



Biotech Daily

Monday May 17, 2021

Daily news on ASX-listed biotechnology companies

- * **ASX UP, BIOTECH DOWN: TELIX UP 8%; LBT DOWN 9%**
- * **IMMVIRX \$22m FOR IVX037, TARGETED ONCOLYTIC RNA VIRUSES**
- * **CORRECTION: ISLAND PHARMACEUTICALS**
- * **GSK \$80k AUSTRALIAN RESEARCH EXCELLENCE AWARDS OPEN**
- * **ANTEO APPOINTS OPERON EUGENI SARS-COV-3 TEST MANUFACTURER**
- * **RESONANCE SELECTS LEAD COMPONENT AS3 FOR HEPATITIS B**
- * **BOTANIX: BTX1204A 'ENCOURAGING EFFICACY' FOR ECZEMA, IN DOGS**
- * **RESAPP ENROLS 1st COVID-19 COUGH STUDY PARTICIPANT**
- * **CARDIEX LAUNCHES CONNEQT CONSUMER BRAND**
- * **ELIXINOL 23% OPPOSE 43% DIRECTORS' FEES POOL HIKE**
- * **ANALYTICA 50m DIRECTOR OPTIONS, PLACEMENT EGM**
- * **VERITAS TAKES 5% OF COCHLEAR, AGAIN**
- * **MITHRA, ESTETRA TAKE 9.6% OF MAYNE**
- * **THORNEY, TIGA TAKE 17% OF OVENTUS**

MARKET REPORT

The Australian stock market was up 0.13 percent on Monday May 17, 2021, with the ASX200 up 9.4 points to 7,023.6 points. Fourteen of the Biotech Daily Top 40 stocks were up, 22 fell and four traded unchanged.

Telix was the best, up 32 cents or 8.4 percent to \$4.15, with 576,355 shares traded. Actinogen, Imugene and Mesoblast climbed more than six percent; Paradigm improved 4.4 percent; Prescient was up 3.2 percent; Amplia and Resonance rose more than two percent; Genetic Signatures, Immuteq, Opthea and Pro Medicus were up more than one percent; with Polynovo, Resmed and Starpharma up by less than one percent.

LBT led the falls, down 0.7 cents or nine percent to 7.1 cents, with 2.1 million shares traded. Proteomics and Uscom lost more than six percent; Dimerix, Kazia and Osprey were down more than five percent; Avita, Impedimed and Volpara fell four percent or more; Antisense, Clinuvel, Cyclopharm, Medical Developments, Neuren, Next Science and Optiscan shed more than two percent; Compumedics, Nova Eye and Oncosil were down more than one percent; with Cochlear, CSL, Cynata, Nanosonics and Orthocell down by less than one percent.

IMMVIRX PTY LTD

Immvirx says it has raised \$22 million in series A-1 financing for its receptor-targeted oncolytic viral immunotherapies.

Immvirx said the round was led by Melbourne's Acorn Capital, with participation from five other institutional investors, and the funds would be used to advance its platform for receptor-targeted, oncolytic, RNA viruses, including first-in-human studies of lead candidate IVX037 by April 2022.

The company said that its approach "leverages targeting of extracellular receptors for selectivity and potency in defined tumor types" and was in development for multiple indications and routes of administration.

Immvirx said its novel cancer immunotherapy "harnesses the power of viruses to preferentially infect and kill cancer cells and induce systemic anti-tumor immune responses".

The company said that "bio-selected RNA viruses target specific receptor proteins highly expressed on a range of cancer cell types, allowing them to selectively enter, replicate in, and destroy tumor cells while creating beneficial changes in the tumor micro-environment, potentially leading to the generation of specific innate and adaptive immune responses against cancer cells".

Immvirx said that viral candidates were intended to increase the effectiveness of current immunotherapies, primarily immune checkpoint inhibitors and chimeric antigen receptor T-cell (CAR-T) therapies, in fighting cancers of high unmet need including colorectal, gastric, pancreatic and ovarian cancer.

