



# Biotech Daily

Thursday February 4, 2021

*Daily news on ASX-listed biotechnology companies*

- \* **ASX DOWN, BIOTECH EVEN: ALTERITY UP 11%; TELIX DOWN 7%**
- \* **VAXART (BIOTA) ORAL SARS-COV-2 VACCINE 'POSITIVE EARLY DATA'**
- \* **MGC RAISES \$11.6m TO LIST ON LONDON STOCK EXCHANGE**
- \* **HERAMED RAISES \$2.3m**
- \* **INCANNEX: IHL-675A BEATS CBD, HCQ FOR LUNG DISEASE IN MICE**
- \* **RESAPP RECEIVES \$708k FEDERAL R&D TAX INCENTIVE, \$94k GRANT**
- \* **DRS WASHER INCREASE, DILUTED TO 22% IN EMYRIA**

## MARKET REPORT

The Australian stock market fell 0.87 percent on Thursday February 4, 2021, with the ASX200 down 59.1 points to 6,765.5 points. Seventeen of the Biotech Daily Top 40 stocks were up, 18 fell and five traded unchanged. All three Big Caps fell.

Alterity was the best, up 0.4 cents or 11.1 percent to four cents, with 66.8 million shares traded, followed by Starpharma up 10.8 percent to \$1.80 with 3.1 million shares traded.

Volpara climbed 7.4 percent; Resonance rose 5.9 percent; Impedimed and Osprey improved more than four percent; Compumedics, Immutep and Patrys were up more than three percent; Antisense, Cyclopharm, Genetic Signatures and Universal Biosensors rose more than two percent; Nova Eye and Pro Medicus were up more than one percent; with Avita and Next Science up by less than one percent.

Telix led the falls, down 28 cents or 6.6 percent to \$3.96, with 445,594 shares traded.

Opthea and Paradigm lost more than five percent; Neuren, Oncosil and Prescient fell four percent or more; Amplia, Dimerix and Mesoblast were down more than three percent; Clinuvel and Medical Developments shed two percent or more; Cochlear, CSL, Imugene, Medical Developments, Polynovo and Proteomics were down more than one percent; with Cynata, Kazia, Nanosonics, Orthocell and Resmed down by less than one percent.

## [VAXART \(FORMERLY AVIRAGEN THERAPEUTICS, BIOTA PHARMACEUTICALS\)](#)

Vaxart says a 35-patient, phase I trial shows its VXA-COV2-1 oral Covid-19 vaccine is “generally well-tolerated, and immunogenic”.

Vaxart said subjects were divided into three cohorts, with the first cohort of five subjects receiving two low doses of the vaccine 29 days apart and the remaining two cohorts of 15 subjects each receiving a single low or high dose of the vaccine.

The company said VXA-COV2-1 triggered multiple immune responses against severe acute respiratory coronavirus-2 (Sars-Cov-2) antigens, including a CD8-positive cytotoxic T-cell response to the viral spike protein, which was necessary for long-lasting cross-reactive immunity to Sars-Cov-2.

Vaxart said its scientists “recognized early” the risk of variants of Sars-Cov-2 emerging and designed a vaccine with the potential to be protective against both the prevalent strain and emerging mutations of the spike (S) protein, by including both the S and nucleoprotein N proteins and “virtually all other Covid-19 vaccines include just the S protein”.

The company said that CD8 positive response to the spike (S) protein was “higher than we have seen in any previous Vaxart clinical trial; an increase in plasma-blast cell number and an upregulation of the mucosal homing receptor, indicated activation of B-cells that target the mucosa; an increase in pro-inflammatory Th1 cytokines, and immunoglobulin A (IgA) responses in serum and/or nasal swab samples in 100 percent of the two dose subjects, with neutralizing antibodies not detected in serum and IgG responses not detected in most subjects.

Vaxart chief scientific officer Dr Sean Tucker said the vaccine “induced a high percentage of responding CD8-positive T-cells against both ... S and N proteins, which may provide protection against variants with alterations in the faster-changing S protein ... and [would] be less impacted by new variants than injectable vaccines”.

Vaxart said it had dosed 495 patients with its platform technology with some mild adverse events, primarily gastrointestinal in nature and no serious adverse events, and it planned phase II studies to evaluate optimal dosing in naïve subjects and vaccinated subjects.

In 2012, the then Biota moved from the ASX to the Nasdaq to merge with Nabi Pharmaceuticals for \$US54 million in cash, settling for \$US27 million, and was renamed Biota Pharmaceuticals and then Aviragen (BD: Apr 23, Sep 18, Oct 26, 30, Nov 2012).

In 2018, Aviragen merged with Vaxart, with shareholders of Aviragen, formerly Biota, owning 49 percent of the merged entity (BD: Feb 15, 2018).

