



# Biotech Daily

Monday October 5, 2020

*Daily news on ASX-listed biotechnology companies*

- \* **ASX, BIOTECH UP: MESOBLAST UP 12%; ANTISENSE DOWN 9%**
- \* **BIO'S DR JEREMY LEVIN REPLACES OPTHEA CHAIR GEOFFREY KEMPLER**
- \* **BIO-MELBOURNE, LSQ GOVERNANCE, DIRECTORS PROGRAM**
- \* **PYC CLAIMS VEGF INHIBITOR '2nd POTENTIAL BLOCKBUSTER'**
- \* **FEDERAL RESEARCH & DEVELOPMENT TAX INCENTIVE SURVEY**
- \* **RECCE RECEIVES \$640k R&D TAX INCENTIVE**
- \* **FORMER OPTISCAN DIRECTOR IAN MANN INCREASES, DILUTED TO 7%**
- \* **SHIMANO, M-D PETER GRIFFITHS TAKE 6.2% OF NEUROTECH**

## MARKET REPORT

The Australian stock market was up 2.59 percent on Monday October 5, 2020, with the ASX200 up 150.1 points to 5,941.6 points.

Twenty-four of the Biotech Daily Top 40 stocks were up, seven fell and nine traded unchanged. All three Big Caps were up.

Mesoblast was the best, up 37 cents or 11.6 percent to \$3.56, with 32.8 million shares traded. Impedimed improved 11.0 percent; Optiscan climbed 9.1 percent; LBT was up 8.3 percent; Actinogen and Clinuvel were up more than seven percent; Proteomics rose 5.8 percent; Medical Developments and Paradigm were up more than four percent; Imugene and Resonance improved more than three percent; Neuren, Orthocell, Polynovo and Uscom rose more than two percent; Avita, CSL, Cynata, Nanosonics, Opthea, Pro Medicus, Resmed, Starpharma and Volpara were up more than one percent; with Cochlear, Compumedics and Cyclopharm up by less than one percent.

Antisense led the falls, down one cent or 8.7 percent to 10.5 cents, with 2.5 million shares traded. Alterity lost 2.1 percent; Dimerix, Pharmaxis, Prescient and Universal Biosensors shed more than one percent; with Telix down 0.9 percent.

## [OPTHEA \(FORMERLY CIRCADIAN TECHNOLOGIES\)](#)

Opthea says it has appointed BIO chair Dr Jeremy Levin as chairman, replacing Geoffrey Kempler, effective from October 12, 2020, following the annual general meeting.

Then trading at 35 cents, in 2015, Mr Kempler was appointed a director and chair of the then Circadian Technologies with the company saying his experience as chairman of a dual ASX and Nasdaq listed biotechnology company, as well as his US capital market and industry connections would be “particularly beneficial to Circadian as it advances OPT-302 through clinical development” (BD: Dec 1, 2015).

In August the company said it was planning a Nasdaq listing and last month filed a US Securities and Exchange Commission registration statement to raise up to \$US150 million (\$A212.3 million) (BD: Aug 24, Sep 25, 2020).

Today, Opthea said that Dr Levin was currently Ovid Therapeutics’ founder and executive chair, as well as the chair of the Biotechnology Innovation Organisation, the industry’s largest trade organization.

Opthea said Dr Levin was previously the chief executive officer of Teva Pharmaceutical Industries, a member of Bristol-Myers Squibb Company’s executive committee and was the head of strategic alliances at Novartis.

The company said Dr Levin had been a director of public and private bio-pharmaceutical companies, including Biocon, and was currently a director of Lundbeck.

Opthea said Dr Levin held a Bachelors, Masters and Doctor of Philosophy from the University of Oxford and a Bachelor of Medicine and Bachelor of Surgery from the University of Cambridge.

Mr Kempler said “Dr Levin’s track record and experience in the biotechnology and pharmaceutical industry, together with his knowledge and support, will be instrumental as the company advances its phase III-ready product candidate, OPT-302, for the treatment of wet age-relate macular degeneration and diabetic macular oedema”.

Opthea was up three cents or 1.1 percent to \$2.86 with 411,305 shares traded.

## [BIO-MELBOURNE NETWORK, LIFE SCIENCES QUEENSLAND](#)

The Bio-Melbourne Network and Life Sciences Queensland says they will hold three workshops of corporate governance and building better boards.

The Bio-Melbourne Network said that it had partnered with Life Sciences Queensland for the even and LSQ members could apply for a discounted ticket price.

The Network said the first session in the ‘Bio-Business Insights: Fundamentals in Corporate Governance’ program was titled ‘Fundamentals of Corporate Governance’ and would be held on October 13, 2020 from 9am to 11am (AEDT).

To register for the session or the full program, go to: <https://bit.ly/2S300Rt>.

The Bio-Melbourne Network said the second session ‘Building a Competent Board’ would be held on October 21, 2020 from 9am to 10:30am (AEDT) with registration available at:

<https://bit.ly/2GGUbGD>; with the third session, titled ‘Achieving Functional Efficacy’ on November 26, 2020 from 9am to 10:30am (AEDT) and registration available at:

<https://bit.ly/2GHbzek>.

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.

## PYC THERAPEUTICS (FORMERLY PHYLOGICA)

PYC says it has identified an antisense oligonucleotide that inhibits vascular endothelial growth factor proteins, claiming “a potential blockbuster” for eye disease.