Former Viralytics chief executive officer and Immvirx co-founder Dr Malcolm McColl said the company's approach had "the potential to be transformative to the field of oncolytic viruses, harnessing exquisite selectivity and potency through a proprietary bio-selection platform".

Dr McColl said that the company had been working on the project for 18 months at the Newcastle, New South Wales-based Hunter Medical Research Institute, led by former Viralytics chief scientific officer and Immvirx co-founder Prof Darren Shafren.

Dr McColl said the work at the Hunter Institute "had provided important in-vitro and in-vivo proof-of-concept of our differentiated extracellular receptor targeting approach".

"This new funding leaves us well positioned to advance our lead candidate, IVX037, into the clinic," Dr McColl said.

Immvirx said that Acorn chief executive officer Robert Routley had been appointed as a director of the company following the capital raise.

Mr Routley said the pre-clinical data was "very encouraging".

"We like their focus and no nonsense approach to meeting the challenges that stand in the way of meaningfully improving the lives of cancer patients," Mr Routley said.

Immvirx said Bell Potter Securities was the placement's lead manager and bookrunner.

Immvirx is a private company.

ISLAND PHARMACEUTICALS

Friday's edition included a Dr Boreham Crucible on Island Pharmaceuticals, which was incorrectly headlined 'Island Therapeutics'.

The Friday sub-editor said she was very tired after editing the Tuesday night and Wednesday Budget Special editions and forgot her role as a fact-checker.

She has been sent to Perth to learn how to check facts.

Biotech Daily apologizes unreservedly for the error.

Island fell three cents or 7.7 percent to 36 cents.

GLAXOSMITHKLINE

Glaxosmithkline says nominations have opened for this year's award \$80,000 for Australian research excellence.

Glaxosmithkline said the awards recognized Australian medical researchers improving human health and were accompanied by the grant to support their work.

The company said that since 1980, the annual award has gone to individuals or two-person teams "with very significant existing track records who are well placed to further their contributions in the near future".

Glaxosmithkline said that the judging criteria were 30 percent weighted to the nominee's existing accomplishments, based on academic and employment record, research grants and awards received, cited publications and other examples of research productivity; 30 percent for the potential for the nominee to continue to make such research contributions; and 40 percent for the potential for the researcher's contribution to science to directly or indirectly lead to improvement in human health.

The company said that the award would be presented at the Research Australia awards night on December 9, 2021 in Sydney.

Further inquiries to: are.arenominations@gsk.com, with nominations to be submitted by July 30, 2021 at: <https://au.gsk.com/en-au/research/supporting-research/gsk-award-for-research-excellence/2021-gsk-award-for-research-excellence-nominations-now-open/>.

RESAPP HEALTH

Resapp says it has enrolled the first of up-to 1,500 participants in its study of the relationship between Covid-19 and coughs using its smartphone application.

Resapp said the study would recruit asymptomatic and symptomatic participants aged 21 years or older during the next three months.

In March, the company said it had hired New York's Phosphorus for a study to develop a smartphone-based algorithm analyzing cough sounds for Covid-19 (BD: Mar 11, 2021).

Today, Resapp said the participants would use the mobile phone application to record a cough sample, complete a Phosphorus medical form for a test kit, and if approved by a physician, they would be sent a Covid-19 reverse transcription-quantitative polymerase chain reaction (RT-qPCR) at-home saliva test.

The company said participants would provide the saliva sample, an additional cough sample, and return the completed kit for testing and receive the results within 48 hours.

Resapp was up 0.4 cents or 8.5 percent to 5.1 cents.

ANTEOTECH

Anteotech says it has a three-year contract manufacture agreement with the Zaragoza, Spain-based Operon for its Eugeni Sars-Cov-2 antigen rapid test result reader.

In April, Anteotech said it had Conformité Européenne (CE) mark approval for its Eugeni test for severe acute respiratory syndrome coronavirus-2 (Sars-Cov-2) (BD: Apr 12, 2021).

