



Biotech Daily

Tuesday November 22, 2022

Daily news on ASX-listed biotechnology companies

- * **ASX UP, BIOTECH DOWN: GENETIC SIGNATURES UP 11%; USCOM DOWN 12%**
- * **FEDERAL SCIENCE MINISTER ED HUSIC CRC REFORM**
- * **POLYNOVO HOPES FOR \$50m PLACEMENTS, PLAN; TRADING HALT**
- * **AUDEARA RAISES \$2.8m FROM CLINICO CEO DAVID LIN**
- * **RADIOPHARM RETAIL RIGHTS RAISE \$1.2m OF \$4.5m; TOTAL \$10m**
- * **SPEEDX, PHOTONASSAY WIN \$250k PRIME MINISTER'S INNOVATION PRIZES**
- * **RADIOPHARM: ANSTO LUTETIUM-177 FOR LUNG CANCER TRIAL**
- * **CYNATA AGM 28% BLOCK CONSTITUTION AMENDMENT VOTE**
- * **INVEX AGM UP-TO 27% OPPOSE 3.6m DIRECTOR OPTIONS**
- * **IMMURON 20% OPPOSE REMUNERATION REPORT, PLACEMENT FACILITY**
- * **REGAL DILUTED TO 13.8% IN VISIONEERING**
- * **NAOS TAKES 33.6% OF BTC HEALTH**
- * **CRESO 'NO LONGER THE SUBJECT OF ASIC INVESTIGATION'**
- * **IMPEDIMED REORGANIZES: SASHI TRIPATHI COO, MIKE BASSETT CCO**
- * **CHAIR PAUL RENNIE REPLACES PARADIGM CEO MARCO POLIZZI**

MARKET REPORT

The Australian stock market was up 0.59 percent on Tuesday November 22, 2022, with the ASX200 up 42.0 points to 7,181.3 points. Twelve of the Biotech Daily Top 40 stocks were up, 16 fell, 10 traded unchanged and two were untraded. All three Big Caps were up.

Genetic Signatures was the best, up 8.5 cents or 11.2 percent to 84.5 cents, with 18,453 shares traded. Compumedics, Cynata, Orthocell and Telix climbed more than four percent; Nanosonics was up three percent; Antisense rose 2.2 percent; Impedimed, Neuren and Resmed were up more than one percent; with Clinuvel, Cochlear, CSL, Mesoblast and Pro Medicus up by less than one percent.

Uscom led the falls, down 0.7 cents or 12.1 percent to 5.1 cents, with 70,000 shares traded. Paradigm lost 8.8 percent; Starpharma fell seven percent; Avita shed 5.8 percent; Amplia fell 4.8 percent; Alcidion, Micro-X, Prescient, Proteomics and Universal Biosensors were down three percent or more; Oncosil and Opthea shed more than two percent; Kazia and Resonance were down one percent or more; with Medical Developments and Volpara down less than one percent.

FEDERAL GOVERNMENT, CO-OPERATIVE RESEARCH CENTRES

The Minister for Industry and Science Ed Husic says he will reform the timetabling of applications for co-operative research centre funding.

In remarks to the National Innovation Forum in Canberra yesterday, Mr Husic said that the “variability in the way in which the funding rounds are set up ... [has] to end”.

“We want to reinvigorate the value of Australian know-how in respect of what it can do, but we want to give you the run-up and we want you to know when that’s happening,” Mr Husic said.

“We don’t want a scramble for these applications,” Mr Husic said.

“We’re working out the final details, but I want to lock-in at points in the year so that you all know in advance and others will know in advance when, for example, [co-operative research centre projects] CRC-P will be called so you can prepare for it,”

Mr Husic said.

“It doesn’t mean it will improve the chances of you necessarily getting it because we’re all competing,” Mr Husic said.

“I’d love to be able to guarantee that every applicant gets an awarded grant of money, but I do feel that it does allow you to plan and to prepare and that through that process enhance the quality of the ideas without reflecting in any way, shape or form on what’s happened previously because there have been tremendous contributions through the program,” Mr Husic said.

“I do think that is one practical step to improve that happening, so the Department is working on publishing a routine schedule for future rounds for opening and closing announcements and commencement of funding,” Mr Husic said.

Mr Husic said that for a “revitalized science and technology capability all of us - government, industry and research sector - have a crucial role to work together”.

Mr Husic said the community should “aspire to see more great ideas developed and commercialized here in this country” including benefit to both the economy and national well-being, which was the thinking behind our \$15 billion National Reconstruction Fund, with legislation expected in the current sitting of parliament.

“Our approach ... is founded on collaboration, cooperation between research and industry, tackling some of the nation’s pressing and persistent challenges,” Mr Husic said.

“It’s to help keep smart, skilled Australians on our shore and will no doubt help entice others who have left to work overseas to come back, which is a big personal priority of mine,” Mr Husic said. “This will be critical to our future well-being.”

“We know that cooperation between science and industry will support the economy, build resilience through natural disasters and other seismic events as we’ve experienced over the last few years and create higher-value jobs and industries,” Mr Husic said.

Mr Husic said that for 30 years the co-operative research centre (CRC) program had enabled high-value collaboration between industry, researchers and end-users, and its effectiveness had been confirmed by an impact evaluation, to be released “shortly”.

Mr Husic said that since 1991, the program had \$5.5 billion in grants to support the establishment of 236 research centres and 189 of the shorter-term CRC projects.

“Collaborating partners from industry, research, government, community organizations have more than matched this funding with commitments of over \$16.8 billion of cash and in-kind contributions,” Mr Husic said.

