



Biotech Daily

Wednesday January 20, 2021

Daily news on ASX-listed biotechnology companies

- * **ASX UP, BIOTECH DOWN: DIMERIX UP 9%; RESONANCE DOWN 7%**
- * **COMPUMEDICS H1 ORDERS UP 13% TO \$20m, REVENUE DOWN 7%**
- * **MICRO-X H1 RECEIPTS UP 291% TO \$3.5m**
- * **ECOFIBRE H1 RECEIPTS DOWN 28% TO \$17.8m**
- * **ALTHEA SHARE PLAN RAISES \$3.8m, TOTAL \$9.8m**
- * **POLYNOVO APPOINTS POLAND, TURKEY NOVOSORB DISTRIBUTORS**
- * **BOTANIX: SYNTHETIC CBD 'KILLS GRAM-NEGATIVE BACTERIA, IN-VITRO'**
- * **RHYTHM COMPLETES COLOSTAT PROTOTYPE**
- * **ORTHOCELL RECEIVES \$2.3m R&D TAX INCENTIVE**
- * **SIMAVITA VOTES 92.5% TO DELIST FROM ASX ON FEBRUARY 22**
- * **AZURE WINS BRAZIL TOCOTRIENOLS PATENT**
- * **BIONOMICS COMPLETES BNC105 COLORECTAL CANCER TREATMENT**
- * **ELA CAPITAL TAKES 8.6% OF LIFESPOT**

MARKET REPORT

The Australian stock market was up 0.41 percent on Wednesday January 20, 2021, with the ASX200 up 27.8 points to 6,770.4 points. Fifteen of the Biotech Daily Top 40 stocks were up, 20 fell and five traded unchanged.

Dimerix was the best, up 2.5 cents or 9.4 percent to 29 cents, with 2.8 million shares traded, followed by Avita up 9.15 percent to \$6.80, with 1.65 million shares traded. Polynovo climbed 7.3 percent; Prescient improved 6.4 percent; Oncosil was up four percent; Starpharma and Uscom were up more than three percent; Compumedics, Cynata, Medical Developments and Paradigm rose more than two percent; Genetic Signatures, Neuren, Opthea, Resmed and Telix were up more than one percent; with Cochlear up by 0.22 percent.

Resonance led the falls, down 1.5 cents or 7.1 percent to 19.5 cents, with 774,337 shares traded. Antisense lost six percent; Amplia, Immutep and Universal Biosensors fell five percent or more; Imugene, Osprey and Pro Medicus fell more than four percent; Mesoblast, Patrys and Volpara were down three percent or more; Alterity and Nova shed more than two percent; Clinuvel, Nanosonics, Next Science, Orthocell, Pharmaxis, and Proteomics were down one percent or more; with CSL and Cyclopharm down by less than one percent.

COMPUMEDICS

Compumedics says sales orders for the six months to December 31, 2020 rose 12.8 percent to \$20.3 million, compared to the pre-Covid-19 corresponding period.

Compumedics said sales orders were primarily for its Orion Lifespan magneto-encephalography (MEG) device for brain-mapping and its Somfit consumer sleep device.

The company said it expected sales revenues for the six months to December 31, 2020 to be about seven percent lower than the previous corresponding period due to “logistical and shipping delays with various customers and countries” as a result of Covid-19.

Compumedics says it expected the sales pipeline for the six months to June 30, 2021 to be consistent with the six months the December 31, 2020.

Compumedics was up one cent or 2.4 percent to 43 cents.

MICRO-X

Micro-X says receipts from customers for the six months to December 31, 2020 were up 291.1 percent to \$3,512,000 compared to the previous corresponding period.

Micro-X said the receipts came from sales of its Caresteam DRX Revolution Nano and Rover mobile x-rays, including a \$1.3 million agreement with the Australian Defence Force for the Rover x-ray (BD: Dec 17, 2020).

The company said the receipts from customer for the three months to December 31, 2020 were up 107.0 percent to \$1,623,000.

Micro-X said it had cash and cash equivalents of \$12,846,000 at December 31, 2020, compared to \$12,359,000 at December 31, 2019.

