



# Biotech Daily

Friday July 1, 2022

*Daily news on ASX-listed biotechnology companies*

- \* FY22: BDI-40 DOWN 38%, ASX200 DOWN 10%, BIG CAPS DOWN 3%, NBI DOWN 27%
- \* TODAY: ASX DOWN, BIOTECH UP: VOLPARA UP 12%; STARPHARMA DOWN 5%
- \* RESMED \$2.2b LOAN; OPTION FOR \$1.5b MORE
- \* EBR TAKES \$73m LOAN; ENROLS PACEMAKER TRIAL
- \* NUHEARA \$2m PLACEMENT, PARTNER REALTEK TAKES \$1.7m
- \* ALTERITY RECEIVES \$4m FEDERAL R&D TAX INCENTIVE
- \* RADIOPHARM, GENESISCARE EXTEND TRIAL AGREEMENT
- \* PARADIGM PHASE II ZILOSUL BIOMARKER TRIAL ENROLLED
- \* TISSUE REPAIR REQUESTS TR-987 TRIAL FDA MEETING
- \* US PATENT FOR INOVIQ SUB-B2M TECHNOLOGY
- \* CEO DR ANDREW RONCHI, TANAMY TAKE 5.6% OF DORSAVI
- \* IMUGENE APPOINTS DR SHARON YAVROM DIRECTOR, CLINICAL SCIENTIST
- \* AROVELLA APPOINTS PHARMAXIS M-D GARY PHILLIPS DIRECTOR
- \* CO SEC GUY ROBERTSON REPLACES BIOXYNE DIRECTOR PATRICK FORD
- \* PHARMAXIS APPOINTS DR JANA BASKAR CMO

## MARKET REPORT

The Australian stock market fell 0.43 percent on Friday July 1, 2022, with the ASX200 down 28.2 points to 6,539.9 points. Twenty-five of the Biotech Daily Top 40 stocks were up, eight fell, three traded unchanged and four were untraded.

Volpara was the best, up five cents or 11.9 percent to 47 cents, with 209,293 shares traded, followed by Mesoblast up 11.5 percent to 68 cents with 4.2 million shares traded. Medical Developments climbed 10.3 percent; Antisense and Next Science were up more than nine percent; Atomo, Imugene, Nova Eye, Opthea and Resonance rose more than eight percent; Micro-X improved 7.1 percent; Actinogen and Immutep were up six percent or more; Patrys rose five percent; Dimerix climbed 4.2 percent; Avita, Compumedics and Genetic Signatures were up more than three percent; Clinuvel, Emvision, Nanosonics, Orthocell and Telix rose more than two percent; Pharmaxis was up 1.5 percent; with Cochlear, CSL and Pro Medicus up by less than one percent.

Starpharma led the falls, down four cents or 5.4 percent to 70 cents, with 140,711 shares traded. Proteomics fell 4.3 percent; Polynovo and Prescient lost more than three percent; Universal Biosensors shed 2.7 percent; Impedimed, Neuren and Paradigm were down more than one percent; with Resmed down 0.6 percent.

## BIOTECH DAILY TOP 40 INDEX (BDI-40)

It's difficult to know where to start the financial year's news. All indices fell from July 1, 2021 to June 30, 2022. This is what brokers call "a buyer's opportunity".

The ASX200 is just above the Covid-19 crash level, that kept the benchmark index low from February to December 2020. The Biotech Daily Top-40 Index (BDI-40) is just above the March 2020 level, when biotechs were seen as benefitting from the pandemic. The longer-term data shows that both the ASX200 and the BDI-40 are just above where they were exactly three years ago on July 2019 (see 16-year chart below).

The ASX200 fell 8.9 percent in June and 10.2 percent for the year to June 30, 2022; while the BDI-40 lost 7.9 percent in June, but 37.6 percent for the year.

