



Biotech Daily

Wednesday June 22, 2022

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH DOWN: ORTHOCELL UP 8%; PROTEOMICS DOWN 13%**
- * **ZELIRA TERMINATES HEALTH HOUSE ACQUISITION**
- * **AROVELLA, STADA LAUNCH ZOLPIMIST SPRAY FOR INSOMNIA**
- * **MEDIBIO HOPES TO RAISE \$1.4m; LOSES M-D CLAUDE SOLITARIO**
- * **NOXOPHARM PARTNER HUDSON INSTITUTE RECEIVES \$1.45m GRANT**
- * **RACE: ZANTRENE SHRINKS MELANOMA TUMORS, IN MICE**
- * **FLINDERS: VORTEX 5-MIN TEST FOR INFECTIOUS DISEASES**
- * **TRAJAN TO RELEASE 4.7m VOLUNTARY ESCROW SHARES**
- * **PAINCHEK REQUESTS 'RIGHTS OFFER, PLACEMENT' TRADING HALT**
- * **BLACKROCK REDUCES TO 9.3% OF IMRICOR**

MARKET REPORT

The Australian stock market fell 0.23 percent on Wednesday June 22, 2022, with the ASX200 down 15.3 points to 6,508.5 points. Thirteen of the Biotech Daily Top 40 stocks were up, 23 fell and four traded unchanged.

Orthocell was the best, up 2.5 cents or 8.1 percent to 33.5 cents, with 271,520 shares traded. Cyclopharm climbed seven percent; Medical Developments was up 6.5 percent; Pharmaxis improved 5.8 percent; Avita, Cynata and Emvision were up more than four percent; Neuren and Paradigm rose more than two percent; Amplia and Resonance were up more than one percent; with Clinuvel, Cochlear, CSL and Starpharma up by less than one percent.

Proteomics led the falls, down 11 cents or 13.3 percent to 71.5 cents, with 299,722 shares traded. Prescient lost 12.5 percent; Imugene and Kazia fell more than nine percent; Actinogen and Impedimed lost more than six percent; Compumedics and Opthea were down more than five percent; Alcidion, Antisense, Genetic Signatures, Next Science, Nova Eye, Oncosil, Polynovo, Universal Biosensors and Uscom fell more than four percent; Atomo and Immutep were down more than three percent; Mesoblast and Telix shed more than two percent; Pro Medicus was down 1.5 percent; with Nanosonics and Resmed down by less than one percent.

ZELIRA (FORMERLY ZELDA) THERAPEUTICS

Zelira says it has terminated its proposed scheme of arrangement with Health House “given the substantial change in market conditions since ... announced”.

Zelira said that as a result of the termination, the Perth-based Health House International would have to pay it \$50,000 immediately, as well as repay its \$1.5 million working capital facility loan, plus interest, within 60 days from today.

In February, Zelira said it would acquire Health House in scrip for 19.45 percent of the expanded company or 399,400,517 shares, valued at that time at approximately \$9,585,612, but \$7,721,210 after allowing for the dilution, pending due diligence and a formal scheme implementation deed (BD: Feb 24, 2022).

At that time, Zelira chair Osagie Imasogie said the acquisition would “provide Zelira with control of direct access to highly regulated European and other markets for its products” with direct access to manufacturing facilities in Europe and expedite clinical validation.

In April, Zelira said its extraordinary general meeting approved a 175-to-one consolidation, leaving 9,572,011 shares on issue at the time (BD: Apr 12, 2022).

At that time, Biotech Daily calculated that the closing share price of 1.8 cents would be equivalent to \$3.15 per consolidated share.

Today, Biotech Daily calculates that based on the 175-to-one consolidation, 19.45 percent of the expanded company would be equivalent to about 2,282,289 shares, which at today’s closing price of \$1. yesterday, would be valued at \$2,282,289.

Zelira was unchanged at \$1.00.

AROVELLA THERAPEUTICS (FORMERLY SUDA)

Arovella says it has launched its oral spray Zolpimist, or zolpidem tartrate, for the short-term treatment of insomnia in adults, with Stada Australia.

Arovella said that Zolpimist was an oral spray version of zolpidem tartrate, developed using its Oromist oro-mucosal spray technology (BD: Jul 23, 2013; Jul 5, 2017).

Last year, the then Suda said it had licenced Zolpimist for insomnia in Australia to Stada Pharmaceuticals Australia Pty Ltd, part of the Frankfurt, Germany-based Stada Arzneimittel AG Group (BD: Aug 24, 2021).

At that time, the company said Stada would pay \$170,000 upfront plus a \$40,000 milestone payment, pending Australian Therapeutic Goods Administration approval of the enhanced child-resistant lock and a 10 percent royalty on sales, for a perpetual, exclusive licence for Zolpimist for Australia, with the option to distribute in New Zealand.

Today, Arovella said that following the manufacturing of Zolpimist, Stada began the commercial launch of the product in Australia, and was considering commercializing the product throughout New Zealand.

The company said that it was in the process of implementing a child resistant lock on its product and it was expected to be implemented from the second batch of products.

Arovella managing-director Dr Michael Baker said the launch was “an exciting milestone for Arovella”.

“We expected the product to be commercialized in the third quarter of 2022 and we have achieved that milestone early,” Dr Baker said.

“We see Zolpimist as an important product to assist with sleep, particularly with the lingering effects of the Covid-19 pandemic,” Dr Baker said.