Micro-X fell one cent or 2.6 percent to 37 cents.

ECOFIBRE

Ecofibre says its receipts from customers for the six months to December 31, 2020 were down 28.2 percent to \$17,821,000.

Ecofibre said customer receipts for sales of its marijuana and hemp-based food additives and textiles in the three months to December 31, 2020 were down 4.2 percent to \$10,766,000 compared to the previous corresponding period.

The company said it had cash and cash equivalents of \$13,348,000 at December 31, 2020, compared to \$23,184,000 at December 31, 2019.

Ecofibre fell 1.5 cents or 0.8 percent to \$1.915.

ALTHEA GROUP HOLDINGS

Althea says it has raised \$3,781,000 in an over-subscribed share plan at 44 cents a share, taking the total raised to \$9,781,000.

In December, Althea said it had raised \$6 million in a placement and hoped to raise a further \$3 million in a share plan (BD: Dec 15, 2020).

Today, the company said it would use the funds to accelerate growth, including its UK operations and its Althea Concierge for online marijuana sales.

Althea was unchanged at 46 cents with 2.5 million shares traded.

POLYNOVO

Polynovo says Hortho Medical Innovations and Incomed Saglik Hiz will distribute its Novosorb biodegradable temporizing matrix in Poland and Turkey respectively.

Polynovo said that the Gdynia, Poland-based Hortho was the exclusive distributor for Novosorb biodegradable temporizing matrix (BTM) skin graft for burns in Poland, with the Ankara, Turkey-based Incomed Saglik Hiz to distribute the Novosorb BTM in Turkey through its medical sales channel, Lotus.

Polynovo managing-director Paul Brennan Brennan said that Poland was “an exciting growth market in Europe and we see this partnership as an important step in expanding our sales in Europe.”

Mr Brennan said that Turkey was “an important geographical and commercial link in our European, Mediterranean and Middle East strategy”.

“We will now be able to service surgeons who work across [Europe, the Middle East and Africa] and expand the inter-surgeon referral of the benefits of Novosorb BTM,” Mr Brennan said.

Polynovo was up 18 cents or 7.3 percent to \$2.66 with 6.4 million shares traded.

BOTANIX PHARMACEUTICALS

Botanix says its synthetic cannabidiol has shown anti-microbial activity against a range of pathogenic bacteria and can kill certain Gram-negative bacteria, in-vitro.

Last year, Botanix said it had completed a 60-patient phase IIa study of two different formulations of its synthetic cannabidiol BTX1801 for the eradication of Staphylococcus aureus and methicillin-resistant Staphylococcus aureus (MRSA) from the nasal cavity of healthy participants (BD: Dec 14, 2020).

In 2019, the company said preliminary data “highlighted the unique properties of synthetic cannabidiol as a remarkably active Gram-Positive broad-spectrum antibiotic, that bacteria cannot form resistance to over time” (BD: Sep 6, 2019).

Earlier in 2019, Botanix said BTX1801 for skin infections killed super bugs without resistance in-vitro and in mice, killing bacteria in less than three hours and disrupting the bacterial biofilms, with AB2367 effective against human and veterinary strains of the gram-positive bacteria clostridium difficile, the “hypervirulent” epidemic strains ribotype 027 and ribotype 078 in-vitro (BD: (BD: Jun 20, Jul 15, 2019).

Today, the company said that an article, titled ‘The antimicrobial potential of Cannabidiol’ published in Communications Biology showed that synthetic cannabidiol could “kill a select group of Gram-negative bacteria, including the bacteria responsible for gonorrhoea, meningitis and legionnaires disease”.

The article is available at: <https://www.nature.com/articles/s42003-020-01530-y>.

Botanix said that gonorrhoeae was Australia’s second most notified sexually transmitted infection but the ability to treat gonorrhoeae was reducing due to antimicrobial resistance and the was “no longer a single reliable class of oral antibiotic for treatment of [Neisseria] gonorrhoeae”.

Botanix executive chairman Vince Ippolito said the published data “clearly establishes Botanix as the world leader in characterizing and exploiting the pharmaceutical potential of synthetic cannabinoids as antimicrobials, and vast potential for the development of novel and effective treatments”.