The collective value of the three Big Caps of Cochlear, CSL and Resmed (which are not included in the BDI-40) fell 0.4 percent in June and just 3.3 percent for the year to June 30, 2022. Resmed rose 5.3 percent to \$44,932 million in June, but down 5.8 percent for the year. Cochlear lost 21.0 percent to close the financial year at \$13,070 million, while the CSL Magic Pudding shed 0.15 percent over the 12 months to \$129,608 million.

Just four of the BDI-40 companies climbed in June, with Orthocell's \$23.1 million Biohorizons Striate+ deal keeping it 11.1 percent above water, followed by Polynovo up 9.8 percent, assisted by chair David Williams' purchase of 5.7 million shares in May and June, with Starpharma up 2.7 percent and Pro Medicus up 2.6 percent for the month.

Thirty-six companies fell in June, led by Medical Developments, where Mr Williams apparently didn't buy shares, down 44.7 percent to \$104 million followed by Volpara (44.5%), Mesoblast (38.1%) and Immutep (31.0%).

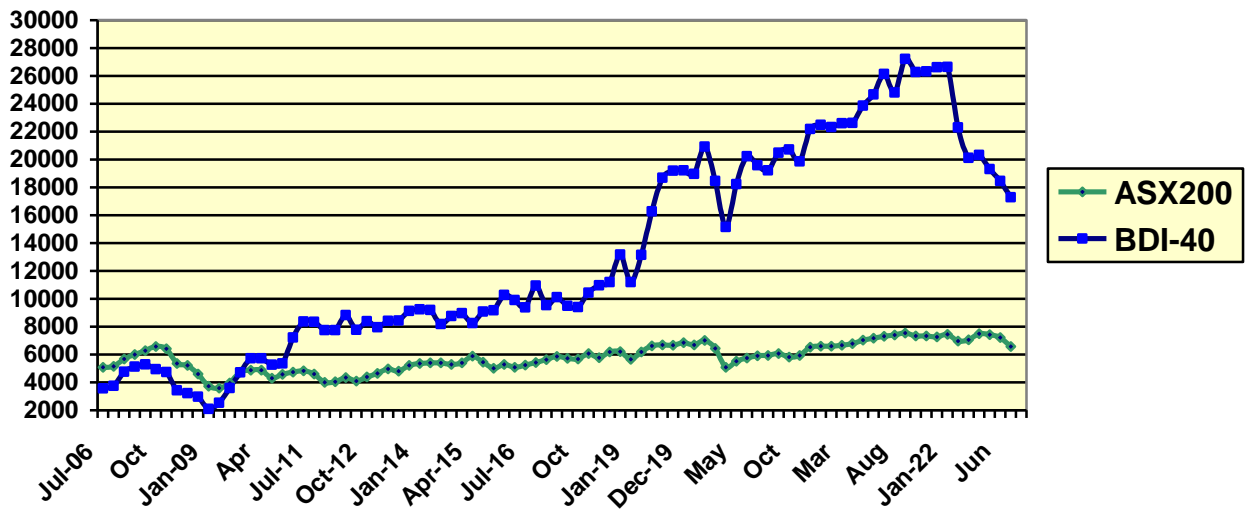
For the year to June 30, 2022, three of the 40 improved, with Neuren up 156.1 percent to \$479 million followed by Genetic Signatures up 5.7 percent and Proteomics up 1.03 percent. Dimerix looked good, unchanged at \$39 million.

All other companies fell, with 17 BDI-40 companies down by more than 50 percent. Avita had the year's deepest fall, down \$477 million or 73.4 percent to \$173 million, despite a relatively positive news flow. Beware the "better valuations" of the Nasdaq. Atomo lost 60.5 percent to \$32 million, followed by Mesoblast (69.1%), Medical Developments (67.6%), Alcidion (66.8%), Volpara (63.7%), Resonance (63.4%), Compumedics (61.4%), Patrys (59.8%), Actinogen (58.3%), Micro-X (55.8%), Antisense (55.4%), Paradigm (53.87%), Polynovo (51.9%), Clinuvel (51.6%), Kazia (51.1%) and Starpharma (50.2%).

