



Biotech Daily

Wednesday July 7, 2021

Daily news on ASX-listed biotechnology companies

- * **ASX UP, BIOTECH DOWN: GENETIC SIGNATURES UP 12%;
- ACTINOGEN DOWN 13%**
- * **COGSTATE SALES CONTRACTS UP 14.5% TO \$47m**
- * **RUSSIA APPROVES USCOM 1A**
- * **EUREKA REPORT INTERVIEWS BIOTECH DAILY**
- * **MEDADVISOR'S ADHERIS TO WORK WITH EHEALTH INC**
- * **PHARMAUST MONEPANTEL TABLETS 'STABLE AT 24 MONTHS'**
- * **NEUROTECH DOLCE MARIJUANA BEATS CBD FOR COX-2, IN-VITRO**
- * **ELIXXER DILUTED TO 12% OF LITTLE GREEN**
- * **MADHUKAR BHALLA REPLACES INCANNEX CO SEC GLENN FOWLES**
- * **POLYNOVO M-D PAUL BRENNAN LTIs UP 20%, PENDING HURDLES**

MARKET REPORT

The Australian stock market was up 0.9 percent on Wednesday July 7, 2021, with the ASX200 up 65.1 points to 7,326.9 points.

Fifteen of the Biotech Daily Top 40 stocks were up, 18 fell and seven traded unchanged. All three Big Caps were up.

Genetic Signatures was the best, up 15 cents or 12.0 percent to \$1.40, with 130,663 shares traded. Optiscan and Osprey climbed seven percent or more; Orthocell was up 5.45 percent; Cochlear, Patrys and Pro Medicus improved four percent or more; Avita, Resmed and Telix were up more than three percent; Clinuvel and Dimerix rose more than two percent; CSL, Cynata and Oncosil were up one percent or more; with Paradigm, Polynovo and Starpharma up by less than one percent.

Actinogen led the falls, down 1.5 cents or 13.0 percent to 10 cents, with 31.4 million shares traded. Antisense lost 8.7 percent; Opthea was down five percent; Impedimed and Nanosonics fell more than four percent; Nova Eye was down three percent; Alterity, Amplia, Compumedics, Cyclopharm, Kazia, Pharmaxis and Prescient shed two percent or more; Immutep, Next Science and Universal Biosensors were down more than one percent; with Medical Developments and Neuren down by less than one percent.

COGSTATE

Cogstate says that sales contracts for the year to June 30, 2021 were up 14.5 percent to \$47.3 million compared to the previous year's \$41.3 million.

Cogstate said that Alzheimer's disease trials were "a significant driver of clinical trial sales" comprising 65.3 percent of all trials.

Cogstate was unchanged at \$1.40.

USCOM

Uscom says its Uscom 1A ultra-sonic cardiac output monitor has Russian certification of registration for sale in Russia.

Uscom said the usual 12 to 18 months regulatory process took about three years "following delays with the Covid pandemic" and it worked with its Russian distributor Wondermed to manage the protracted regulatory process.

The company said that Russia had about 150 million people and was the world's 12th largest by gross domestic product with a medical health spend of about \$US45 billion.

Uscom said that the Russian medical market was expected to grow "as the population continues to age and community health care expectations increase".

The company said that Wondermed was responsible for the import and distribution of the Uscom 1A throughout Russia, with submissions for the BP+ central blood pressure monitor and the Spirosonic lung capacity diagnostic currently being planned.

Uscom executive chair Prof Rob Phillips said the company's growth "continues to be strong despite the pandemic and our strategy for incremental growth is simply more products, more distributors and more revenue and we are delivering on this plan".

Uscom was unchanged at 16.5 cents.

EUREKA REPORT

The Eureka Report's Alan Kohler interviewed Biotech Daily editor David Langsam this week and covered a range of topics and companies.

The subject matter included: Devices and Diagnostics; Expensive Imugene?; Phase II and Sell; Impatient Investors; Australia's Medical Talent; and Too Many Cannabis Companies.

The companies discussed included: Alcidion, Cochlear, Control Bionics, Polynovo, Nanosonics, Telix, Volpara, Actinogen, Imugene, Mesoblast, Cyclopharm, Chemgenex, Viralytics, Prescient, Chimeric, Starpharma, Pharmaxis, BTC, Genetic Signatures, Pro Medicus, CSL, the Doherty Institute, the Walter and Eliza Hall Institute, Monash Institute of Pharmaceutical Studies, the Peter MacCallum Cancer Clinic and Little Green Pharma.

The interview is available at: www.eurekareport.com.au.

MEDADVISOR

Medadvisor says subsidiary Adheris Health and Ehealth Inc will combine to support US Medicare populations and help beneficiaries optimize their prescription drug coverage.

Last year, Medadvisor raised \$35 million of a hoped-for \$45 million to acquire the Burlington, Massachusetts-based Adheris from Syneos Health (BD: Nov 12, 2020).

