Biotech Daily

Wednesday October 6, 2021

Daily news on ASX-listed biotechnology companies

*** ASX, BIOTECH DOWN: DIMERIX UP 9%; LBT DOWN 9%**

*** NEUREN 'OVER-SUBSCRIBED' PLAN RAISES $3m, TOTAL $23.3m**

*** AROA H1 REVENUE UP 108% TO $16.2m**

*** LUMOS: 'FEBRIDX CAN SAVE US $2.5b PA'; CLARIFICATION HALT**

*** EMVISION: FDA WANTS MORE DATA FOR PORTABLE BRAIN SCANNER**

*** VGI TAKES IVB001 TRIAL TO RMH; $1.5m DRAWDOWN-EQUITY FACILITY**

*** RACE GRANTED 5th US BISANTRENE (ZANTRENE) PATENT**

*** US ALLOWS MEDLAB NANOCELLE PATENT**

*** PATRYS 25m M-D OPTIONS AGM**

*** ISLAND RELEASES 6.7m VOLUNTARY ESCROW SHARES**

*** MERCHANT FUNDS TAKES 5.6% OF DIMERIX**

*** LEANNE RALPH REPLACES HEXIMA CO SEC HELEN MOLLOY**

MARKET REPORT

The Australian stock market fell 0.58 percent on Wednesday October 6, 2021, with the ASX200 down 41.9 points to 7,206.5 points. Fourteen of the Biotech Daily Top 40 stocks were up, 20 fell, five traded unchanged and one was untraded.

Dimerix was the best, up 2.5 cents or 9.3 percent to 29.5 cents, with 2.2 million shares traded. Alterity climbed 6.7 percent; Antisense was up 5.3 percent; Cynata and Volpara improved more than four percent; Kazia, Medical Developments, Neuren and Patrys rose two percent or more; Compumedics, Genetic Signatures, Resonance and Universal Biosensors were up more than one percent; with Opthea and Resmed up by less than one percent.

LBT led the falls, down one cent or 8.7 percent to 10.5 cents, with 2.4 million shares traded. Uscom lost 7.1 percent; Polynovo shed six percent; Actinogen fell 4.55 percent; Next Science and Paradigm were down more than three percent; Amplia, Imugene, Nanosonics, Optiscan, Pro Medicus and Prescient shed more than two percent; Avita, Clinuvel, Immutep, Mesoblast, Orthocell, Starpharma and Telix were down one percent or more; with Cochlear, CSL and Osprey down by less than one percent.

NEUREN PHARMACEUTICALS

Neuren says it has raised about $3.3 million in an “oversubscribed” share plan at $2.05 a share taking the total raised to $23.3 million.
Last month, Neuren said it raised $20 million in a placement and hoped to raise a further $2 million through a share plan (BD: Sep 13, 2021).
The company said the funds would accelerate the development of NNZ-2591 for a phase II trial for Prader Willi syndrome and prepare for phase III trials for Prader-Willi, Phelan-McDermid, Angelman and Pitt Hopkins syndromes.
Neuren was up four cents or two percent to $2.05.

AROA BIOSURGERY

Aroa says unaudited sales revenue for the six months to September 30, 2021, is about $NZ17 million ($A16.2 million), up 108 percent from the prior corresponding period.
Aroa said it expected its full year to March 30, 2022, product sales revenue to be between NZ$30 million and NZ$33 million.
The company said its revenue was primarily from its sheep stomach-based wound treatments, including Myriad for soft tissue repair and Symphony for wound closure.
Aroa was up 14.5 cents or 13.4 percent to $1.225 with 6.4 million shares traded.

LUMOS DIAGNOSTICS

Lumos says that using its Febridx to guide antibiotic treatment for patients with acute respiratory infections could save the US healthcare system $2.5 billion a year.
Lumos said that an article, titled ‘Economic Evaluation of Febridx: A Novel Rapid, Point-of-Care Test for Differentiation of Viral versus Bacterial Acute Respiratory Infection in the United States’ was published by the Journal of Health Economics and Outcomes Research and authored by Avalon Health Economics, with the full article available at: https://doi.org/10.36469/001c.27753.
Lumos chief executive officer Sam Lanyon told Biotech Daily that that Febridx test was a finger-prick blood test able to determine whether an infection was bacterial or viral.
In the media release the company said the study estimated the healthcare costs with current antibiotic prescribing, including the cost associated with treating antibiotic-related adverse events, and compared them with an estimate of the costs when Febridx was used.
Lumos said that about half the antibiotics prescribed to the 58 million acute respiratory infection patients each year were medically unnecessary.
Lumos said outpatient visits accounted for 41 percent of antibiotics prescribed in outpatient ambulatory settings with antibiotic-related adverse events responsible for 16 percent of all outpatient adverse drug consultations.
The company said the Febridx diagnostic was under review and had not been approved by the US Food and Drug Administration but was approved by the corresponding regulatory agencies and available to qualified healthcare providers in Europe, Canada and Australia.
Following the announcement, Lumos requested a trading halt “to clarify the Economic Evaluation of Febridx announcement”.
Trading will resume on October 8, 2021, or on an earlier announcement.
Lumos last traded up four cents or 4.6 percent to 91 cents.