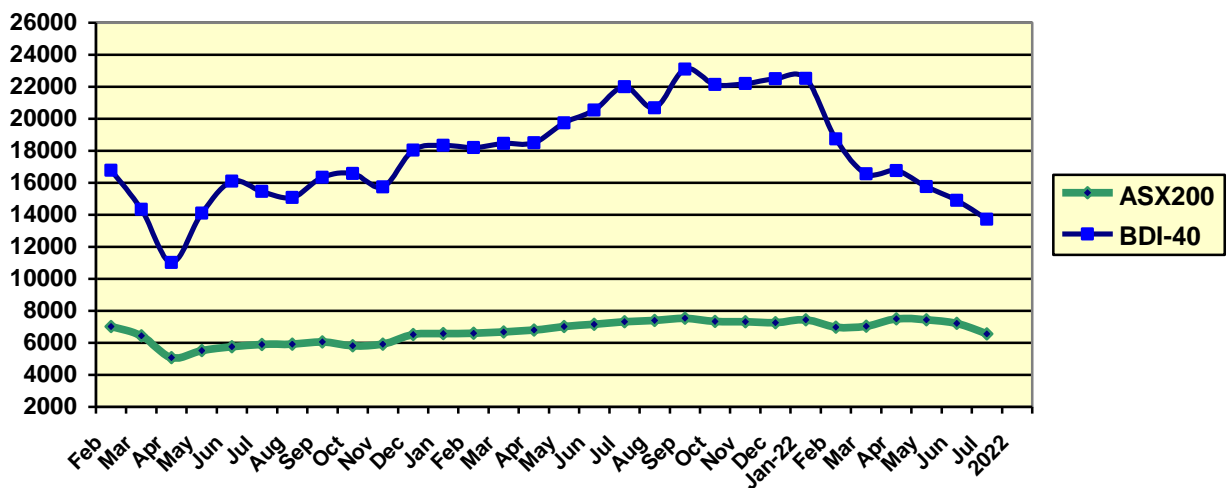
Of the total 137 biotechnology companies currently in our lists, 18 were up for the year and two were unchanged. The year's best was Cronos with the CDA acquisition boosting it 2,660.0 percent from \$5 million to \$138 million. Anteris climbed 746.8 percent to \$398 million, followed by Resapp up 220.0 percent on the Pfizer bid, Argenica (211.1%) and Neuren (156.1%). Honorable mentions to Emyria, Living Cell, Biotron, Cogstate and LBT.

Despite four Cannabis Corner companies - Cann Group, Cronos, Emyria and Incannex - rising over the year, the 11-company index fell 17.4 percent for the year to \$721 million. Cronos added \$133 million to the index, but Zelira lost \$42 million or 82.4 percent, followed by Althea (76.25%), Epsilon (formerly THC) (75.0%), Creso (70.8%), Medlab Clinical (68.0%) and Auscann (65.6%).

