



# Biotech Daily

Thursday April 1, 2021

*Daily news on ASX-listed biotechnology companies*

- \* **MARCH BDI-40 UP 0.2% - RECORD \$18.5b, ASX200 UP 2%, BIG CAPS DOWN 1%**
- \* **TODAY: ASX, BIOTECH UP: STARPHARMA UP 7%; PRESCIENT DOWN 9%**
- \* **4D SHARE PLAN \$32m APPLICATIONS, RAISES \$6m; TOTAL \$46m**
- \* **PERRON: 3<sup>rd</sup> US-APPROVED DRUG FOR DUCHENNE MD**
- \* **RECCE: 'R327, R111 KILLS STREPTOCOCCUS PNEUMONIAE IN MICE'**
- \* **EXOPHARM PLEXARIS, CEVARIS SAFE IN RATS, EFFICACY UNKNOWN**
- \* **UNIVERSAL BIO: CANADA DISTRIBUTOR FOR SENTIA WINE TEST**
- \* **ADHERIUM 7.1m DIRECTORS SHARES IN LIEU OF FEES EGM**
- \* **CRESO LAUNCHES MARIJUANA TEA IN SWITZERLAND**
- \* **CRONOS FCTR MARIJUANA GELS FOR JAPAN, HONG KONG**

## MARKET REPORT

The Australian stock market was up 0.56 percent on Thursday April 1, 2021, with the ASX200 up 38.0 points to 6,828.7 points. Twenty of the Biotech Daily Top 40 stocks were up, 12 fell and eight traded unchanged.

Starpharma was the best, up 13 cents or 6.8 percent to \$2.05, with 827,293 shares traded. Avita and LBT climbed five percent or more; Antisense, Pro Medicus and Telix improved more than four percent; Immutep was up 3.7 percent; Clinuvel, Dimerix, Mesoblast, Oncosil, Optiscan, Paradigm, Pharmaxis, Polynovo and Universal Biosensors rose two percent or more; Genetic Signatures, Medical Developments, Resmed and Volpara were up one percent or more; with Neuren up by 0.35 percent.

Prescient led the falls, down one cent or 9.1 percent to 10 cents, with 1.1 million shares traded. Impedimed lost eight percent; Amplia, Patrys and Uscom were down more than three percent; Actinogen shed 2.6 percent; Opthea, Orthocell and Proteomics were down one percent or more; with Cochlear, CSL, Cyclopharm, Nanosonics and Next Science down by less than one percent.

## [BIOTECH DAILY TOP 40 INDEX \(BDI-40\)](#)

The Biotech Daily Top-40 Index (BDI-40) edged up a further 0.2 percent in March, taking it further into record territory to \$18,496 million.

The benchmark S&P ASX200 was up 1.8 percent to 6,791 points, still below the pre-Covid 7,017 points (see charts below).

The collective market capitalization of the three Big Caps of Cochlear, CSL and Resmed (which are not included in the BDI-40) slipped 1.0 percent in March, with Cochlear down 1.7 percent to \$13,870 million, CSL down 2.05 percent to \$120,447 million, while Resmed climbed 2.85 percent to \$36,741 million.

For the 12 months to March 31, the Big Caps were down 6.1 percent, compared to the ASX recovering 33.8 percent from the initial Covid-19 pandemic tumble. But the BDI-40 was up 67.9 percent.

In the US, the Nasdaq Biotech Index (NBI) fell 4.3 percent in March but closed the month 39.3 percent above March 31, 2020.

Nineteen of the BDI-40 were up, nine by more than 10 percent, 17 companies fell in March, four by more than 10 percent, with four unchanged.

Overall, the month was dominated by small falls and rises, with one exception.

Actinogen jumped 91.2 percent to \$65 million following the appointment of new chief executive officer Dr Steve Gourlay.

Universal Biosensors, under new chief executive officer John Sharman, was next best, up 26.4 percent to \$91 million, followed by Clinuvel (25.2%), Immutep (23.1%), Kazia (21.0%), Imugene (20.0%), Antisense (17.5%), Patrys (12.8%) and Telix (12.1%).

Alterity led the small falls, down 15.2 percent to \$67 million, followed by February's best, Optiscan (15.1%), Proteomics (11.4%), Starpharma (10.65%) and Genetic Signatures (9.7%).

