



# Biotech Daily

Thursday May 19, 2022

*Daily news on ASX-listed biotechnology companies*

- \* **ASX, BIOTECH DOWN: IMUGENE UP 18%; COMPUMEDICS DOWN 12.5%**
- \* **BIOTECH DAILY FEDERAL ELECTION EDITORIAL**
- \* **FEDERAL \$75.3m FOR 33 CLINICAL TRIALS**
- \* **ARGENICA COMPLETES ARG-007 P-K STUDIES**
- \* **NEXT SCIENCE APPOINTS ORADERM BLASTX DISTRIBUTOR**
- \* **VIVAZOME, UQ PARTNER FOR BRAIN INJURY EXOSOMES**
- \* **MESOBLAST TO DEFEND AUSTRALIAN CLASS ACTION**
- \* **MEDIBIO TO USE DSM-V TO VALIDATE MEB-001 FOR DEPRESSION**
- \* **PERENNIAL TAKES 10.5% OF MEDADVISOR**

## MARKET REPORT

The Australian stock market fell 1.65 percent on Thursday May 19, 2022, with the ASX200 down 118.2 points to 7,064.5 points. Eleven of the Biotech Daily Top 40 stocks were up, 20 fell, eight traded unchanged and one was untraded.

Imugene was the best, up three cents or 17.65 percent to 20 cents, with 87.0 million shares traded. Patrys climbed 10 percent; Next Science improved 7.3 percent; Actinogen was up 4.2 percent; Opthea, Polynovo and Prescient were up three percent or more; Clinuvel, Kazia, Neuren and Pro Medicus were up more than one percent; with CSL up by 0.3 percent.

Compumedics led the falls, down 2.5 cents or 12.5 percent to 17.5 cents, with 498,697 shares traded, followed by Nova Eye down 12.0 percent to 22 cents, with 20,000 shares traded.

Universal Biosensors lost 7.55 percent; Oncosil was down 5.4 percent; Atomo and Starpharma fell more than four percent; Immutep and Resonance were down more than three percent; Avita, Impedimed, Mesoblast, Orthocell, Pharmaxis and Telix shed more than two percent; Cochlear, Emvision, Genetic Signatures and Proteomics were down one percent or more; with Nanosonics, Paradigm, Resmed and Volpara down by less than one percent.

## [BIOTECH DAILY FEDERAL ELECTION EDITORIAL](#)

Saturday's Australian Federal election is less about specific policies to curry favor with the any sector – including our own - and more about the world in which we live.

While the greatest threat to the planet is Global Warming, it doesn't directly affect the biotechnology community, other than to provide opportunities as the burden of disease and the array of infections increase. But it will impact every other part of our lives, from bushfires to droughts, floods and rising sea levels.

The Liberal National Party Government's inertia on Climate Change reflects its disinterest in innovation. The two major policies that affect our industry are the \$20 billion Medical Research Future Fund and MTP Connect, both established in 2015. Both contribute to the expansion of the industry, but that appears to be all. There is no Minister for Innovation and the Industry portfolio has been a dumping ground.

The previous Labor Government implemented the Ausbiotech-designed 45 percent Research and Development Tax Incentive.

On Tuesday, the Labor Opposition said it would provide a \$1.5 billion Australian medical manufacturing fund as part of its \$15 billion National Reconstruction Fund to "provide loans, guarantees and equity to support projects that create secure well-paid jobs, drive regional development, and invest in our national sovereign capability, broadening and diversifying Australia's economy". Labor said it would make Technical and Further Education (TAFE) free and provide \$482 million for up to 20,000 more university places.

The Greens better understand innovation and propose a \$17.5 billion investment in science, research and innovation, \$5.5 billion for universities, \$1.3 billion for the CSIRO and propose to establish a Parliamentary Office of Science and Technology to provide independent scientific advice to Parliament.

The Government's attacks on China (our number one customer) over Covid beggars belief. Foreign Minister Marise Payne lit the fuse, calling for an inquiry into the Wuhan origin of Sars-Cov-2, with Trade Minister Simon Birmingham fuelling the fire. More recent events with nuclear submarines proposed for 2050 don't help the relationship.

According to the Department of Foreign Affairs and Trade, exports to China increased 21.3 percent to \$179.3 billion in the year to December 31, 2021, but as a proportion of all exports fell from 40.7 percent to 39.1 percent. Pharmaceuticals, and 'medicaments including veterinary products' were hit hard, along with the better publicized fall in exports of barley, wine, wood and crustaceans.

Companies have told Biotech Daily that they are having increased difficulties in access to China, following the unwise interventions. Labor's expected Foreign Minister, Senator Penny Wong, will have her work cut out for her, should Labor win the election.

Our view is that the Liberal-National Coalition does innovators no favors. Labor, the Greens and the "teal" independents are more likely to take action on Climate Change and repair our relationship with China.

**David Langsam, Editor**

## FEDERAL GOVERNMENT

The Federal Government says it will grant \$75.3 million to 12 universities and a research institute to support 33 clinical trials around the country.

A media release from Federal Health Minister Greg Hunt said the program was funded through the National Health and Medical Research Council's Clinical Trials and Cohort Studies Grant scheme.