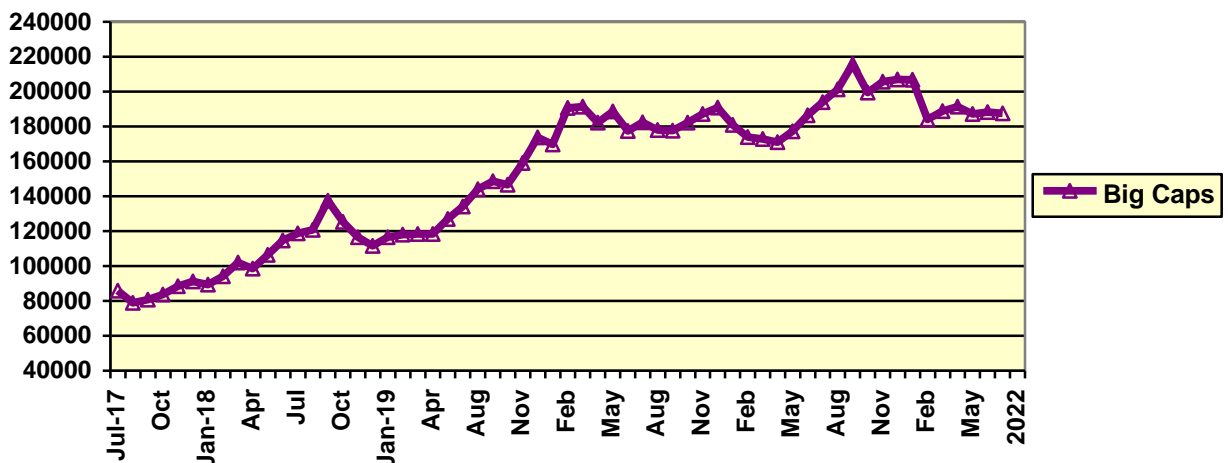
**BDI-40 v ASX200 Jun 30, 2006 to Jun 30, 2022- Adjusted**



**BDI-40 (\$m) v S&P ASX 200 – Jan 31, 2020 – Jun 30, 2022 (current, raw data)**



**Big Caps \$m (Cochlear, CSL, Resmed) Jun 30, 2017 – Jun 30, 2022**



## RESMED

Resmed says it has a revolving unsecured credit facility for up to \$US1.5 billion (\$A2.2 billion), with an uncommitted option for another \$US1 billion (\$A1.46 billion).

Resmed said the loan, was financed by MUFG Union, Wespac, HSBC Australia, HSBC USA, and Wells Fargo, and would terminate on Jun 29, 2027.

The company said the interest rate was set at an adjusted secured overnight financing rate (Sofr) "plus 0.75 percent to 1.50 percent, depending on the then-applicable leverage ratio, or the base rate, as defined in the revolving credit facility, plus 0.0 percent to 0.50 percent, depending on the then-applicable leverage ratio".

Resmed said that a commitment fee of 0.075 percent to 0.150 percent, depending on the then-applicable leverage ratio, applied on the unused portion of the revolving credit facility.

The company said the loans would be used for general corporate purposes.

Resmed fell 19 cents or 0.6 percent to \$30.50 with 1.6 million shares traded.

## EBR SYSTEMS

EBR says it has secured a \$US50 million (\$A73,200,000) loan and completed enrolment in a pivotal trial of its Wise wireless, endo-cardial left ventricle pacemaker.

EBR said the loan, financed by Chicago's Runway Growth Finance Corp, had a term of five years, and a floating rate with a floor of 4.9 percent.

The company said it had completed enrolment in a pivotal trial of its Wise pacemaker, targeting US Food and Drug Administration approval by the end of 2023.

EBR chief executive officer John McCutcheon said that with the company's existing cash reserves the Runway Growth loan provided "funding flexibility, through the FDA approval process and commercialization of the Wise system".

EBR was up 15.5 cents or 41.3 percent to 53 cents.

## NUHEARA

Nuheara says the Hsinchu, Taiwan-based Realtek Semiconductor Corp has subscribed for \$1.7 million in a \$2.05 million placement at 12 cents a share.

Nuheara said that Perth's Azure Capital was its financial advisor and the \$350,000 was placed with sophisticated investors.

The company said that it would collaborate with Realtek to develop chipset integrated circuits (ICs) and technology to "penetrate multiple hearing related markets" including true wireless stereo, personal sound amplification products and the regulated over-the-counter hearing aid market.

Nuheara said that under the arrangement, if components of its intellectual property were used it would receive a royalty fee for each product or service sold, and it was in discussion with Realtek regarding further funding opportunities.

Nuheara managing-director Justin Miller said "from a technology perspective, Realtek and Nuheara have been intensely engaged with each other since early 2022".