The term “blockbuster” generally refers to drugs with sales of more than \$US1 billion in one year.

The company said its new drug targeted diabetic retinopathy and age-related macular degeneration with current vascular endothelial growth factor (VEGF) drugs Elea and Lucentis generating more than \$US10 billion in annual sales.

In April, PYC said that its lead drug candidate had effectively treated retinitis pigmentosa type 11 using its cell penetrating peptide-antisense oligonucleotide technology, in-vitro (BD: Apr 1, 2020).

Last month, the company said that embedding its cell penetrating peptides, formerly known as ‘Phylomers’, in the surface of lipid nanoparticles improved the efficacy of lipid nanoparticle drug delivery, in-vitro, and combining its peptides with lipid nanoparticles “creates a potent and safe delivery technology to carry [small interfering ribonucleic acid] siRNA into cells” (BD: Sep 8, 2020).

Today, PYC said it had filed patents for proliferative retinal diseases and the compound inhibited vascular endothelial growth factor (VEGF) proteins, which caused blood vessel growth in the retina and characterized proliferative retinal diseases, including diabetic retinopathy and neo-vascular age-related macular degeneration (nAMD).

The company said current VEGF inhibitors stopped the destruction of retinal tissue due to new blood vessel growth, but also removed the pro-survival signal of VEGF proteins, which caused retinal nerve cells to die over time.

PYC said it had overcome this challenge through a mechanism to switch “from the ‘pro’ new blood vessel isoform of VEGF proteins VEGF165a) to the ‘anti’ new blood vessel isoform of VEGF protein (VEGF165b) (a protein isoform is coded for by the same gene, but due to different RNA-splicing the proteins have different or opposing functions)”.

“This type of approach has recently been recognized in one of the leading ophthalmology journals as an ‘excellent therapeutic strategy,” PYC said.

The company said the new drug promoted expression of VEGF165b over VEGF165a during RNA splicing, used the same backbone chemistry and target cells as its lead drug program and would be delivered with its cell penetrating peptide (CPP) drug delivery technology.

PYC said a prolonged expected half-life in the retina would allow patients to have longer intervals between drug doses to improve patient compliance with the therapy.

The company said it would progress the lead drug candidate to pre-clinical animal efficacy models of proliferative retinal disease to demonstrate the “anti-new blood vessel growth capabilities” and patient derived cell models to demonstrate the “pro-survival” capabilities of the drug.

PYC chief scientific officer Prof Sue Fletcher said “the prospect of a second drug candidate to treat ocular disease and to potentially save the sight of an additional group of patients is a very important development for our team”.

“The ability to switch isoforms is one of the great advantages of antisense oligonucleotide therapeutics, and we are excited that we have been able to leverage this strategy as a potential treatment for diabetic retinopathy and [neo-vascular age-related macular degeneration],” Prof Fletcher said.

PYC was up two cents or 13.3 percent to 17 cents with 6.4 million shares traded.

## FEDERAL GOVERNMENT

The Federal Government survey of the Research and Development Tax Incentive program opened last week and closes on October 11, 2020.

The Department of Industry, Science, Energy and Resources said it wanted “to understand your current experience in engaging with the R&DTI to inform future program improvements”.

The Department website said that responses would help “target specific areas for improvement to ensure the R&DTI is accessible to companies who are doing eligible R&D”

“This will allow us to improve how we administer the program and make doing business with the government easier for you,” the Department said.

The Bio-Melbourne Network said it “encouraged” member companies to complete the survey.

The Network said that the Department aimed to understand: the time people spend accessing the incentive; their experience engaging with the program; and how useful they find the program guidance.

The survey is at: <https://consult.industry.gov.au/r-d-tax/customer-experience-with-rdti/>.

## RECCE PHARMACEUTICALS

Recce says it has received \$640,049 from the Australian Tax Office under the Federal Government Research and Development Tax Incentive program.

Recce said the rebate related to research and development for the year to June 30, 2020. Recce was up one cent or 0.9 percent to \$1.09 with 966,100 shares traded.

## OPTISCAN IMAGING

Former Optiscan director Ian Mann says he has increased and been diluted from 41,855,945 shares (9.95%) to 41,955,945 shares (7.03%).

The Melbourne-based Mr Mann said that on October 24, 2017 he acquired 1,600,000 shares for \$55,000 or 3.4 cents a share in an option conversion and later sold 1,500,000 shares for \$89,756 or 6.0 cents a share on October 21, 2019.

Mr Mann said he was diluted in a series of share issues between October 18, 2017 and October 1, 2020.

Optiscan was up one cent or 9.1 percent to 12 cents.

## NEUROTECH INTERNATIONAL

Shimano Ventures Limited says it has become a substantial shareholder in Neurotech with 24,249,984 shares or 6.24 percent of the company.

In a substantial shareholder notice signed by director Peter Griffiths, the Vaduz, Liechtenstein-based Shimano Ventures said that on September 30, 2020 it acquired 16,957,606 shares for \$136,000 or 0.8 cents a share.

Mr Griffiths is Neurotech’s chief executive officer and managing-director.

Neurotech was up 0.1 cents or 7.7 percent to 1.4 cents with 1.3 million shares traded.