The Government said the recipients were the University of Adelaide, the University of Melbourne, Melbourne's Monash University, Melbourne's Murdoch Children's Research Institute, Melbourne's Swinburne University, Canberra's Australian National University, the University of Sydney, the University of New South Wales, Queensland University, the University of Western Australia, Perth's Edith Cowan University and Fremantle's University of Notre Dame.

The Australian Federal Election will be held on Saturday, May 21, 2022.

## ARGENICA THERAPEUTICS

Argenica says it has successfully completed its pre-clinical pharmacokinetics study of its ARG-007 stroke treatment candidate, in rodents.

Argenica said it observed favorable pharmacokinetic profiles within a dose range of 0.05mg/kg to 5.0mg/kg, which included the ARG-007 efficacious dose range of 1.0mg/kg to 3.0mg/kg, reaching maximum blood concentrations "in rapid time, indicating a fast onset of therapeutic effect".

The company said that no adverse effects were observed in the animals, and said that ARG-007 "should be safe and well-tolerated in humans at pharmacodynamically relevant doses".

Argenica said completion of the pharmacokinetics study meant that it had completed all studies required for an ethics submission for its proposed 36-volunteer, first-in-human, phase I dose escalation trial of ARG-007.

Argenica chief executive officer Dr Liz Dallimore said the pharmacokinetics study was "the final study required to finalize our ethics submission, allowing us to move closer to initiating our phase I clinical trial."

Argenica was up four cents or 8.2 percent to 53 cents.

## NEXT SCIENCE

Next Science says that Melbourne's Oraderm Pharmaceuticals will distribute its anti-microbial wound gel Blastx in Australia and New Zealand.

Next Science said the five-year agreement granted Oraderm exclusive rights in Australia and New Zealand for the sale and marketing of a dual Next Science and Oraderm labelled version of Blastx.

The company said revenues would be based on an agreed unit price and a minimum quantity per order and were expected "to become material".

Next Science said Oraderm's initial focus in Australia and New Zealand would be hospitals, nursing homes, dermatologists and over-the-counter pharmacies.

The company said the agreement would automatically renew for an additional three years at the conclusion of its initial five-year term.

Next Science was up six cents or 7.3 percent to 88 cents.

## VIVAZOME

Vivazome says it will work with the University of Queensland to investigate exosome treatments for traumatic brain injury and post-traumatic brain injury epilepsy.

Vivazome said it would provide exosomes from different cell types and culture conditions to a team led by the University's Centre for Advanced Imaging director Prof David Reutens.

The company said that the team would undertake research up to in-vivo, proof-of-concept, and the company and the University would jointly apply for grants and other funds to support the project.

Vivazome said the University's team would test the exosomes in a traumatic brain injury mouse model.

The company said it would work with the University to engineer exosomes to enhance their targeting of the brain and increase their anti-inflammatory properties, with the aim of modulating the inflammatory response in traumatic brain injury.

Vivazome said it hoped this would modify or prevent susceptibility to post-traumatic brain injury (TBI) epilepsy, reduce brain damage and improve recovery of motor and cognitive functions.

Vivazome chief executive officer Prof David Haylock said that Prof Reutens and his team at the University of Queensland were "recognized for their work in TBI and post-TBI epilepsy, including previous grant funding from the US Department of Defence".

"Vivazome will supply its proprietary exosomes and provide its expertise in exosome biology and analytics," Prof Haylock said.

Vivazome is a private company.

## MESOBLAST

Mesoblast says it has been served a class action in the Federal Court of Australia by William Roberts Lawyers on behalf of certain shareholders.

Mesoblast said the class action was issued on behalf of parties who acquired an interest in the company's shares, American depository receipts, or related equity swap arrangements between February 22, 2018 and December 17, 2020.

The company said that it had recently settled a similar suit in the US for \$2 million with no admission of liability, and that the settlement sum, minus the minimum excess associated with the company's insurance, had been paid by the Mesoblast's insurer.

Mesoblast did not specify the currency for the \$2 million and had not replied to a query from Biotech Daily at the time of publication.

Last year, at least four US law firms began class actions against Mesoblast claiming that the company failed to inform investors of the risk of graft-versus-host disease success (BD: Oct 21, 2021).

Mesoblast fell 2.5 cents or 2.4 percent to \$1.01 with 1.2 million shares traded.

## MEDIBIO

Medibio says the US Food and Drug Administration will allow use of a DSM-V diagnosis as the primary comparator to assess efficacy of its depression algorithms.

Medibio said it had proposed the fifth edition of the Diagnostic and Statistical Manual of Mental Disorders (DSM-V), as well as the International Neuropsychiatric Interview to support trial clinician diagnosis after the FDA requested a clinical diagnosis as a primary comparator to its MEB-001 cardiac variability for depression algorithm.

Medibio was unchanged at 0.35 cents with 4.9 million shares traded.

## MEDADVISOR

Perennial Value Management says it has increased its substantial holding in Medadvisor from 34,817,863 shares (9.21%) to 40,060,704 shares (10.52%).

The Melbourne-based Perennial said that it sold 209,536 shares between March 2 and May 11, 2022, and on May 17, 2022 bought 5,452,377 shares for \$1,010,908.87, or 18.5 cents a share.

Medadvisor fell half a cent or 2.3 percent to 21 cents.