"As a result, Realtek's expertise in designing [integrated circuits] with high integration, low latency and ultra-low power consumption will see Nuheara's next generation of hearing devices move from four major chipsets per earbud to just one," Mr Miller said.

"As the Nuheara brand focuses on its next generation of hearing aids to a regulated market, the partnership should still enable us to participate in the broader consumer electronics market by embedding elements of our hearing technology in Realtek's [integrated circuits]," Mr Miller said.

Nuheara was up four cents or 33.3 percent to 16 cents.

### ALTERITY

Alterity says it has received \$4,126,436 from the Australian Tax Office under the Federal Government Research and Development Tax Incentive program.

Alterity said the rebate related to expenditure for the year to June 30, 2021.

Alterity was up 0.1 cents or 7.7 percent to 1.4 cents with 4.9 million shares traded.

### RADIOPHARM THERANOSTICS

Radiopharm says it has extended an agreement with Melbourne's Genesiscare, which will support a phase I trial prostate cancer.

In March, Radiopharm said it had a letter-of-intent with Sydney's Genesiscare for a phase I trial of its nano-monoclonal antibodies in non-small cell lung cancer (BD: Mar 23, 2022).

Today, the company said the phase I trial would assess its PSA-targeting antibody in prostate cancer and it expected to begin the trial "in the coming months".

Radiopharm was up two cents or 13.3 percent to 17 cents.

### PARADIGM BIOPHARMACEUTICALS

Paradigm says it has fully recruited its 60-patient, phase II trial evaluating pentosan polysulphate sodium, PPS or Zilosul, for synovial fluid biomarkers in knee osteoarthritis.

Paradigm said the study would assess how PPS effected synovial fluid biomarkers associated with osteoarthritis pain, inflammation, and disease progression.

The company said the subjects had been randomized into either twice-weekly or once-weekly dosing, as well as a placebo group.

Paradigm said top-line data from day-56 endpoints was expected by October 2022.

Paradigm fell one cent or one percent to 95.5 cents.

### TISSUE REPAIR

Tissue Repair says it has requested a 'type C' meeting with the US Food and Drug Administration regarding its phase III trial of its Glucoprime TR-987 for wound healing.

Tissue Repair said it would seek clarification from the FDA on a number of matters required to progress into the trial program, including chemistry manufacturing and controls, sourcing of raw materials, and toxicology of its candidate.

The company said it expected a response from the FDA in August, 2022, and if approved, would allow it to obtain phase III clinical trial approval in early 2023.

Tissue Repair fell half a cent or two percent to 24.5 cents.

### INOVIQ

Inoviq says the US Patent and Trademark Office has issued a patent relating to its Sub-B2M immunoassay antibodies, over which it holds worldwide exclusive rights.

Inoviq said the patent, titled 'Subtilase cytotoxin B subunit mutant', was issued to Griffith University and the University of Adelaide and would protect their intellectual property until July 9, 2038.

Inoviq was up seven cents or 17.95 percent to 46 cents.

### DORSAVI

Dorsavi chief executive officer Dr Andrew Ronchi, says, that through Tanamy Super Fund, he has become substantial in Dorsavi with 19,915,656 shares or 5.59 percent. The Melbourne-based Dr Ronchi said that on July 1, 2022 he was issued 2,606,767 shares "in lieu of remuneration". Dorsavi was unchanged at 1.2 cents.

### IMUGENE

Imugene says it has appointed Dr Sharon Yavrom as an executive-director and its clinical scientist, effective from today. Imugene said that Dr Yavrom had about 20 years of experience in pharmaceutical companies and previously worked for TAP Pharmaceuticals, Amgen, BMS, Synta Pharmaceuticals, Puma Biotechnology, Tocagen, Aduro, MEI Pharma, and Oncernal. The company said that Dr Yavrom had led several clinical trials, including cancer studies, and held a Bachelor of Science from San Jose State University in California and a Doctor of Philosophy from the University of Southern California in Los Angeles. Imugene was up 1.5 cents or 8.3 percent to 19.5 cents with 31.8 million shares traded.