Today, Anteotech said the companies would have a three-year exclusivity during which Operon had the first right of refusal to manufacture the tests for supply in Europe only if Operon had the capacity to produce the quantity to meet the European demand.

The company said Operon had a manufacturing capacity of eight million complete tests (test strip and cassettes assembly and packaging) a year and a test strip production capacity of about 20 million lateral flow strips annually.

Anteotech was up three cents or 10 percent to 33 cents with 12.1 million shares traded.

RESONANCE HEALTH

Resonance says it has selected AS3 as its lead antisense oligonucleotides compound having shown “significant viral suppression” in a pre-clinical hepatitis B virus model.

Last year, Resonance said it had filed a provisional patent covering the application of novel antisense oligonucleotides to treat liver related disease (BD: May 25, 2020).

Today, the company said it selected AS3 from 40 antisense oligonucleotide compounds.

Resonance said that antisense oligonucleotide therapeutics had the benefits of high target specificity and potency and recent advances made it possible “to directly target the liver with antisense oligonucleotide drugs, enabling the administration of lower therapeutic doses, at greater efficacy and, with an improved safety profile”.

Resonance said it would extend its anti-viral testing program to include other viral diseases and non-viral related diseases linked to the drug target.

Resonance antisense oligonucleotide project leader Dr Sherif Boulos said the “positive data” validates the treatment strategy for chronic hepatitis B and supported continued investigation of AS3 in a pre-clinical animal model of disease.

Dr Boulos said the company would begin a dose study in mice.

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

BOTANIX PHARMACEUTICALS

Botanix says a four-dog study of BTX1204A for atopic dermatitis, or eczema, showed “encouraging results” with “early positive efficacy signals”.

In 2020, Botanix said its 200-patient, phase II trial of BTX1204 for atopic dermatitis did not meet its primary or secondary endpoints (BD: Mar 25, 2020).

Today, the company said the 28-day treatment period with a higher dose of a redesigned formulation of the synthetic cannabinoid showed a decrease in pruritus and a 57.3 percent reduction from baseline in the canine atopic dermatitis extent and severity index, and it expected to expand to a larger proof-of-concept BTX1204 dog study by July 2021.

The company said the outcomes from the larger study would support partnering for the animal health application and progress BTX1204A to a phase IIb clinical study in humans with atopic dermatitis by July 2022.

Botanix fell 0.3 cents or 3.85 percent to 7.5 cents with 1.8 million shares traded.

CARDIEX (FORMERLY ATCOR MEDICAL)

Cardiex says subsidiary Atcor Medical Inc will be separated into Atcor for hospital and pharmaceutical companies and Conneqt to distribute its consumer goods.

Cardiex said that Atcor will continue to focus on its Sphygmocor central blood pressure and arterial stiffness monitors, and software as a service, for hospitals, research and pharmaceutical companies, and specialist clinician markets.

The company said that its new brand Conneqt would focus on the use of the Sphygmocor home health, wearables, and consumer health applications, including its Pulse home health monitor and wearable sensors.

Cardiex chief executive officer Craig Cooper said the change was “a significant corporate restructuring”.

Mr Cooper said the Pulse dual blood pressure monitor was expected to be the first consumer vital signs monitor to include central blood pressure and other proprietary health parameters.

Cardiex was up 0.9 cents or 14.75 percent to seven cents with 2.2 million shares traded.

ELIXINOL GLOBAL

All resolutions to the Elixinol annual general meeting were passed but there was dissent against the directors' fees pool increase and change of company name.

The resolution to increase the non-executive directors' fees pool by 42.9 percent from \$350,000 to \$500,000 annually was opposed by 10,248,741 votes (23.31%), with 33,714,879 votes (76.69%) in favor.

The resolution to change the company's name from Elixinol Global to Elixinol Wellness was opposed by 7,222,484 (9.66%), with 67,533,517 votes (90.34%) in favor.

