



Biotech Daily

Wednesday November 4, 2020

Daily news on ASX-listed biotechnology companies

- * **ASX FLAT, BIOTECH UP: NANOSONICS UP 12.5%; PATRYS DOWN 12.5%**
- * **MICRO-X WINS \$5.6m US AIRPORT SECURITY SCANNING CONTRACTS**
- * **NANOSONICS COVID RECOVERY, UNIT PURCHASES UP 4%**
- * **UNIVERSAL BIOSENSORS RECEIVES \$2.8m R&D TAX INCENTIVE**
- * **LIFESPOT: MID WEALTH PLACEMENT RAISES \$721k**
- * **DR ASHRAY GUNJUR WINS \$210k MONASH FOUNDATION SCHOLARSHIP**
- * **ACTINOGEN: US FDA REQUESTS ADDITIONAL XANAMEM DATA**
- * **AVECHO: 'IMPROVED TPM-PROPOFOL SAFE IN RATS'**
- * **ADHERIUM, HGE EVALUATE HAILIE REMOTE MONITORING**
- * **PHARMAXIS: AGM 45% OPPOSE CEO GARY PHILLIPS RIGHTS**
- * **COGSTATE PARTNER EISAI CHINA J-V**
- * **WILLOUGHBY CAPITAL INCREASES, DILUTED TO 16% OF KAZIA**
- * **RICHARD MANN, ASSOCIATES TAKE 5.7% OF IMUGENE**
- * **STARFISH, MICHAEL PANACCIO, JOHN DYSON, TRUJON HAVE 35% OF DORSAVI**
- * **ESENSE DIRECTOR BENJAMIN KARASIK RESIGNS**

MARKET REPORT

The Australian stock market fell 0.07 percent on Wednesday November 4, 2020, with the ASX200 down 4.3 points to 6,062.1 points. Twenty-seven of the Biotech Daily Top 40 stocks were up, seven fell and six traded unchanged.

Nanosonics was the best, up 64 cents or 12.5 percent to \$5.76, with 3.7 million shares traded. Prescient climbed 7.3 percent; Starpharma was up 6.4 percent; Osprey was up five percent; Actinogen, Compumedics, Medical Developments, Pharmaxis and Polynovo improved four percent or more; Alterity, Oncosil and Uscom were up more than three percent; Avita, Impedimed, Neuren, Next Science, Opthea, Proteomics and Volpara rose two percent or more; Cochlear, Imugene, Mesoblast, Pro Medicus and Resmed were up more than one percent, with Clinuvel, Cyclopharm, Cynata, Genetic Signatures and Paradigm up by less than one percent.

Patrys led the falls, down 0.3 cents or 12.5 percent to 2.1 cents, with 5.7 million shares traded. Amplia fell five percent; Antisense and Optiscan shed two percent or more; Kazia, Immutep and Telix were down more than one percent; with CSL down 0.1 percent.

MICRO-X

Micro-X says it has \$US4 million (\$A5.6 million) for two x-ray contracts with the US Transportation Security Administration.

Micro-X said its Seattle, Washington-based subsidiary Micro-X Inc was advised by the US Department of Homeland Security that, following a competitive process, it was selected for funding for two proposals to develop airport passenger self-screening.

In July, the US Food and Drug Administration gave the company 510(k) clearance for its Rover mobile medical x-ray for military medical facilities (BD: Jul 20, 2020).

Micro-X said at that time that the Rover system weighed 95 kilograms and had the higher power needed for trauma imaging, previously only available with conventional technology more than five times the Rover's weight.

In September, the company said the World Health Organisation's \$1.4 million order for Rover x-ray units for Pacific Island nations was its first Rover order for deployed or temporary medical facilities, under an Australian Defence contract (BD: Sep 30, 2020).

Today, Micro-X said it would receive up-to \$US1.5 million to develop a self-service baggage scanner and up-to \$US2.5 million to develop a design for the self-service check-in portal, in a consortium it would lead with Melbourne's Elenium Automation, Monash University and others.

The company said the design and manufacture of a prototype self-service baggage scanner was subject to formal contracts with delivery required within 12 months, after which the Department of Homeland Security would undertake six months of testing.

Micro-X said the award for the design of the overall security portal system incorporating the x-ray scanner was also subject to formal contracts and required design of the self-service portal, incorporating travel and identity verification, accessible baggage x-ray and body scanning with review by the Department of Homeland Security within 20 months.

In a teleconference this morning, Micro-X chief executive officer Peter Rowland said the concept was a single, integrated self-serve x-ray and human imaging system to scan for explosives and other prohibited items, costing about \$US750,000 per unit.