The company said it expected to announce data from the phase IIa study of BTX1801 by April 2020.

Botanix was up one cent or 7.4 percent to 14.5 cents with 32.6 million shares traded.

RHYTHM BIOSCIENCES

Rhythm says its Apprieu, France-based manufacturer Biotem has completed the manufacturing of the prototype Colostat colorectal cancer test kit (BD: Dec 2, 2020).

Rhythm said that initial performance testing of the Biotem manufactured kits indicated a comparable performance to prototype test kits manufactured by the company.

In November, the company said that preliminary results from 200 blood samples showed the Colostat prototype outperformed the faecal immunochemical test and data from individual biomarker tests (BD: Nov 12, 2020).

Today, Rhythm said that testing was on track for completion by the "end of March 2021". Rhythm was up eight cents or 6.35 percent to \$1.34 with 1.3 million shares traded.

ORTHOCELL

Orthocell says it has received \$2,394,397 from the Australian Tax Office under the Federal Government Research and Development Tax Incentive program.

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

Orthocell fell half a cent or one percent to 50.5 cents with 1.6 million shares traded.

SIMAVITA

Simavita says 92.52 percent of votes at its special meeting voted to delist from the ASX on February 22, 2020.

In October, Simavita said it planned to delist from the ASX and continue as an unlisted company focused on the commercialization of its Smartz wearable and disposable nappy technology for adults and infants (BD: Oct 30, 2020).

In December, the company said the resolution to delist failed at its special meeting with 66.6 percent of shareholders in favor, with the special resolution requiring a 75 percent majority (BD: Dec 2, 2020).

Today, Simavita said the resolution to delist from the ASX was carried with 712,339,124 votes (92.52%) in favor and 57,589,599 votes (7.48%) opposed.

The company said that a second resolution to change 2,300,000 non-convertible debt notes to convertible into Chess depository instruments (CDIs) was passed with 510,648,461 votes (89.93%) in favor and 57,199,043 votes (10.07%) against.

Simavita said it would trade on the ASX until the close on February 18, 2021.

Simavita was unchanged at 1.6 cents.

AZURE HEALTH TECHNOLOGY

Azure says the Brazilian Patent Office has approved an application titled 'Transmucosal delivery of tocotrienols'.

Azure said the patent application was directed to compositions formulated for transmucosal delivery of tocotrienols for the treatment or prevention of post exercise muscle soreness, delayed onset muscle soreness, improving exercise endurance and performance, reducing inflammation, cardiac fibrosis and treatment of cancer.

The company said that once granted, the patent would provide intellectual property patent rights until 2033.

Azure chief executive officer Dr Glenn Tong said the company had corresponding patents granted in the US, Canada, the European Union, Japan, China, Australia, New Zealand, Singapore and South Africa.

Azure is a public unlisted company.

BIONOMICS

Bionomics says it has dosed all 90 patients in its phase II trial of BNC105 in combination with Bristol-Myers Squibb's nivolumab for metastatic colorectal cancer.

Last year, Bionomics said it had completed recruitment for the two-arm, randomized trial to determine objective response rates in two drug combinations, as well as monitor progression-free survival, adverse events and overall survival (BD: Apr 15, 2020).

Today, the company said that the trial sponsor, the Australasian Gastro-Intestinal Trials Group, expected the results to be available by July 2021, ahead of the previously timeline of early 2023.

Bionomics fell one cent or 6.25 percent to 15 cents.

LIFESPOT HEALTH

The Toronto, Canada-based Ela Capital says it has become a substantial shareholder in Lifespot with 14,515,734 shares or 8.6 percent of the company.

Ela Capital said it bought the shares between October 13, 2020 and January 19, 2020, with the single largest purchase 11,329,573 shares for \$793,070 or seven cents a share.

Yesterday, Lifespot said it placed its \$793,070 rights issue shortfall with Ela Capital, bringing the total raised to \$3,079,042 million (BD: Nov 4, 2020; Jan 19, 2021).

Lifespot was up two cents or 16.7 percent to 14 cents with 1.9 million shares traded.