



Biotech Daily

Tuesday February 2, 2021

Daily news on ASX-listed biotechnology companies

- * **ASX UP, BIOTECH EVEN: PROTEOMICS UP 9%; ACTINOGEN DOWN 5%**
- * **ELLUME \$303m US SARS-COV-2 HOME TEST PRODUCTION, SUPPLY DEAL**
- * **VOLPARA BUYS US BREAST SCREEN CRA HEALTH FOR \$29m**
- * **PRO MEDICUS: FDA CLEARS BREAST DENSITY ALGORITHM**
- * **ACRUX SHARE PLAN RAISES \$9.9m, TOTAL \$17.7m**
- * **DORSAVI RIGHTS SHORTFALL RAISES \$1.55m; TOTAL \$3.7m**
- * **EYEPOINT HOPES TO RAISE \$131m FOR EYP-1901 FOR WET AMD**
- * **RESAPP WINS EURO PATENT FOR RESPIRATORY DIAGNOSTIC**
- * **AROA DROPS APPULSE J-V FOR DIRECT NORTH AMERICA SALES**
- * **CANNPAL: WA SUPREME COURT ORDERS AUSCANN MERGER MEETING**
- * **ASX: CARDIEX REINSTATED**
- * **ANTEOTECH REQUESTS 'ELLUME US DEAL' TRADING HALT**
- * **HERAMED REQUESTS 'CAPITAL RAISING' TRADING HALT**
- * **MGC REQUESTS 'LONDON DUAL LISTING' TRADING HALT**
- * **SIMAVITA: CHEVRON 14%, TIGA 14%, 52nd 13%, DUSSMAN 8%, KAPOK 6%**

MARKET REPORT

The Australian stock market was up 1.49 percent on Tuesday February 2, 2021, with the ASX200 up 99.6 points to 6,762.6 points. Fourteen of the Biotech Daily Top 40 stocks were up, 15 fell and 11 traded unchanged.

Proteomics was the best, up six cents or 8.8 percent to 74 cents, with 237,515 shares traded. Orthocell climbed 8.25 percent; Avita, Paradigm and Telix improved six percent or more; both LBT and Osprey were up five percent; Prescient and Starpharma were up more than four percent; Volpara was up 3.4 percent; Antisense, Clinuvel, Immutep and Nanosonics rose two percent or more; with Cochlear up 1.2 percent.

Actinogen led the falls, down 0.1 cents or five percent to 1.9 cents, with 532,612 shares traded. Impedimed and Pharmaxis fell more than four percent; Dimerix lost 3.3 percent; Alterity and Resonance shed more than two percent; CSL, Medical Developments, Mesoblast, Polynovo, Pro Medicus and Resmed were down more than one percent; with Cyclopharm, Cynata, Kazia, Neuren and Next Science down by less than one percent.

ELLUME

Ellume says the US Government will provide \$US231.8 million (\$A302.8 million) to produce its severe acute respiratory syndrome coronavirus-2 (Sars-Cov-2) home tests. The Brisbane-based Ellume said the funding was through the US Department of Defense, in coordination with the US Department of Health and Human Services and would support the establishment of its US-based manufacturing facility and the delivery of 8.5 million Sars-Cov-2 home tests to be distributed across the US as part of the National Strategy for the Covid-19 Response and Pandemic Preparedness plan.

The company said that the US manufacturing capacity built on its existing Australian production capacity, which was on-track to procure about 200,000 tests a day.

Ellume said it would deliver 100,000 tests a month from the Australian manufacturing facility until the US facility was built, with the location under consideration.

The company said that at full capacity, the facility would be able to produce up to 19 million tests per month.

Ellume chief executive officer Dr Sean Parsons told Biotech Daily that the Sars-Cov-2 antigen test had received US Food and Drug Administration emergency use authorization and the company was in the process of submitting an application for Conformité Européenne (CE) mark approval (BD: Dec 16, 2020).

In a media release, Dr Parsons said that Ellume's focus was "enabling the US to minimize community transmission and reopen as quickly as possible".

"The Ellume Covid-19 home test is the only authorized test of its kind and is an essential tool for the broader pandemic response in the US," Dr Parsons said.