“It is due to the hard work of our team and our manufacturing partner that we have been able to achieve this milestone,” Dr Baker said.

Arovella fell 0.2 cents or eight percent to 2.3 cents with 2.1 million shares traded.

MEDIBIO

Medibio says it has commitments to raise \$1.4 million in a placement at 0.15 cents a share; and managing-director Claude Solitario has resigned, effective from today.

Medibio said that it had commitments to raise about \$1.4 million at 0.15 cents a share, with one attaching option for each new share exercisable at 0.4 cents each, by June 15, 2027, subject to shareholder approval.

The company said Perth's CPS Capital Group Pty Ltd was the lead manager and would receive a two percent management fee, a four percent placement fee, as well as an offer to subscribe for up to 20,000,000 options 0.001 cents per option, pro-rata with the amount of placement securities issued to investors it procured, subject to shareholder approval, at an extraordinary general meeting expected to be held in August 2022.

The company said that Mr Solitario had resigned to "pursue other business interests" and it would begin a search for a new chief executive officer.

Medibio fell 0.1 cents or 33.3 percent to 0.2 cents with 18.0 million shares traded.

NOXOPHARM

Noxopharm says its partner Hudson Institute of Medical Research has received a \$1.45 million grant from the Victorian Government for therapeutics for inflammation.

Last week, Noxopharm said that the Institute, based at Melbourne's Monash University would receive \$100,000 from the mRNA Victorian Research Acceleration Fund for a study into RNA-based therapeutics (BD: Jun 14, 2022).

The company said at that time that subsidiary Pharmorage Pty Ltd was working with the Hudson Institute and Canberra's Australian National University on a project to explore TLR7-driven autoimmune disease.

Today, the company said Pharmorage was named on the grant as the collaborator that would design and synthesize the compounds to commercialize any promising candidates. Noxopharm said the research aimed to identify novel drug compounds that dampened harmful excessive inflammation associated with the Covid-19 infection, with the research to commence "shortly" and continue for about two years.

Noxopharm fell half a cent or 2.5 percent to 19.5 cents.

RACE ONCOLOGY

Race says Zantrene, or bisantrene dihydrochloride, with immunotherapy, leads to shrinkage of melanoma tumors, in mice.

Race said that when used at low concentrations, Zantrene enhanced immunotherapy by directly killing melanoma cells, activating immune cells which targeted the tumor, and reducing the expression of immune evasion genes in the tumor.

The company said that Zantrene showed "significant historical in-vitro activity" against fresh human melanoma samples, and in a phase I trial, one of four patients treated achieved a "complete response which lasted six months".

Race chief scientific officer Dr Daniel Tillett said that "the results of this pre-clinical research demonstrate the potential of Zantrene to enhance immunotherapy outcomes in melanoma".

"While checkpoint inhibitors have revolutionized the treatment of advanced melanomas, far too many patients show no, or only a short-term response, to these treatments," Dr Tillett said. "Zantrene has shown its ability to work in three complementary ways to enhance the anti-melanoma immune response."

Race fell half a cent or 0.3 percent to \$1.66.

[FLINDERS UNIVERSITY](#)

Flinders University says its 'vortex fluidic' personalized mobile diagnostic can test for infectious diseases with results in less than five minutes.

Flinders University said the vortex fluidic device can be "readily scaled up to test hundreds and potentially thousands of proteins in one assay in less than five minutes".

The Adelaide-based University said that other tests could take 48 to 72 hours but on-the-spot tests could "lead to accurate diagnosis and early commencement of important drug treatments and reduction of wrong medications".

Flinders University said the research showed that the vortex fluid device (VFD)-accelerated immoblot assay, was superior to other point-of-care biomarker-based tests.

The University said the research article, titled 'Under-5-Minute Immunoblot Assays by Vortex Fluidic Device Acceleration' was published in the journal *Angewandte Chemie* and was available at: <https://onlinelibrary.wiley.com/doi/full/10.1002/ange.202202021>.

Flinders said that vortex fluid device-accelerated immoblot assay processing was faster and accurate, reducing processing time from hours to less than five minutes, and that it reduced the cost of reagents by 70 percent.

Co-author, University of California Irvine Prof Gregory Weiss, said that "the data produced can be accurately read with a cell phone camera, immediately addressing the gap between development and implementation of biomarker-based precision medicine".

Co-author, Flinders University's Dr Xuan Luo, said that "the extreme disparity between technologically lagging and advanced settings directly impacts disease mortality and morbidity, particularly for infectious diseases".

[TRAJAN GROUP HOLDINGS](#)

Trajan says it will release 4,659,843 shares from voluntary escrow on June 28, 2022. According to its most recent filing Trajan said it had 149,453,211 shares available for trading.

Trajan fell three cents or 1.5 percent to \$2.00.

[PAINCHEK](#)

Painchek has requested a trading halt pending "an announcement regarding a non-renounceable entitlement offer and placement".

Trading will resume on June 24, 2022 or on an earlier announcement.

Painchek last traded at 3.3 cents.

[IMRICOR MEDICAL SYSTEMS](#)

The New York-based Blackrock Group says it has reduced its substantial shareholding in Imricor from 16,102,886 shares (11.23%) to 13,392,679 shares (9.34%).

Blackrock said that on June 16 it sold 915,000 shares at 14 cents a share and on June 17 it sold 1,795,207 shares at 12 cents a share.

Imricor was up one cent or 8.7 percent to 12.5 cents with 2.7 million shares traded.