



Biotech Daily

Thursday November 10, 2022

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH DOWN: AVITA UP 10%; ACTINOGEN DOWN 8%**
- * **AVITA: 'UPDATED ANALYSIS OVERTURNS PREVIOUS MISSED ENDPOINT'**
- * **RMIT DEVELOPS CHRONIC WOUND IDENTIFICATION SYSTEM**
- * **BRANDON INVESTS IN UK'S NRG THERAPEUTICS FOR ALS**
- * **MEDLAB PROGRESSES NANOCELLE INSULIN NASAL SPRAY**
- * **NOXOPHARM RECEIVES \$5m FEDERAL R&D TAX INCENTIVE**
- * **FMR REDUCES TO 6.8% OF NANOSONICS**
- * **FOUNDER DR MATTHEW MYNTTI REDUCES TO 5.95% IN NEXT SCIENCE**
- * **SG HISCOCK TAKES 7.2% OF ALTHEA**

MARKET REPORT

The Australian stock market fell 0.5 percent on Thursday November 10, with the ASX200 down 35.3 points to 6,964.0 points. Twelve of the Biotech Daily Top 40 stocks were up, 17 fell, eight traded unchanged and three were untraded. All three Big Caps were up.

Avita was the best for the second day in a row, up 16.5 cents or 9.65 percent to \$1.875, with 1.2 million shares traded.

Genetic Signatures climbed 9.35 percent; Emvision improved 7.4 percent; Starpharma was up 4.8 percent; Impedimed, Orthocell and Prescient were up more than three percent; Neuren and Universal Biosensors rose more than two percent; with Amplia, Clinuvel, Cochlear, CSL, Cyclopharm and Resmed up by one percent or more.

Actinogen led the falls, down one cent or 7.7 percent to 12 cents, with three million shares traded.

Kazia, Paradigm and Proteomics fell more than four percent; Atomo, Dimerix, Opthea and Polynovo were down more than three percent; Imugene and Volpara Science shed more than two percent; Nanosonics, Oncosil and Pharmaxis were down one percent or more; with Medical Developments, Mesoblast, Pro Medicus and Telix down by less than one percent.

AVITA MEDICAL

Avita says an “updated analysis of data” from its 65-patient study of Recell spray-on skin for soft tissue reconstruction shows Recell met its healing non-inferiority endpoint.

In August, Avita said that although Recell significantly improved “donor sparing” in skin grafts ($p < 0.001$), “the healing endpoint did not reach pre-specified statistical non-inferiority” but observed values for healing with Recell were the same or slightly better than control. (BD: Aug 12, 2022).

Today, the company said “further re-verification resulted in corrections to the healing data, ultimately leading to a conclusion of non-inferiority for healing”, with the non-inferiority endpoint for healing demonstrating statistical significance of $p < 0.025$.

Avita said that “further re-verification resulted in corrections to the healing data, ultimately leading to a conclusion of non-inferiority for healing”.

Avita chief executive officer Jim Corbett said that the results “reinforce the potential for Recell to become a new standard-of-care for soft tissue repair”.

“We look forward to sharing the soft tissue repair outcomes with the [US Food and Drug Administration FDA] via our [pre-market approval] submission expected in December 2022,” Mr Corbett said.

Avita climbed 16.5 cents or 9.65 percent to \$1.875 with 1.2 million shares traded.

ROYAL MELBOURNE INSTITUTE OF TECHNOLOGY

The Royal Melbourne Institute of Technology says a team led by Prof Dinesh Kumar has developed a thermal imaging tool for early screening of chronic wounds.

RMIT said that the research, conducted in collaboration with the Brisbane-based Bolton Clarke Research Institute, built on work by the same team last year, which enabled the identification of chronic leg sores by the second week after the baseline assessment.

The Institute said the new method provided information on spatial heat distribution in a wound and could predict “with 78 percent accuracy whether leg ulcers would heal in 12 weeks without specialized treatment”.

RMIT said that further research would be directed to adapting the technology to allow a nurse or doctor to have access to the capability on their mobile phone, as well as whether the technology could be directed towards diabetic foot ulcers.