"We are prioritizing our partnership with the US government to mobilize tests quickly and in the most impactful way," Dr Parsons said. "We will fulfil the order for these tests at the same time as we ramp up the output across our production facilities, creating more possibilities for retail and private institution use in the future."

Ellume said the home test was the only diagnostic tool authorized for non-prescription use as a screening tool in the US.

Ellume is a public unlisted company.

VOLPARA HEALTH

Volpara says it has bought Boston's CRA Health LLC for \$US18.0 million (\$A23.5 million) with a further \$US4 million (\$A5.25 million) in milestone payments.

Volpara said CRA Health was spun-out from Massachusetts General Hospital and had an annual recurring revenue of more than \$US4.0 million and average revenue per user of \$US1.70.

The company said CRA Health covered about six percent of all US breast screenings.

Volpara said the \$US4.0 million would be paid upon meeting "annual recurring revenue performance (ARR) and staff-retention targets over the next 18 months".

The company said it would integrate CRA Health's internet cloud-based CRA product into electronic health record (EHR) systems to receive patient information like breast density and risk of breast cancer.

Volpara said the acquisition would increase its annual recurring revenue to about \$US17.5 million and an average revenue per user of about \$US1.40.

Volpara chief executive officer Dr Ralph Highnam said the acquisition was "very significant".

"CRA has a strong science background, just like Volpara, and provides us with world-class knowledge about risk and genetics," Dr Highnam said.

Volpara was up five cents or 3.4 percent to \$1.535 with 1.1 million shares traded.

PRO MEDICUS

Pro Medicus says it has US Food and Drug Administration clearance for its breast density artificial intelligence algorithm.

Pro Medicus said the approval was in addition to previously receiving Conformité Européenne (CE) mark and Australian Therapeutic Goods Administration clearance, “paving the way for the company to market the algorithm across all three jurisdictions”. The company said that the breast density algorithm was “intended for use with compatible full field digital and digital breast tomosynthesis systems”.

Pro Medicus said the algorithm assessed breast density from a mammography study and provided a breast density category to aid radiologists in the assessment of breast tissue composition.

Pro Medicus chief executive officer Dr Sam Hupert said the company “developed this algorithm using our own [artificial intelligence] accelerator platform which enabled us to significantly speed up every stage of the process from concept to FDA approval”.

“This not only provides us with a fast-track mechanism to develop our own algorithms in future, it paves the way for further collaborations with the growing number of our research-oriented clients,” Dr Hupert said.

Pro Medicus fell 66 cents or 1.5 percent to \$42.15 with 424,063 shares traded.

ACRUX

Acrux says it has raised \$9.9 million through an oversubscribed share plan at 15.7 cents a share, following a placement that raised \$7.8 million (BD: Jan 17, 2021).

Acrux said it hoped to raise about \$2 million but was oversubscribed by 7.5 times to about \$15.1 million and it had scaled back the applications.

Acrux said the funds would be used to “continue to develop and commercialize the current and future pipeline of products [and] provide working capital”.

Acrux was up half a cent or 2.7 percent to 19 cents.

DORSAVI

Dorsavi says it has placed is \$1.55 million entitlement offer shortfall, taking the total raised to \$3.7 million at 3.2 cents a share.

In October, Dorsavi said it has raised \$1.85 million in a placement and in November raised \$300,000 of a hoped-for \$1.85 million through a one-for-four entitlement offer at 3.2 cents a share (BD: Oct 22, Nov 18, 2020).

Dorsavi fell 0.2 cents or 5.6 percent to 3.4 cents with 2.3 million shares traded.

EYEPOINT PHARMACEUTICALS (FORMERLY PSIVIDA)

Eyepoint says it hopes to raise \$US100.1 million (\$A131.0 million) in a public offer of shares at \$US11.00 (\$A14.40) each.

Eyepoint said the funds would be used for EYP-1901 for wet age-related macular oedema, for pipeline and commercial programs and for general corporate purposes.

The company said it had granted the underwriters a 30-day option to purchase up to an additional 1,365,000 shares at the public offer price, less discounts and commissions.

Eyepoint said the offer was expected to close on or about February 4, 2021, with Cowen and Guggenheim Securities acting as joint book-running managers.