Mr Rowland said the process would reduce staff costs and increase health and safety at 440 airports across the US, which usually scanned two million passengers per day.

Mr Rowland said that the human scanning system would use the current "millimetre wave" technology and not x-ray, which would be used on carry-on and other baggage.

Mr Rowland said that each of the existing 2,200 x-ray conveyor-belt scanning units at airports would be replaced by four to six self-scanning portals.

In a media release, Micro-X said that the Transportation Security Agency had a 2021 budget of \$US8.24 billion, a workforce of about 34,000 officers at airport checkpoints with an annual labor cost of \$US3.5 billion, with the airport security markets in Europe and the rest of the world each similarly-sized to the US.

Micro-X said its carbon nano-tube x-ray technology allowed for an array of miniature x-ray tubes to be fitted into a small scanner unit "providing a high resolution, dual energy, [computed tomography] image which can be used to enable accurate automated detection of explosives and prohibited items".

"Fast switching of the x-ray tubes allows high-speed imaging and the software developed by Micro-X on the UK Government program will be used for three-dimensional image reconstruction," the company said.

Micro-X said the use of automated threat detection software meant automated decision-making was possible with human intervention required only for alarm resolution.

The company said that chief scientist Dr Brian Gonzales would lead the programs.

Micro-X was up eight cents or 44.4 percent to 26 cents with 8.95 million shares traded.

[NANOSONICS](#)

Nanosonics says it is recovering from the Covid-19 pandemic, with consumable sales up four percent for the four months to October 31, 2020 compared to 2019.

Nanosonics said unit consumable purchases were up 25 percent compared to the four months to June 30, 2020 and global unit sales were back up to 80 percent of sales for the six months to December 31, 2019.

Nanosonics chief executive officer Michael Kavanagh said the while the company continued “to face uncertainties and the potential for further lockdowns and disruptions associated with the Covid-19 pandemic, it is pleasing to see the rate of recovery in the first four months of [2020-'21], demonstrating the ongoing strength in the underlying fundamentals of the busines”.

Nanosonics was up 64 cents or 44.4 percent to 26 cents with 8.95 million shares traded.

[UNIVERSAL BIOSENSORS](#)

Universal Biosensors says it has received \$2,804,096 from the Australian Tax Office under the Federal Government Research and Development Tax Incentive program.

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

Universal Biosensors was unchanged at 31 cents.

[LIFESPOT HEALTH](#)

Lifespot says it has raised \$720,500 through a private placement to MID Wealth at 5.5 cents a share.

Lifespot said the shares would be subject to voluntary escrow for six months from the issue date and the funds would be used to fund clinical trials of its Medihale inhaler device and other marijuana inhalational devices and to complete the final stages and ongoing marketing of its Bodytel Fevertel workplace and home products.

Lifespot was up 0.2 cents or 3.4 percent to 6.1 cents.

[GENERAL JOHN MONASH FOUNDATION](#)

The General John Monash Foundation says Olivia Newton John research fellow Dr Ashray Gunjur has won a \$210,000 scholarship to study at England’s Cambridge University.

The Foundation said Dr Gunjur held a Bachelor of Medicine and Bachelor of Surgery from the University of Melbourne, a Master of Public Health and Tropical Medicine from James Cook University and would complete his Doctor of Philosophy in cancer immunotherapy.

[ACTINOGEN MEDICAL](#)

Actinogen says the US Food and Drug Administration has requested additional data for its Xanamem investigational new drug application for Alzheimer’s disease.

Actinogen said the FDA told the company it needed the additional data and further submissions to consider the proposed design of future US trials, including to increase the dosing and duration of Xanamem beyond 10 milligrams daily for three months.

The company said this would not materially impact its planned clinical trials, which would commence in Australia by July 2021.

Actinogen was up 0.1 cents or 4.8 percent to 2.2 cents with 1.7 million shares traded.

AVECHO BIOTECHNOLOGY

Avecho says its improved tocopheryl phosphate mixture (TPM) propofol anaesthetic has proven safe in a continuous 24-hour infusion in a rat toxicology study.

In 2019, Avecho said its partner Terumo Corp had handed back its TPM-propofol and would not progress development of the drug in Japan, after it was found to be safe for the induction and short-term maintenance of anaesthesia, but not for a complete 24-hour infusion (BD: Oct 17, 2019).

Today, the company said a toxicology study, at the Wilmington Massachusetts-based Charles River Laboratories, administered a human equivalent dose of the improved formulation to rats, who survived the 24-hour treatment period in good health, as well as the following seven-day observation period without adverse changes.