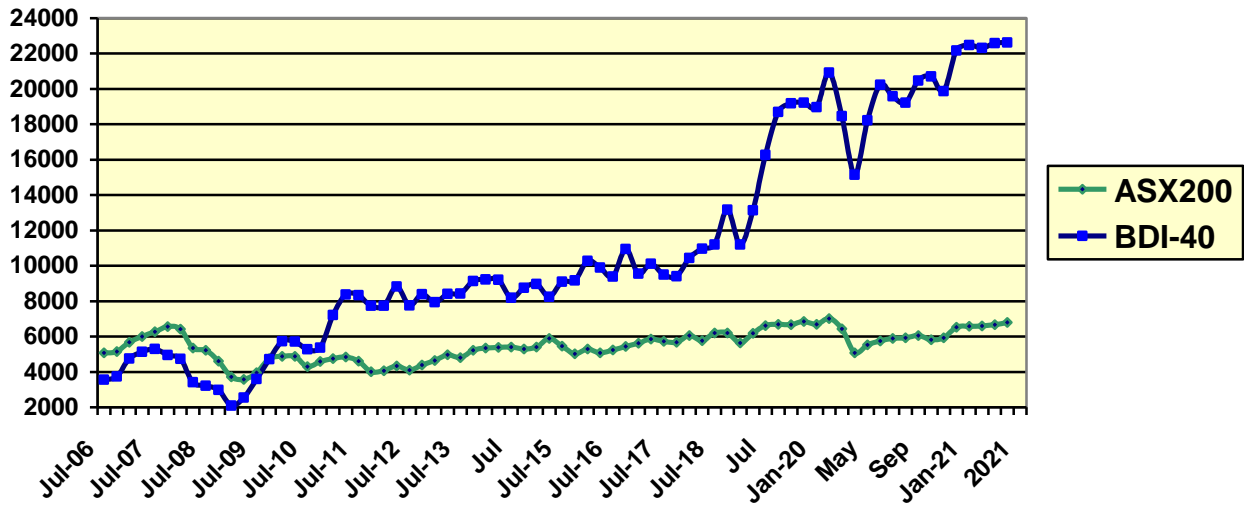
Outside the BDI-40, several companies continued to show strong support, including 4D Medical, Alcidion, Bard1, Emvision, IDT, Imagion and Race Pharmaceuticals.

While Cannabis Corner fell 8.5 percent from last month's high for the year, so to speak, the collective market cap was up 118.1 percent from the all-time low a year ago.

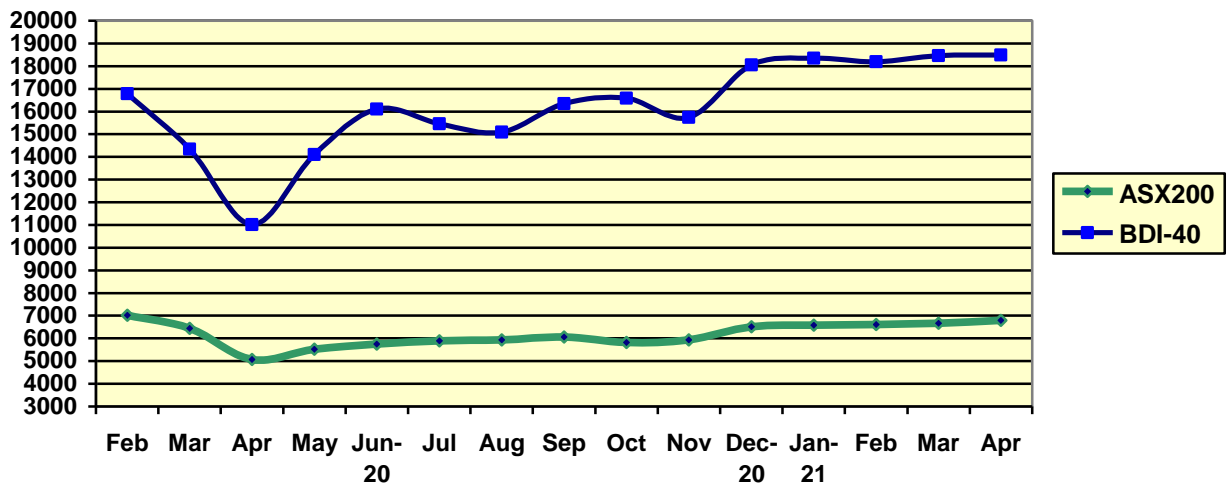
Creso Pharma deserves a special mention for hitting a market capitalization of \$200 million following its acquisition of Halucenex and a raft of announcement relating to the use of psilocybin for post-traumatic stress disorder and other mental health issues – just 1,566.7 percent up on its March 31, 2020 capitalization of \$12 million.

And no, neither the index nor the analyst have been eating magic mushrooms.