### AROVELLA THERAPEUTICS

Arovella says it has appointed Pharmaxis managing-director Gary Phillips as an independent non-executive director, replacing former chair Paul Hopper. In June, Arovella announced Mr Hopper resignation (BD: Jun 7, 2022). Today, the company said that previously Mr Phillips was Novartis Australia's group head and chief executive officer of its pharmaceutical division. Arovella said Mr Phillips held a Bachelor of Pharmacy from Nottingham University, and a Master of Business Administration from Henley Management College. Arovella was up 0.1 cents or 4.35 percent to 2.4 cents.

### BIOXYNE

Bioxyne says company secretary Guy Robertson has been appointed director, to replace Patrick Ford, with Rachel Qian appointed assistant company secretary. Bioxyne said Mr Robertson was currently a director of Hastings Technology Metals, Artemis Resources, Metal Bank, and Greentech Metals. The company said Ms Qian held a Bachelor of Commerce and a Master of Accounting from Macquarie University. Bioxyne was untraded at 1.2 cents.

### PHARMAXIS

Pharmaxis says it has appointed Dr Jana Baskar as its chief medical officer. Pharmaxis said Dr Baskar was most recently medical director for Iqvia in Australia and New Zealand, where he also co-chaired the Iqvia oncology advisory board. The company said Dr Baskar held a Bachelor of Medicine, Bachelor of Surgery from the University of Western Australia, a Master of Medical Science from the University of New South Wales, and a Masters of Business Administration from the Australian Graduate School of Management. Pharmaxis was up 0.1 cents or 1.4 percent to 7.1 cents.



## BIOTECH DAILY TOP 40 WITH MARKET CAPITALIZATION AT JULY 1, 2022

Company \$Am	Jul-21	Jun-22	Jul-22
Cochlear	16,546	14,666	13,070
CSL	129,797	130,942	129,608
Resmed	47,688	42,689	44,932
<b>BDI-20</b>			
Avita	650	200	173
Clinuvel	1,517	785	734
Compumedics	70	35	27
Cyclopharm	159	121	95
Cynata	72	57	52
Genetic Signatures	157	178	166
Immutep	411	364	251
Kazia	174	107	85
Medical Developments	321	188	104
Mesoblast	1,284	641	397
Nanosonics	1,770	1,156	1,014
Neuren	187	489	479
Nova Eye	46	31	27
Opthea	469	481	387
Pharmaxis	40	46	36
Polynovo	1,865	817	897
Pro Medicus	6,119	4,297	4,408
Starpharma	607	294	302
Telix	1,714	1,455	1,417
Volpara	292	191	106
<b>Second 20</b>			
Actinogen	216	126	90
Alcidion	419	178	139
Amplia	29	21	19
Antisense	112	70	50
Atomo	105	45	32
Dimerix	39	47	39
Emvision	216	142	116
Impedimed	157	151	108
Imugene	1,762	1,141	1,056
Micro-X	147	74	65
Next Science	276	164	155
Oncosil	43	46	40
Orthocell	112	72	80
Paradigm	476	281	220
Patrys	102	46	41
Prescient	157	111	101
Proteomics	97	104	98
Resonance	71	38	26
Universal Biosensors	149	97	78
Uscom	25	16	13

\* Biotech Daily editor, David Langsam, owns shares in Acrux, Actinogen, Alcidion, Alterity, Amplia, BTC Health, Clarity, Cochlear, Control Bionics, Cynata, Nanosonics, Neuren, Patrys, Polynovo, Telix, Volpara and non-biotech stocks. Through Australian Ethical Superannuation he has an indirect interest in other companies: <https://www.australianethical.com.au/personal/ethical-investing/companies-we-invest-in/>. These holdings are liable to change.

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