



Biotech Daily

Wednesday September 8, 2021

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH DOWN: ANTISENSE UP 9%; PRESCIENT DOWN 6%**
- * **IMRICOR RAISES \$16.5m, PLAN FOR \$1m MORE**
- * **VOLPARA, RIVERAIN DEAL FOR LUNG CANCER SCREENING**
- * **IDT TELLS 2nd ASX AWARE QUERY 'FEDERAL DEAL NOT MATERIAL'**
- * **SHOWA DENKO EVALUATES EXOPHARM LEAP TECHNOLOGY**
- * **EPSILON TAKES 'PARTNERSHIP' TRADING HALT TO SUSPENSION**
- * **FIL REDUCES TO 5.8% IN COGSTATE**

MARKET REPORT

The Australian stock market fell 0.24 percent on Wednesday September 8, 2021, with the ASX200 down 18.3 points to 7,512.0 points.

Ten of the Biotech Daily Top 40 stocks were up, 20 fell and 10 traded unchanged.

Antisense was the best, up 1.5 cents or 8.8 percent to 18.5 cents, with 681,398 shares traded, followed by LBT up 8.3 percent to 13 cents with 127,701 shares traded.

Starpharma climbed 6.8 percent; Paradigm was up 3.9 percent; Avita and Medical Developments rose more than two percent; Compumedics, Opthea, Resmed and Volpara were up more than one percent; with CSL and Cynata up by less than one percent.

Prescient led the falls, down 1.5 cents or 6.4 percent to 22 cents, with 2.5 million shares traded.

Actinogen fell 4.8 percent; Impedimed, Imugene, Neuren, Next Science, Optiscan, Orthocell and Polynovo were down more than three percent; Immutep shed 2.6 percent; Clinuvel, Cochlear, Cyclopharm, Genetic Signatures, Kazia, Pro Medicus, Proteomics and Universal Biosensors were down one percent or more; with Mesoblast, Nanosonics and Telix down by less than one percent.

IMRICOR MEDICAL SYSTEMS

Imricor says it has raised \$16.5 million through a placement at \$1.00 per Chess depositary interest (CDI) and hopes to raise about \$1million through a share plan.

Imricor said that the placement price of \$1.00 per CDI was a 3.4 percent discount to the last closing price of \$1.035 on September 6, 2021.

The company said the funds raised would be used to support the company's pipeline product development, clinical and regulatory costs, fund sales and marketing initiatives and provide working capital.

Imricor said the record date for the share plan was September 7, the plan would open on September 15 and close on October 7, 2021.

The company that MA Moelis Australia Advisory and Bell Potter Securities acted as joint lead managers and bookrunners for the capital raising.

Imricor climbed 26.5 cents or 25.6 percent to \$1.30.

VOLPARA HEALTH TECHNOLOGIES

Volpara says it has an agreement with Riverain Technologies to expand its breast cancer software platform into the lung cancer screening market.

In 2019, Volpara said it entered the lung cancer screening market with the acquisition of the Lynnwood, Washington-based Mammography Reporting Systems for \$US14.59 million (\$A19.75 million) (BD: June 14, 2019).

Previously, Volpara has said it was developing software for personalized breast care including breast density, compression, dose and quality assurance.

Today, the company said its Volpara Lung patient reporting, tracking and risk assessment software for lung cancer screening "enables patient management from scheduling to diagnosis" and would assist reaching patients who were overdue for their screening or follow-up examinations.

Volpara said that Volpara Lung collected and validated "all the required data elements for successful submission to the American College of Radiology Lung Cancer Screening Registry for reimbursement".

The company said that the Miamisburg, Ohio-based Riverain were "leaders in the application of artificial intelligence to lung nodule detection".

Volpara said Riverain's Clearread technology was "approved for concurrent reading, saving radiologists time and steps in enhanced image review ... [and improved] a clinician's ability to accurately detect disease" using computed tomography and bone x-ray suppression technology ... for more efficient detection of lung abnormalities".

The company said the partnership with Riverain would enable lung cancer screening programs to have access to expanded, more integrated services for patient reporting and tracking, cancer risk assessment and nodule detection.

Volpara said that lung cancer killed about 130,000 people each year in the US alone.

The company said its Volpara Lung covered about eight percent of US lung cancer screening at present, with lung cancer computed tomography screening programs expanding and developing globally, and about 15 million people in the US were eligible with reimbursement set at about \$US250 per scan.

Volpara said it was focused on partnering with leading lung imaging, diagnostics and artificial intelligence companies to expand its footprint, increase its market share, and deliver a significant uplift in revenue generation.

Volpara chief executive officer Ralph Highnam said that Riverain's artificial intelligence product was "a tremendous complement to our lung reporting and tracking capabilities".

Volpara climbed 1.5 cents or 1.2 percent to \$1.235.

IDT AUSTRALIA

IDT has told a second ASX 'aware' query that Federal Government 'sterile readiness agreement' was "not material" but media reports of mRNA vaccine capability were.