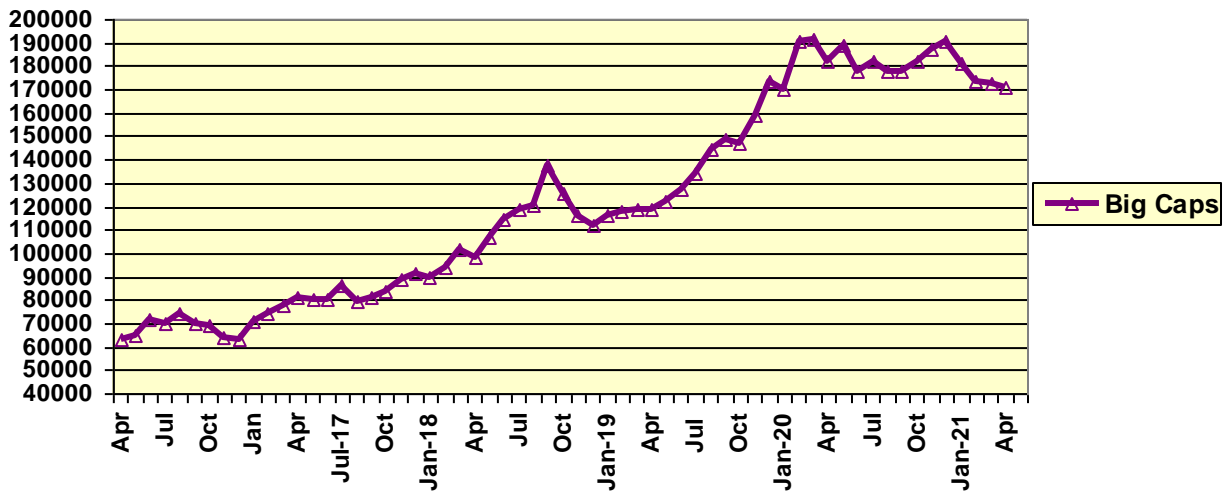
**BDI-40 v ASX200 Jun 30, 2006 to Mar 31, 2021- Adjusted**



**BDI-40 (\$m) v S&P ASX 200 – Jan 31, 2020 – Mar 31, 2021 (current, raw data)**



**Big Caps \$m (Cochlear, CSL, Resmed) Mar 31, 2016 – Mar 31, 2021**



## 4D MEDICAL

4D says its \$3 million share plan at \$1.55 a share had \$32 million in applications and has been increased to \$6 million, taking the total to \$46 million (BD: Mar 4, 2021).

4D said the share plan received 1,873 applications valued at about \$32 million, which would be scaled back.

The company said the scale back would take into consideration the number of shares applied for by eligible shareholders, as well as the number of shares held at the record date of March 3, 2021.

4D chief executive officer Prof Andreas Fouras said the company was “delighted with the overwhelming support from our shareholders in both the recent placement and [share plan]”.

“In response to the demand ... the board has decided to increase the size of the [plan] to allow existing shareholders a larger opportunity to participate in the capital raising,” Prof Fouras said.

Prof Fouras said the proceeds from the placement and share plan, with the \$28.9 million from the Medical Research Future Fund Frontiers initiative, provided the company with “a significantly enhanced capability” for its long-term commercialization strategy for XVD scanners, which would open an additional revenue stream for the business and drive the adoption of x-ray velocimetry lung ventilation analysis software at medical institutions. The company said that refunds for the scaled-back application were expected to begin on April 9, 2021.

4D was up five cents or 2.9 percent to \$1.77 with 646,031 shares traded.

## PERRON INSTITUTE, THE UNIVERSITY OF WESTERN AUSTRALIA.

The University of Western Australia’s Perron Institute says its third drug for Duchenne muscular dystrophy received US Food and Drug Administration accelerated approval

The University said that the Cambridge Massachusetts-based Sarepta Therapeutics casimersen was available in the US and had “the potential to treat eight percent of patients with Duchenne by skipping exon 45 during dystrophin expression”.

The University said that casimersen and the two other gene-patching drugs approved by the FDA for Duchenne muscular dystrophy were developed by the Perron Institute’s Prof Steve Wilton and Prof Sue Fletcher and licenced through the University.

A University media release said that each drug was designed to treat a specific type of dystrophin gene mutation and required testing in separate clinical trials.

The media release said that Sarepta was developing precision genetic medicines and gene therapies to treat rare neuromuscular and central nervous system diseases.