Today, Medadvisor said that the Santa Clara, California-based Ehealth would integrate its coverage optimization technology into communications for Medicare beneficiaries within Adheris Health's network of about 180 million patients, 140,000 prescribers and about 25,000 pharmacies in the US.

Medadvisor was up one cent or 3.3 percent to 31 cents with 1.2 million shares traded.

PHARMAUST

Pharmaust says that monepantel tablets stored for 24 months at 25°C with 60 percent humidity remained within specifications relevant for both veterinary and human trials. Pharmaust said the testing followed two independent 'good manufacturing practice' (GMP) grade stability studies.

Pharmaust chief scientific officer Dr Richard Mollard said that the stability data for the tablets being used for veterinary work "provides great confidence that the next round of GMP tablets manufactured for human testing will similarly meet required specification levels".

"Having a robust GMP tablet significantly reduces costs associated with repeat manufacturing programs and provides certainty for Pharmaust's clinical trial scheduling," Dr Mollard said.

Pharmaust fell 0.1 cents or 1.1 percent to nine cents.

NEUROTECH INTERNATIONAL

Neurotech says its Dolce marijuana is three times better than cannabidiol alone in suppressing and inhibiting the expression of multiple sclerosis-related COX-2, in-vitro. Neurotech said that the studies, at Melbourne's Monash University, the University of Wollongong in New South Wales and the Royal Melbourne Institute of Technology, of human-derived microglial cells, showed that its Dolce marijuana strains "were up to three times more powerful in suppressing COX-2 both pre and post inflammatory insult".

The company said that its Dolce marijuana leads CBDA, CBDP, CBDB had less than 0.3 percent tetrahydrocannabinol.

Neurotech said that multiple sclerosis was a progressive inflammatory disease characterized by the loss of myelin sheath within the central nervous system and cyclooxygenase-2 (COX-2) was "the main enzyme responsible for causing inflammation, the common mechanism of disease involved in multiple sclerosis".

The company said that COX-2 was a biomarker in the assessment of disease progression and overall therapeutic management.

Neurotech said the studies were expected to be completed in July, with phase II clinical trials to begin by April 2022.

Neurotech chair Brian Leedman said the results "re-confirm the potent anti-inflammatory properties of NTI-Dolce strains and provide further evidence for their development as neuro anti-inflammatory therapies across a number of neuro diseases".

"With our phase I/II clinical studies into the treatment of autistic children approaching the half-way point, [we are] looking forward to delivering an exciting second half in this calendar year," Mr Leedman said.

Neurotech was unchanged at 5.6 cents with 1.35 million shares traded.

LITTLE GREEN PHARMA

The Montreal-based Elixir Limited says its 27,410,781 share-holding in Little Green Pharma has been diluted from 15.5 percent to 11.8 percent.

Last month, Little Green said it had commitments to raise \$27.2 million in a placement at 60 cents a share to buy a Denmark marijuana production facility (BD: Jun 22, 2021).

Little Green fell 2.5 cents or 2.8 percent to 87.5 cents.

[INCANNEX HEALTHCARE](#)

Incannex says that company secretary Glenn Fowles has resigned “for personal reasons” effective immediately and will be replaced by Madhukar ‘Madhu’ Bhalla.

Incannex said that Mr Bhalla was an experienced company secretary who had worked with multiple ASX-listed companies.

The company said that Mr Bhalla was previously Colortype Press managing-director for eight years.

Incannex fell half a cent or two percent to 24.5 cents with 2.1 million shares traded.

[POLYNOVO](#)

Polynovo says that managing-director Paul Brennan will have his long-term incentives increased by 20 percent to a total of \$12,000,000 pending a price hurdle of \$3.03.

According to Polynovo’s most recent annual report, Mr Brennan was issued \$10,000,000 in shares vesting over three years on the same performance hurdle of achieving a minimum of \$3.03 a share for three consecutive months, and equating to a total of 3,300,330 shares or 1,100,110 shares a year.

According to Commsec data, the only time Polynovo has remained continuously above \$3.00 was for about six weeks from late November 2020 to early January 2021.

Today the company said that, pending shareholder approval, Mr Brennan would be entitled earn 1,320,132 shares in each financial year to June 30 of 2022, 2023 and 2024, or a total of 3,960,396 worth \$12,000,000 if all shares vest.

Polynovo said that the share price hurdle was based on a \$2 billion market capitalization with the current number of shares on issue.

The company said that if the share price hurdle was not realized in a year, then half the 1,320,132 shares would be available in each of the two following years and then forfeited if not achieved.

Polynovo said that should Mr Brennan meet the price hurdle, then half the shares would be issued at the next board meeting and be escrowed for 12 months with the second half to be issued a year later and also be escrowed for a further 12 months.

The annual report said that Mr Brennan received a base salary of \$388,127 a year, not including superannuation of 9.50 percent, with short term options up to 20 percent of the base salary.

Polynovo was up two cents or 0.8 percent to \$2.42 with 2.25 million shares traded.