In March, Elixinol said it would pay EUR9.0 million (\$A13.9 million) up front and up-to EUR24 million for the Düsseldorf, Germany-based Cannacare Health GmbH to become a "hemp-derived consumer goods wellness business" (BD: Mar 15, 2021).

Today, the issue of shares and performance securities for the Cannacare acquisition were passed overwhelmingly as were the remuneration report, the re-election of director Paul Benhaim, the issue of securities under the equity plan and the ratification of a prior placement.

The company's most recent Appendix 2A new issue announcement said that Elixinol had 314,683,407 shares on issue, meaning that the votes against the directors' fees pool increase amounted to 3.3 percent of the company, not sufficient to requisition extraordinary general meetings.

Elixinol fell half a cent or 3.1 percent to 15.5 cents.

ANALYTICA

Analytica says its extraordinary general meeting will vote to issue executive director Ross Mangelsdorf 50,000,000 options and approve the recent placement.

Analytica said Mr Mangelsdorf's options were exercisable at 0.5 cents by June 18, 2023.

The company said the options were for Mr Mangelsdorf's contribution and efforts in the expansion of its enhanced infusion system in the Middle East and its Pericoach pelvic health product in China.

In April, Analytica said it raised \$3.83 million in a placement at 0.35 cents a share with one attaching option per share (BD: Apr 23, 2021).

Today, the company said the meeting would vote to ratify the prior issue of shares and granting of attaching options, including those acquired by chair Dr Michael Monsour, as well as grant 180 Markets 25,000,000 options exercisable at 0.5 cents by June 18, 2023.

Analytica said the meeting would be held at the Mayflower Room, Christie Conference centre, Level 1, 320 Adelaide Street, Brisbane, on June 18, 2021 at 10 am (AEST).

Analytica fell 0.05 cents or 16.7 percent to 0.25 cents with 3.7 million shares traded.

COCHLEAR

Veritas Asset Management says it has become a substantial shareholder in Cochlear, again, with 3,288,698 shares or 5.00 percent of the company (BD: Apr 3, 2020).

The London-based Veritas said that between January 14 and May 14, 2021 it acquired 104,044 shares for \$21,952,763 or \$154.25 a share, with the single largest purchase on March 26 of 2,175,000 at \$211.00 a share.

Cochlear fell \$1.05 or 0.5 percent to \$215.37 with 82,886 shares traded.

MAYNE PHARMA GROUP

The Liege, Belgium-based Mithra Pharmaceuticals SA and Estetra SRL say they have become substantial shareholders in Mayne with 168,872,626 shares or 9.57 percent. In 2019, Mayne said it had a 20-year deal with Mithra to commercialize the oral contraceptive E4/DRSP in the US and it would pay Mithra up to \$US295 million (\$A440million) including \$US8.75 million in cash and 4.95 percent of Mayne's shares at closing, along with \$US11 million in cash and a further 4.65 percent of Mayne's shares following US Food and Drug Administration approval (BD: Oct 2, 2019). Today, Mithra and Estetra said they first acquired 83,100,000 shares on November 13, 2019 and a further 85,772,626 shares as part of the agreement on April 16 and May 13, 2021. Mayne fell half a cent or 1.3 percent to 37.5 cents with two million shares traded.

OVENTUS MEDICAL

Thorney Technologies and Tiga Trading say they have increased their shareholding in Oventus from 23,786,561 shares (15.03%) to 30,403,652 shares (16.72%). The Melbourne-based Thorney and Tiga said that between April 12 and April 19, 2021 they bought 717,091 shares on market for \$142,425 or at an average price of 19.9 cents a share and in a placement on May 14 acquired 5,900,000 shares for \$708,000 or 12 cents a share. Last week, Oventus said it had "firm commitments" to raise \$5 million in a placement at 12 cents a share and expected to raise a further \$5 million in an underwritten one-for-4.4 rights offer (BD: May 10, 2021). Oventus was up half a cent or 4.2 percent to 12.5 cents.