The University said that Duchenne muscular dystrophy, occurring mainly in boys, was the most common childhood form of muscle wasting, caused by a genetic error that prevented the body from producing dystrophin, a protein essential for maintaining muscle fibre strength and stability.

The media release said that the first Duchenne drug was eteplirsen, or Exondys 51, and the exon 51 skipping drug targeted up to 13 percent of patients.

The University said that in 2019 a second drug, golodirsen, or Vyondys 53, received FDA accelerated approval to treat up to 10 percent of patients with a confirmed dystrophin gene mutation amenable to exon 53 skipping, and the three drugs could treat about 30 percent of patients diagnosed with Duchenne muscular dystrophy.

## RECCE PHARMACEUTICALS

Recce says intra-nasal and intra-venous R111 and R327 show “significant anti-bacterial capability” against *Streptococcus pneumoniae* in mice ( $p < 0.05$ ).

Recce said *Streptococcus pneumoniae* was a recognized sinusitis and could cause bacterial pneumonia, meningitis, sepsis, and ear and sinus infections.

The company said it had used 120 mice in 12 groups of 10 to assess the dose-dependency of R327 and R111 for anti-bacterial activity against *Streptococcus pneumoniae* in a model of acute bacterial rhinosinusitis infection.

Recce said R111 was “a non-descript title for an experimental compound, developed in-house, building upon the unique mechanisms of action of R327”.

Recce said the study used an early infection control group, a placebo vehicle control group and a positive control group dosed with 200mg/kg of Azithromycin twice daily for five days.

The company said all groups receiving either R327 or R111 were dosed twice daily for five days.

Recce said three groups received 50mg/kg, 100mg/kg and 500mg/kg of R327 intranasally; three groups received 100mg/kg, 500mg/kg and 1,000mg/kg of R327 intravenously and three groups received 50mg/kg, 100mg/kg, and 250mg/kg of R111 intravenously.

The company said all nine R327 and R111 groups showed a significant dose-dependent antibacterial effect when compared to early infection and vehicle control ( $p < 0.05$ ).

Recce said the Azithromycin positive control group showed “bactericidal effect when compared to vehicle control at five-days post infection ( $p < 0.05$ )”.

The company said the R327 and R111 compound results showed no abnormalities and expected to expand sinusitis studies of the compounds “in due course”.

Recce was up half a cent or 0.5 percent to 97 cents.

## EXOPHARM

Exopharm says a rat study has shown that its Plexaris and Cevaris for osteoarthritis are safe and well tolerated, with inconclusive efficacy data for tissue regeneration.

Exopharm said Plexaris was a platelet-derived extracellular vesicle (EV) product and Cevaris was a stem cell-derived EV product.

The company said the trial tested Plexaris and Cevaris on rats with induced osteo-arthritis and observed “no toxicity, no adverse effects or knee swelling ... through to termination”.

Exopharm said that the chemically-induced osteoarthritis model used for the study had caused severe knee osteoarthritis in the rats, equivalent to the level of damage that would require a knee replacement in humans.

The company said that given the severity of the osteoarthritis model, the study could not determine whether Plexaris and Cevaris were optimal for tissue regeneration.

Exopharm head of product evaluation Dr Angus Tester said that “to accurately evaluate the exosome efficacy, we will need to have a model that has a less severe joint damage as the baseline to gather meaningful efficacy data”.

“Initially, we were surprised to see no beneficial effect of either Plexaris or Cevaris over control until we looked at the knee scans,” Dr Tester said.

“We realized that in this testing, the knee joints were damaged beyond repair, with no obvious cartilage cells available to respond to the exosome treatment,” Dr Tester said.

Exopharm fell 12 cents or 17.1 percent to 58 cents with 3.8 million shares traded.

## UNIVERSAL BIOSENSORS

Universal Biosensors says it has appointed the Jordan, Ontario-based Vines to Vintages Inc to distribution its Sentia wine analysis platform in Canada for three years.

Last year, Universal Biosensors said that an independent comparison validation study has confirmed that its hand-held wine analyzer Sentia device was accurate and reliable for the detection of sulfur dioxide (SO<sub>2</sub>) (BD: Nov 24, 2020).

Today, Universal Biosensors chief executive officer John Sharman said Vines to Vintages was “well represented in all of Canada’s wine regions and has access to 700 wineries”.

“The deal includes an initial commitment to purchase Sentia devices and strips which will be delivered over the course of the next few weeks,” Mr Sharman said.

Mr Sharman said Sentia could be used to test for glucose, fructose and malic acid.

The company did not disclose the financial details of the agreement.

Universal Biosensors was up one cent or two percent to 52 cents.