Prof Kumar said the ability to identify chronic leg wounds during the first visit was “a world-first achievement”.

“This means that specialized treatment for slow-healing leg ulcers can begin up to four weeks earlier than the current gold standard,” Prof Kumar said.

Co-researcher Dr Quoc Cuong Ngo said the technology was “not sensitive to changes in ambient temperature and light, so it is effective for nurses to use during their regular visits to people’s homes”.

“It is also effective in tropical environments, not just here in Melbourne,” Dr Ngo said.

Prof Kumar said that the method had been “successfully demonstrated in controlled trials with partner clinicians” and the next step would be to adapt it for a busy nurse or doctor to have the thermal imaging and rapid assessment capability on their mobile telephones.

“We are keen to work with prospective partners with different expertise to help us achieve this goal within the next few years,” Prof Kumar said.

RMIT said that the team would assess whether their method could predict the healing of diabetic foot ulcers.

The Institute said that untreated chronic wounds in people living with diabetes were the leading cause of limb amputation in Western countries.

BRANDON CAPITAL

Brandon Capital says it is participating in a GBP16 million (\$28.4 million) series A capital raise by the Cambridge, England-based NRG Therapeutics.

Brandon did not disclose its contribution to the capital raising but said that the contribution was "significant" and Brandon would have a director and an observer on the NRG board.

The company said NRG was developing inhibitors of a first-in-class target as a potential disease-modifying treatment for Parkinson's and amyotrophic lateral sclerosis (ALS).

Brandon said the funding round was led by Omega Funds with NRG's founding investor, Parkinson's Virtual Biotech.

The company said that NRG was targeting a pathological mechanism in amyotrophic lateral sclerosis identified by the Walter and Eliza Hall Institute's Prof Seth Masters.

Brandon said the investment would see Prof Masters join NRG's management as head of discovery biology, with his laboratory at Melbourne's Walter and Eliza Hall Institute, including a sponsored team as part of an expanded research agreement.

The company said this was its second investment in a UK company since opening its London office in 2021 (BD: Sep 29, 2022).

MEDLAB

Medlab says it expects a determination by the end of 2022, on whether work to encapsulate RNA within its Nanocelle drug delivery platform will go ahead.

Medlab said it had completed feasibility studies involving the encapsulation of insulin, which had been chosen due to the molecular traits it shares with RNA, within Nanocelle and that Nanocelle encapsulated insulin was suitable for nasal delivery.

The company said Dr Chung Wong and Prof Daniela Traini would present findings of this work at the Drug Delivery to the Lungs Conference in Edinburgh in December.

Medlab was up 51 cents or six percent to \$9.06.

NOXOPHARM

Noxopharm says it has received \$5,011,682 from the Australian Tax Office under the Federal Government Research and Development Tax Incentive program.

Noxopharm said the rebate related to expenditure for the year to June 30, 2022.

Noxopharm fell half a cent or 3.45 percent to 14 cents.

NANOSONICS

Fidelity Management and Research (FMR) says it has reduced its substantial holding in Nanosonics from 24,976,093 shares (8.27%) to 20,611,647 shares (6.82%).

The Wilmington, Delaware-based Fidelity said that between August 31 and November 8, 2022, it sold shares at prices ranging from \$3.3716 to \$4.3300 a share.

Nanosonics fell seven cents or 1.6 percent to \$4.36 with 425,700 shares traded.

NEXT SCIENCE

Founder and chief technology officer Dr Matthew Myntti says he has reduced his holding in Next Science from 14,068,000 shares (7.11%) to 12,774,989 shares (5.95%).

Dr Myntti said that from November 5, 2021 to November 4, 2022, he sold, transferred and was diluted, with the largest sale 430,000 shares for \$346,946, or 81 cents a share.

Next Science was unchanged at 73 cents.

ALTHEA GROUP

SG Hiscock says it has increased its substantial holding in Althea from 18,969,215 shares (6.07%) to 27,540,850 shares (7.24%).

The Sydney based SG Hiscock did not disclose share acquisition details as required under the Corporations Act 2002.

Althea was unchanged at 6.8 cents with 1.6 million shares traded.