS equal to eight Australian shares, implying a \$2.38 value per Australian share. Last month, in a draft registration, Opthea proposed to raise up to \$US150 million (\$A212.3 million) (BD: Sep 25, 2020).

Today, the company said it had granted the underwriters a 30-day option to purchase an additional up to 1,425,000 ADSs and the offer would close on October 20, 2020.

Opthea said Oppenheimer & Co and Truist Securities were joint lead managers to the offering, with Citigroup and SVB Leerink joint book runners for the offer.

Opthea fell 38 cents or 13.7 percent to \$2.40 with 4.7 million shares traded.

ADALTA

Adalta says it has received \$805,525 from the Australian Tax Office under the Federal Government Research and Development Tax Incentive program.

Adalta said the rebate related to research and development expenditure for the year to June 30, 2020.

Adalta fell half a cent or 3.7 percent to 13 cents with 1.4 million shares traded.

ANATARA LIFESCIENCES

Anatara has requested a trading halt "pending an announcement in relation to a capital raising".

Trading will resume on October 21, 2020 or on an earlier announcement.

Anatara last traded at 20 cents.

PATRYS

Patrys says its annual general meeting will vote to grant directors Dr James Campbell, John Read, Susan Jones, Michael Stork and Dr Pamela Klein 14,600,000 options.

Patrys said it proposed to grant managing-director Dr Campbell 11,000,000 options, chair Mr Read 1,200,000 options and directors Ms Jones, Mr Stork and Dr Klein 800,000 options each, exercisable at the higher of the 43 percent premium to the five-day volume weighted average price or 2.4 cents. within four years.

The company said the options would vest equally one year from approval and a share price of 3.0 cents or more and two years from shareholder approval and a share price of 4.0 cents or more.

Patrys said it would also vote to adopt its remuneration report, re-elect Ms Jones as a director, ratify the prior issue of 7,500,000 options, ratify the appointment of BDO Audit as its auditor, approve an amendment to its constitution and approve the 10 percent placement facility.

The virtual meeting will be on November 19, 2020 at 1pm (AEDT) with registration at:

https://us02web.zoom.us/webinar/register/WN_o-U1K_aURyablGvqG-n30g.

Patrys fell 0.1 cents or 4.55 percent to 2.1 cents with 9.4 million shares traded.

STARPHARMA HOLDINGS

Starpharma says its annual general meeting will vote to issue chief executive officer Dr Jacinth Fairley 973,221 performance rights in lieu of a cash bonus and as an incentive. Starpharma said it would issue Dr Fairley 176,755 rights in lieu of the \$188,580 cash bonus, vesting on June 30, 2021.

The company said it would issue a further 159,293 rights as a deferred short-term incentive and 637,173 rights as a long-term incentive under her 'at risk' remuneration, subject to key performance indicators.

Starpharma said it would also vote to adopt its remuneration report, re-elect Robert Thomas and David McIntyre as directors, approve the employee performance rights plan and renew the proportional takeover provisions in its Constitution.

The virtual meeting will be held on November 20, 2020 at 11am (AEDT) with registration at: <https://web.lumiagm.com/?fromUrl=380851287>.

Starpharma fell one cent or 0.7 percent to \$1.48 with 1.15 million shares traded.

ALCIDION GROUP

Alcidion says investors will vote to grant 3,110,821 performance rights to chief executive officer Kate Quirke and chief medical officer Prof Malcolm Pradhan.

Alcidion said the annual general meeting would vote to grant 2,547,511 performance rights to Ms Quirke, which would vest on June 30, 2023 on the release of audited accounts to June 2023 if the company's total shareholder return outperforms the S&P ASX200 from July 1, 2020 to June 30, 2023 and is a positive increase.

The company said it would vote to grant 563,309 rights to Prof Pradhan, which would vest upon the same conditions.

Alcidion said it would vote to adopt its remuneration report, re-elect Rebecca Wilson as a director, approve an amendment to its Constitution and approve the 10 percent placement facility.

The virtual meeting will be held on November 19, 2020 at 2pm (AEDT) with registration at: https://us02web.zoom.us/webinar/register/WN_tQAq7ZDPQBqg_kqCdVSvJQ.

Alcidion was up half a cent or four percent to 13 cents.

NYRADA INC

Nyrada says its annual general meeting will vote to issue 1,800,000 options to director Dr Ian Dixon as an incentive.

Nyrada said the options would be exercisable at the higher of the fair market value or 120 percent of the 10-day volume weighted average price within three years and vesting in three equal tranches.

The company said it would also vote to elect directors John Moore, Peter Marks, Christopher Cox, Marcus Frampton, Ruediger Weseloh and Dr Dixon and approve the 10 percent placement capacity.

The virtual meeting will be held on November 19, 2020 at 10am (AEDT) online at: https://us02web.zoom.us/webinar/register/WN_ts6jZCnYQViO7VULIyWeIA.

Nyrada fell half a cent or 2.4 percent to 20 cents.

BIONOMICS

Bionomics says its annual general meeting will vote to issue non-executive director Dr Jane Ryan 500,000 options, exercisable at 16.87 cents each by November 20, 2021. Bionomics said the options would vest equally for five years on the anniversary of the date of acceptance.

The company said it would also vote to adopt its remuneration report, elect Dr Srinivas Rao and Dr Ryan as non-executive directors and approve its employee equity plan.

The virtual meeting will be held on November 20, 2020 at 9:30am (ACDT) and available via: <https://web.lumiagm.com/>.

Bionomics fell half a cent or 3.7 percent to 13 cents.

ANATARA LIFESCIENCES

Anatara says Dr Tracie Ramsdale will not seek re-election as a non-executive director at the 2020 annual general meeting.

Anatara chair Sue MacLeman thanked Dr Ramsdale “for her valuable contribution since joining the board on August 4, 2014”.

NEUROTECH INTERNATIONAL

Neurotech says it has appointed Brian Leedman chair, director Dr David Cantor has retired, with Peter Griffith chief executive officer of Maltese subsidiary AAT Research.

Neurotech said Mr Griffith was formerly a director and chief executive officer of the company and following the changes, the board would consist of Mark Davies, Winton Willesee and Mr Leedman.

The company said it would grant 20,000,000 options, exercisable at 1.5 and 2.0 cents by October 31, 2023 to Mr Leedman, subject to shareholder approval and Mr Leedman remaining as a director until April 19, 2021.

Neurotech said Mr Leedman was previously the chair of Ausbiotech Western Australia, the founder of Resapp Health, Oncosil Medical and Biolife Sciences and a director of Alcidion and was currently the chair of Neuroscientific and Nutritional Growth Solutions. The company said Mr Leedman held a Bachelor of Economics and a Master of Business Administration from the University of Western Australia.

Neurotech fell 0.1 cents or 4.8 percent to two cents with 6.3 million shares traded.

IMAGION BIOSYSTEMS

Imagion says the Melbourne-based Geoff Hollis has joined Imagion as chief financial officer, replacing Brian Conn effective from December 1, 2020.

Imagion said Mr Hollis was previously the chief financial officer for several ASX listed companies, including Lifestyle Communities and worked for Pitcher Partners for 10 years.

Imagion was up 0.2 cents or 2.6 percent to 7.9 cents with 9.9 million shares traded.