## ADHERIUM

Adherium says its extraordinary general meeting will vote to issue 7,143,109 shares to directors in lieu of cash for the period between October 2020 and March 2021.

Adherium said chairman James Ward-Lilley would receive 2,167,412 shares in lieu of a monthly fees of \$8,333; directors Bruce McHarrie, William Hunter, Jeremy Curnock Cook and Matthew McNamara would receive 1,083,705 shares each in lieu of their monthly fees of \$4,167; with former director Bryan Mogridge to receive 644,877 shares in lieu of fees paid until his retirement on January 29, 2021.

Adherium said investors would vote on the issue of 1,030,100,998 shares and the prior issue of 169,899,002 shares relating to its \$18 million capital raising (BD: Mar 18, 2021).

The online meeting will be held on April 30, 2021 at 9am (AEST).

Adherium was unchanged at 1.6 cents with 1.4 million shares traded.

## CRESO PHARMA

Creso says it has launched three Cannaqix branded marijuana-based tea products for stress, sleep and “well-being” in Switzerland.

Creso said the cannabidiol (CBD) products included Cannaqix Tea, Cannaqix Nite Tea and Cannaqix Immunity Tea, which would be sold using its established network and it planned to expand distribution to other European markets, including Germany.

Creso was up one cent or five percent to 21 cents with 19.95 million shares traded.

## CRONOS AUSTRALIA

Cronos says it has launched its FCTR, or ‘factor’ marijuana “performance” brand for athletes in Hong Kong and Japan, including warm and cool gels for muscle recovery.

Cronos said that FCTR was its second consumer cannabidiol (CBD) brand and had two initial products, the FCTR Warm Gel and Cool Gel each contained 300mg of cannabidiol potentially to aid athletes’ recovery.

Cronos said both products were formulated and manufactured in Japan and contained “compliant CBD in a rapidly absorbed and residue-free gel”.

The company said the gels sold for the equivalent of \$30.00 each.

Cronos said that due to “regulatory reasons” the gels were not available for sale in Australia.

Cronos was up 1.5 cents or 12.5 percent to 13.5 cents.

## BIOTECH DAILY TOP 40 WITH MARKET CAPITALIZATION AT MAR 31, 2021

<b>Company \$Am</b>	<b>Apr-20</b>	<b>Mar-21</b>	<b>Apr-21</b>
Cochlear	12,019	14,114	13,870
CSL	134,707	122,963	120,447
Resmed	35,497	35,722	36,741
<b>BDI-20</b>			
Avita	1,088	641	630
Clinuvel	944	1,069	1,338
Compumedics	58	75	81
Cyclopharm	78	246	240
Cynata	71	91	89
Ellex	75	48	48
Genetic Signatures	249	247	223
Immutep	51	221	272
Medical Developments	349	406	371
Mesoblast	744	1,445	1,408
Nanosonics	1,683	1,833	1,716
Neuren	99	157	164
Opthea	528	535	551
Paradigm	316	549	580
Pharmaxis	36	32	32
Polynovo	1,061	1,666	1,792
Pro Medicus	2,020	4,719	4,307
Starpharma	287	873	780
Telix	252	1,074	1,204
Volpara	236	353	326
<b>Second 20</b>			
Actinogen	22	34	65
Alterity	14	79	67
Amplia	4	30	28
Antisense	23	103	121
Dimerix	25	48	50
Impedimed	20	157	157
Imugene	86	476	571
Kazia	29	167	202
LBT Innovations	25	28	29
Next Science	231	243	258
Oncosil	85	81	74
Optiscan	10	152	129
Orthocell	46	99	94
Osprey	6	43	44
Patrys	14	47	53
Prescient	11	67	70
Proteomics	23	140	124
Resonance	49	94	92
Universal Biosensors	28	72	91
Uscom	37	25	25

\* Biotech Daily editor, David Langsam, owns shares in Acrux, Alcidion, Alterity, Amplia, BTC Health, Cochlear, Control Bionics, Cynata, Nanosonics, Neuren, Patrys, Polynovo, Telix, Volpara and non-biotech stocks. Through Australian Ethical Superannuation he has an indirect interest in other companies: <https://www.australianethical.com.au/personal/ethical-investing/companies-we-invest-in/>. These holdings are liable to change.

**Biotech Daily can be contacted at: PO Box 5000, Carlton, Victoria, Australia, 3053**  
**email: [editor@biotechdaily.com.au](mailto:editor@biotechdaily.com.au); [www.biotechdaily.com.au](http://www.biotechdaily.com.au); twitter: @biotech\_daily**