On the Nasdaq, Eyepoint closed up 28 US cents or 2.5 percent at \$US11.48 (\$A15.03) with 190,620 shares traded.

[RESAPP HEALTH](#)

Resapp says the European Patent Office has allowed a patent relating to its Resappdx smartphone-based respiratory diagnostic.

Resapp said the patent, titled 'Methods and apparatus for cough detection in background noise environments', would protect its intellectual property until 2037.

The company said the patent would cover the use of "machine learning audio processing techniques for identifying cough sounds in environments with significant background noise."

Resapp said it had similar patent applications pending in Australia, Japan, China, India and the US.

Resapp was up 0.2 cents or three percent to 6.8 cents with 2.55 million shares traded.

[ARO A BIOSURGERY](#)

Aroa says it will dissolve its US-based Appulse joint venture and expand its sales team to the US market.

Aroa said Appulse was a joint venture with the Manchester Connecticut-based Hydrofera LLC that began in April 2018 to "promote, market and sell their respective wound care products to customers in the US and Canada".

The company said it would retain a number of the existing Appulse sales representatives and hire additional staff to form a sales team of at least a similar size.

Aroa was up two cents or 1.85 percent to \$1.10.

[AUSCANN, CANNPAL](#)

Cannpal says the Supreme Court of Western Australia has ordered a scheme meeting to vote on the Auscann merger and approved the despatch of a scheme booklet.

Cannpal said the meeting of Cannpal shareholders to consider the scheme at BDO, Level 11, 1 Margaret Street, Sydney, on March 8, 2021 at 12pm (AEDT).

The company said that following Australian Securities and Investments Commission registration, the scheme booklet would be available on its website and via the ASX.

Last year, Auscann and Cannpal said they had entered into a scheme of arrangement for Auscann to acquire Cannpal and form a combined entity, with shareholders to be offered 1.3 Auscann shares for every Cannpal share, valuing each Cannpal share at 18.4 cents a share or \$17.5 million for the company (BD: Nov 16, 2020).

Auscann fell half a cent or 2.8 percent to 17.5 cents with 1.4 million shares traded.

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

[CARDIEX](#)

ASX said Cardiex has been "reinstated to official quotation ... following lodgement of its Appendix 4C" effective from the start of trading on February 2, 2021.

Cardiex fell 0.4 cents or 4.8 percent to eight cents with 1.9 million shares traded.

[ANTEOTECH](#)

Anteotech has requested a trading halt pending "an announcement made by Ellume about an agreement with the US government to scale up production of Covid-19 home tests".

Trading will resume on February 4, 2021 or on an earlier announcement.

Anteotech last traded at 10 cents.

HERAMED

Heramed has requested a trading halt “for the purposes of considering, planning and executing a capital raising”.

Trading will resume on February 4, 2021 or on an earlier announcement.

Heramed last traded at 9.9 cents

MGC PHARMACEUTICALS

MGC has requested a trading halt pending announcements in relation to “dual listing on the London stock exchange” and presentation to investors in the UK.

Trading will resume on February 4, 2021 or on an earlier announcement.

MGC last traded at 2.6 cents

SIMAVITA

Simavita says Chevron has increased its substantial holding, Kapok has become a substantial holder, while Tiga Trading, Fifty-Second and Dussman have been diluted. Simavita said it had issued 108,266,777 Chess depositary interests (CDIs) following the conversion of 2018 notes.

The company said the Perth-based Chevron Corporation Pty Ltd and associates had increased from 104,763,526 shares (9.08%) to 196,533,474 shares (14.11%).

Simavita said Kapok International became substantial with 79,160,376 shares or 5.68 percent of the company.

The company said that Melbourne’s Tiga Trading held 196,557,190 shares and was diluted from 17.03 percent to 14.12 percent.

Simavita said the Melbourne’s Fifty-Second Celebration Pty Ltd held 183,721,717 shares and was diluted from 15.92 percent to 13.19 percent.

The company said that the Melbourne-based Dussman Group held 115,769,031 shares and was diluted from 10.03 percent to 8.31 percent.

Simavita was untraded at 1.7 cents.