On the Nasdaq, Vaxart fell \$US13.48 or 57.78 percent to \$US9.85 (\$A12.91) with 170.0 million shares traded.

## [MGC PHARMACEUTICALS](#)

MGC says it has commitments for raise GBP6.5 million (\$A11.6 million) to be the first medicinal marijuana company to list on the London Stock Exchange main market.

MGC said the placement was at 1.475 British pence (2.6 Australian cents), a 2.3 percent premium to the last closing price on February 1, 2021, due to the exchange rates.

The company said the offer would fund trials of its Artemic for Covid-19 and its marijuana Cannepil for epilepsy, as well as distribution expansion, costs and general working capital. MGC said the capital raising was managed by Turner Pope, and was “extremely well supported by several UK institutional fund managers, led by Premier Miton and Chelverton Asset Management, alongside other UK family offices and high net worth investors”.

The company said it would begin trading on the London Stock Exchange on February 9, 2021 under the same code of MXC and maintain a dual listing with the ASX.

MGC was up 0.2 cents or 7.7 percent to 2.8 cents with 75.2 million shares traded.

## HERAMED

Heramed says it has commitments to raise \$2,332,275 million in a placement at nine cents a share.

Heramed said investors would receive one free attaching option for every three shares purchased in the placement, exercisable at 20 cents within 12 months.

The company said the share price was a 9.1 percent discount to the last traded price of 9.9 cents a share and an 18 percent discount to the 5-day volume weighted average of 10.98 cents a share.

Heramed chief executive officer David Groberman said the funds would be used “to progress our well-defined commercialization strategy and ensure we can capitalize on the growing pipeline of opportunities” for its foetal heart monitor.

The company said Pac Partners was the lead manager of the placement and would receive 1,000,000 options, exercisable at 20 cents a share within 12 months, subject to shareholder approval.

Heramed was up 1.1 cents or 11.1 percent to 11 cents with 1.1 million shares traded.

## INCANNEX HEALTHCARE

Incannex says its IHL-675A is superior to its components cannabidiol and hydroxychloroquine for inflammatory lung conditions, in mice.

Incannex said it had expanded the indications of IHL-675A to include chronic obstructive pulmonary disease (COPD), asthma, bronchitis and other inflammatory respiratory conditions.

Last year, the company said IHL-675A displayed anti-inflammatory dose response curves for sepsis-related acute respiratory distress syndrome (Ards) in an in-vitro assay and a mouse model of its IHL-675A outperformed cannabidiol alone in inhibiting inflammatory cytokines (BD: Aug 26, Nov 23, 2020).

Today, Incannex said a study of 60 mice dosed with either IHL-675A, cannabidiol (CBD) alone, hydroxychloroquine alone or a placebo showed that IHL-675A reduced assessed inflammatory markers by 31.9 percent to 40.3 percent compared to placebo, while CBD reduced inflammatory markers by 2.8 percent to 26.7 percent compared to placebo.

The company said IHL-675A reduced interleukin-6, an inflammatory cytokine, by 40.3 percent compared to placebo, while CBD reduced interleukin-6 by 14.8 percent.

Incannex managing-director Joel Latham said that IHL-675A was “consistently showing stronger anti-inflammatory properties than CBD”.

“Continued research will reveal how important this will be to the cannabinoid sector in light of continued research globally on CBD and its application to inflammatory conditions,” Mr Latham said.

“The synergistic action of IHL-675A allows us to substantially expand the potential uses for IHL-675A and presents new patient treatment opportunities,” Mr Latham said.

Incannex was up one cent or 6.25 percent to 17 cents with 6.1 million shares traded.

## RESAPP HEALTH

Resapp says it has received \$707,744 from the Australian Tax Office under the Federal Government Research and Development Tax Incentive program.

Resapp said the rebate related to research and development expenditure for the year to June 30, 2020, and it also received a \$93,994 Federal Export Market Development Grant, part of the Government’s “assistance program for aspiring and current exporters”.

Resapp was unchanged at 6.8 cents with 2.1 million shares traded.

### [EMYRIA \(FORMERLY EMERALD CLINICS\)](#)

Emyria chair Dr Stewart Washer and Dr Patrizia Washer say they have increased but been diluted from 48,550,499 shares (22.90%) to 49,325,599 (21.87%).

The Perth-based Dr Washer said that between November 9 and 11, 2020 they bought 775,100 shares for \$61,357 or an average of 7.9 cents share, and were diluted on December 22, 2020 in the \$1.2 million placement at 8.5 cents a share (BD: Aug 28, 2020). Emyria was up 1.5 cents or 12.0 percent to 14 cents with 1.2 million shares traded.