EMVISION MEDICAL DEVICES

Emvision says the US Food and Drug Administration has requested more data for its portable brain scanner breakthrough device designation application.
Emvision said it had not been granted breakthrough device designation, as additional clinical study data was required by the FDA, which Emvision would generate through further clinical development.
The company said it expected to pursue breakthrough device designation “once the required clinical data is available”.
Emvision said preliminary evidence supported the potential for the technology to differentiate between and localize haemorrhagic and ischemic stroke.
Emvision said its pursuit of the FDA de-novo marketing authorization pathway for its first-generation portable brain scanner product was unaffected.
The company said it expected to complete enrolment of an additional 20 patient datasets for its pilot trial this month with processing and reporting expected this year.
Emvision chief executive officer Dr Ron Weinberger said the company’s pathway to FDA marketing authorization “remains unchanged, as does our preparation for expanded clinical studies and future commercialization”.
Emvision fell 15 cents or 4.9 percent to $2.92.

VGI HEALTH TECHNOLOGY (FORMERLY AZURE HEALTHCARE, INVICTUS)

VGI says it has added the Royal Melbourne Hospital to its phase II trial of IVB001 for non-alcoholic fatty liver disease and has a $1.5 million draw-down equity facility.
In September, VGI said that Brisbane’s Gallipoli Medical Research Foundation would conduct the 80-patient, randomized, double-blind, placebo-controlled, phase II trial of IVB001 for non-alcoholic fatty liver disease/steatohepatitis, with seven of eight sites recruited (BD: Sep 14, 2021).
Today, the company said recruitment at the Royal Melbourne Hospital was expected to begin by the end of the year.
Separately, VGI said it agreed to the revised terms with investor Aiden Jiang for the drawdown of $1.5 million from a convertible loan facility.
The company said the receipt of the funds was expected to be in $200,000 increments every two weeks from October 11, 2021.
VGI said the loan was convertible to shares at 20 cents a share, subject to shareholder approval.
The company said the interest rate applicable was eight percent a year, the initial period of the loan was for 12 months and it could repay the loan prior to the expiry date or extend the repayment period by a further 12 months.
On the National Stock Exchange, VGI closed untraded at 25 cents.

RACE ONCOLOGY

Race says it has been granted a fifth US patent related to its cancer drug, bisantrene, recently renamed Zantrene.
Race said the patent, titled ‘Compositions to improve the therapeutic benefit of bisantrene and analogs and derivatives thereof’ would protect its intellectual property until July 2034.
Race managing-director Phillip Lynch said the patent provided the company with “additional protection around the use, formulation and compositions of Zantrene, and related chemical structures, that improve the therapeutic benefit of Zantrene”.
Race fell four cents or 1.25 percent to $3.15.

MEDLAB

Medlab says the US Patent and Trademark Office has allowed a patent relating to its Nanocelle delivery platform.
Medlab said it expected the granted patent to be titled 'Transmucosal and transdermal delivery systems' and protect its intellectual property until 2036.
In June, Medlab said it had Europe and Canada Nanocelle patents (BD: June 23, 2021).
Medlab was unchanged at 15 cents.

PATRYS

Patyrs says its annual general meeting will vote to issue managing-director Dr James Campbell 25,000,000 unlisted options.
Patrys said the options would be exercisable at a 43 percent premium to the five-day volume-weighted average price (VWAP) to the date of issue by September 30, 2025.
The company said the options would vest in equal tranches, with half vesting 12-months after the grant date pending a 20-day VWAP share price of seven cents and the second tranche vesting 24-month after the grant date pending a 20-day VWAP of 10 cents.
Patrys said shareholders would vote on the remuneration report, the re-election of director Michael Stork, the ratification of the prior issue of 125,000,000 shares and 41,666,668 options, the adoption of equity incentive plan and the 10 percent placement facility.
The meeting will be held virtually on November 5, 2021, at 10am (AEDT).
Patrys was up 0.1 cents or 2.5 percent to 4.1 cents with 5.7 million shares traded.

ISLAND PHARMACEUTICALS

Island says 6,710,041 shares will be released from voluntary escrow on October 13, 2021.
According to the Island's pre-quotation disclosure, it would have 42,943,166 shares available for trading following the release, with a further 3,162 shares in ASX escrow until February 2022 and 38,022,140 shares in ASX escrow until April 13, 2023.
Island was up one cent or 3.2 percent to 32.5 cents.

DIMERIX

The Nedlands, Western Australia-based Merchant Funds says it has become a substantial shareholder in Dimerix with 17,925,000 shares or 5.59 percent.
Merchant Funds said that between August 23 and October 5, 2021, it bought 17,925,000 shares for $3,585,000 or an average of 20 cents a share.
On Friday, Dimerix said its share plan at 20 cents a share raised $4 million taking its total raised with the placement to $24 million (BD Aug 16, Oct 1, 2021).
Dimerix was up 2.5 cents or 9.3 percent to 29.5 cents with 2.2 million shares traded.

HEXIMA

Hexima says Leanne Ralph will replace company secretary Helen Molloy, effective immediately, and Ms Molloy would continue as the company's financial controller.
Hexima was unchanged at 38.5 cents.