In a series of statements and questions, the ASX noted a 48.6 percent increase in IDT's share price from 37 cents on August 17 to a high of 55 cents on August 19 along with a "significant increase" in the volume of shares traded and asked IDT about the Federal Government sterile readiness agreement.

The ASX noted an August 23 sterile readiness agreement announcement and asked whether the company believed the information in the announcement to be material and when it became aware of the information.

"The sterile readiness agreement with [Federal] Health finalized on August 23, 2021 does not commit the Australian Government to use IDT's facilities at all - so of itself, the signing of that sterile readiness agreement is not material - it is only if IDT reaches agreement for the manufacturing at scale of a Covid-19 vaccine that would be material to IDT's share price," the company told the ASX.

"IDT believes [the] recent movement in its share price reflects the growing market awareness of IDT's production facility and the imminent potential that IDT could manufacture the new [Monash Institute of Pharmaceutical Sciences] Covid-19 mRNA vaccine or one or more other Covid-19 vaccines from those facilities," the company told the ASX.

"IDT received an email at 8.02am on August 23, 2021 from the Department of Health stating that all internal Governmental approvals had now been obtained; and confirming the exchange of the sterile readiness agreement between IDT and the Department of Health could now occur," the company said.

"IDT only became aware of the media interest over the weekend of August 21 and 22 2021 ... [and] did not request a trading halt during the prior week to the weekend of August 21 and 22, 2021 as IDT believed the market was fully informed," the company said.

In August, IDT told the ASX that being the subject of news reports about its capacity to manufacture messenger RNA (mRNA) may have pushed its price 48.6 percent from 37 cents on August 17 to a high of 55 cents on August 19 along with a "significant increase" in the volume of shares traded (BD: Aug 20, 2021).

IDT said at that time that it had "a number of current discussions and activities which are well developed and reflected in ... past announcements".

The company said it believed the recent share price movement reflected "press comment over the last 24 to 48 hours on sovereign vaccine manufacturing alternatives in Australia" as well as vaccine manufacturing pharmaceutical companies reporting significant increases in profits and growing demand for new supplies of vaccines.

IDT said the Federal Government called for proposals for an onshore mRNA manufacturing capability and the company filed a submission, with "numerous media reports" covering the submissions.

On August 23, the Victoria Government said that a \$1 million Nanoassembler had been shipped to IDT to manufacture the final product for mRNA vaccines (BD: Aug 23, 2021).

On the same day, IDT separately announced that it had a Sterile Readiness Agreement with the Federal Department of Health to recommission its Melbourne based sterile manufacturing facilities for severe acute respiratory syndrome coronavirus-2 (Sars-Cov-2) vaccines (BD: Aug 23, 2021).

IDT fell five cents or 7.8 percent to 59 cents with 2.1 million shares traded.

EXOPHARM

Exopharm says it has a research collaboration with Tokyo's Showa Denko Materials Co to evaluate its ligand-based exosome affinity purification (Leap) technology.

Exopharm said the Showa Denko contract was its second commercial collaboration for the technology which would be assessed at Showa Denko's regenerative medicine business unit in Yokohama.

The company said that the Leap technology was "the only established process for high-scale [cell-derived] exosome purification".

Exopharm said that if the research project was successful there was potential for a further future commercial agreement.

The company said Showa Denko would pay \$US10,000 (\$13,570) upfront with monthly payments of \$US5,000 during the six-month study period, with Exopharm providing technical support

Exopharm chief commercial officer Dr Chris Baldwin said that "if this feasibility study is successful, exosomes purified using Leap could be yet another valuable product in their portfolio".

"This collaboration follows the work we are doing with the Finnish Red Cross Blood Service," Dr Baldwin said.

Exopharm chief executive officer Dr Ian Dixon said the Showa Denko's regenerative medicine business was "a strategic, next-generation category, now accounting for the second highest number of cellular medicine product orders in the world".

"Exopharm's objective is to build multiple streams of revenue from licencing and partnerships to fund the development of novel exosome medicines," Dr Dixon said.

Exopharm fell one cents or 1.9 percent to 52 cents.

EPSILON HEALTHCARE

Epsilon has requested a suspension to follow Monday's trading halt pending an announcement relating to "a long-term corporate partnership" (BD: Sep 6, 2021).

The company said it expected the suspension to last until September 9, 2021 or until an earlier announcement.

Epsilon last traded at 15 cents.

COGSTATE

FIL Limited says it has reduced its substantial share-holding in Cogstate from 11,565,973 shares (8.14%) to 9,849,490 shares (5.76%).

The Hong Kong and Lower Kingswood, England-based FIL said it bought and sold shares between October 30, 2019, and September 3, 2021, at prices ranging from 27.00 cents, in a 2019 rights offer, to \$1.7155.

Cogstate fell three cents or 1.8 percent to \$1.645.