Avecho said the results supported ongoing licencing discussions for TPM propofol.

Avecho chief executive officer Dr Paul Gavin said the result “proves we have overcome the observed deficiencies of our previous propofol formulation”.

“While safe for the induction and short-term maintenance of anaesthesia, the previous vehicle was not acceptable for a complete 24-hour infusion,” Dr Gavin said.

“This was a major impediment to securing a licencing deal,” Dr Gavin said.

Avecho was up 0.4 cents or 40.0 percent to 1.4 cents with 26.6 million shares traded.

ADHERIUM

Adherium says HGE Health has engaged 178 chronic obstructive pulmonary disease patients for a pilot evaluation of its Hailie remote patient monitoring technology.

Adherium said the patients were engaged through the Pennsylvania-based HGE Care platform and the next phase of the pilot program would be to introduce its Hailie sensors to monitor patient medication use to understand medication use and adherence, with planned commercialization by July 2021.

Adherium was up 0.2 cents or 9.5 percent to 2.3 cents.

PHARMAXIS

Pharmaxis says 45.2 percent of votes at its annual general meeting opposed the issue of 942,000 performance rights to chief executive officer Gary Phillips.

Pharmaxis said 35,373,218 votes (45.2%) opposed Mr Phillips’ rights, with 42,938,340 votes (54.8%) in favor, with a similar number opposed to the re-election of directors Dr Kathleen Metters and Dr Neil Graham, while the remuneration report passed easily.

According to Pharmaxis most recent Appendix 2A, the company had 396,855,348 shares on offer, meaning the 35,373,218 votes against Mr Phillips rights amounted to 8.9 percent of the company, sufficient to call extraordinary general meetings.

Pharmaxis was up half a cent or 4.8 percent to 11 cents with 17.8 million shares traded.

COGSTATE

Cogstate says its partner Eisai Co has established a Shanghai joint venture with JD Health called Jingyi Weixiang to build a health service platform in China.

Last month, Cogstate said Eisai would pay \$US15 million upfront and at least \$US30 million in royalties for a licence to its cognitive assessment technology (BD: Oct 26, 2020).

Today, the company said some digital cognitive testing tools developed through the joint venture would use its technology.

Cogstate fell half a cent or 0.5 percent to \$1.08.

KAZIA THERAPEUTICS

Willoughby Capital says it increased and been diluted in Kazia from 10,890,000 shares (17.52%) to 19,220,000 shares (16.1%).

The Sydney-based Willoughby said that on October 8 and 30, 2020, it acquired 3,125,000 shares for \$2,500,000 or 80 cents a share and between July 3, 2019 and October 30, 2020 it acquired 1,914,000 shares for \$981,435 or 51.3 cents a share.

Willoughby said that it also acquired shares and was diluted in the \$9 million placement and share plan at 40 cents a share in April and the \$25.2 million one-for-three, rights offer at 80 cents a share last month (BD: Apr 9, May 6, Oct 2, 23, 2020).

Kazia fell one cent or 1.3 percent to 77 cents.

IMUGENE

Richard John Mann and associates say they have become substantial in Imugene with 249,496,995 shares or 5.66 percent of the company.

The Charters Towers, Queensland-based Mr Mann, Mann Beef and Yasmin Marie Dennis Mann said that between June 15 and October 22, 2020 they acquired 102,044,631 shares for between 2.6 and 5.9 cents a share.

Imugene was up 0.1 cents or 1.8 percent to 5.6 cents with 7.4 million shares traded.

DORSAVI

Starfish, Michael Panaccio, John Dyson and Trujon say they have increased and been diluted from 72,767,755 shares (43.49%) to 101,819,921 shares (35.20%).

Melbourne's Starfish Ventures, Dorsavi director Mr Panaccio, Mr Dyson and Trujon said that between December 21, 2018 and July 1, 2020 they acquired shares in the \$2,088,616 rights offer at 5.8 cents a share, \$1.7 million convertible notes and placement and \$186,760 share plan at 2.7 cents a share (BD: Dec 18, 2018, Nov 28, Dec 30, 2019).

Dorsavi was up 0.1 cents or 3.3 percent to 3.1 cents.

ESENSE-LAB

In an Appendix 3Z final director's interest notice, Esense says director Benjamin Karasik has resigned as of October 31, 2020.

In 2018, Esense said Mr Karasik was appointed a director (BD: Feb 9, 2018).

Esense was in a suspension and last traded at 1.8 cents.