He said that more than 35,400 commercialization agreements had been signed from work generated in the CRCs and the CRCPs, and more than 140 spin-off companies had emerged from the program, with more than 121,000 publications produced and CRCs and CRCPs have resulted in more than 38,000 collaborations across the world. “It’s very impressive in anyone’s book,” Mr Husic said.

POLYNOVO

Polynovo says it hopes to raise up-to \$33 million in non-underwritten placements at \$1.90 a share, and up-to \$17 million in a non-underwritten share plan.

Polynovo said the share price was a 9.1 percent discount to last night's close at \$2.09 and a 10.5 percent discount to the five-day volume-weighted average price of \$2.12.

The company said directors including chair David Williams would subscribe for about \$3 million separately from the \$30 million placement, subject to shareholder approval.

Polynovo said that Sydney's Macquarie Capital Australia and the Melbourne's Bell Potter Securities were joint lead managers and bookrunners.

The company said the retail share plan had a record date of November 21, it would open on November 30 and close on December 13, 2022.

The company said that it was launching the placement "in response to significant and growing demand" for Novosorb biodegradable temporizing matrix (BTM).

Polynovo said the funds would accelerate global sales as well as support the construction of a research and development, production and office in Port Melbourne.

Polynovo chair David Williams said his company was "clearly at an exciting inflection point having achieved a significant number of milestones, including our first \$5 million revenue month in September and establishment of operations in Canada, Hong Kong and India".

"We ... have high conviction that now is the right time to accelerate our global growth ambitions to capitalise on our strong recent momentum," Mr Williams said. "The equity raise will enable geographic expansion as well as the development of a new co-located manufacturing, [research and development] and office facility."

The company said it was in a trading halt until November 24, or on the completion of the placement, expected on November 23, 2022

Polynovo last traded at \$2.09.

AUDEARA

Audeara says it has raised \$2.8 million at 10 cents a share in a placement to the New Taipei, Taiwan-based Clinico Inc chief executive officer David Lin.

Audeara said the placement was a 23 percent premium to the closing price on November 17, 2022 and if approved by shareholders at a general meeting on December 23, 2022, Mr Lin would receive 28,000,000 shares and hold about 19.5 percent of the company.

The company said it would use the funds to continue research and development projects, increase its inventory and for working capital.

Audeara managing-director Dr James Fielding said Mr Lin was "an audiologist trained in Australia" had built the largest audiology clinic group in Taiwan with more than 140 direct owned clinics, and Audeara had a working relationship with Clinico and looked "forward to the strengthening of this relationship to expand business opportunities in Asia".

Audeara was up 0.6 cents or 7.4 percent to 8.7 cents.

RADIOPHARM THERANOSTICS

Radiopharm says shareholders subscribed for \$1.2 million of its \$4.5 million underwritten retail offer, at 14 cents a share, taking the total raised to \$10 million.

In October, Radiopharm said it hoped to raise \$10 million in a one-for-3.55 rights offer, with \$5.5 million raised in the institutional offer (BD: Oct 19, 2022).

Today, Radiopharm said the remaining 23,367,918 shares, worth about \$3.2 million, would be placed to underwriter Bell Potter Securities and sub-underwriters.

Radiopharm was unchanged at 11.5 cents with 48.6 million shares traded.

FEDERAL GOVERNMENT

The Federal Government says the teams at Speedx and Photonassay have won the Prime Minister's prize for innovation, valued at \$250,000 each.

A media release from Prime Minister Anthony Albanese and the Minister for Industry and Science Ed Husic said the Sydney-based Speedx's Dr Elisa Mokany and Prof Alison Todd were awarded the prize "in recognition of their outstanding contribution to public health" and "their invention of highly advanced molecular diagnostic tests".

The media release said the Adelaide-based Photonassay team were awarded the prize for the development and commercialization of an automated technology to measure valuable metals and minerals in ore samples.

The Government said that Prof Trevor McDougall won the \$250,000 prize for science for his "pioneering work in understanding the ocean's role in regulating climate" while the Canberra-based Prof Si Ming Man was awarded the \$50,000 Frank Fenner prize for life scientist of the year for "his extensive research into immunology and infectious diseases, advancing our understanding of the role inflammation plays in health and disease".

The media release said the University of Melbourne researcher and Seer Medical scientist Dr Pip Karoly won the \$50,000 new innovators prize for her "research into epilepsy and the development and commercialization of a seizure risk forecasting [application]".

RADIOPHARM THERANOSTICS

Radiopharm says the Australian Nuclear Science and Technology Organisation will supply non-carrier added lutetium-177 for its phase I non-small cell lung cancer trial.

Radiopharm did not disclose the commercial terms of the agreement with the Sydney-based Australian Nuclear Science and Technology Organisation (ANSTO), but said the isotope would be used in combination with its propriety nanobody in a dose-escalation trial in patients with non-small cell lung cancer in collaboration with the Sydney-based Genesiscare and ANSTO, expected to start in early 2023.

The company said the agreement was effective from December 1, 2022.

Radiopharm managing-director Riccardo Canevari said that ANSTO was "one of Australia's largest public research organizations and is widely recognized as an international leader in the field of nuclear science and technology".

"Partnering with ANSTO for the supply of lutetium-177 is an important step as we move forward on our trials in Australia," Mr Canevari said.

CYNATA THERAPEUTICS

Cynata says 28 percent of annual general meeting votes opposed the special resolution to amend its constitution to allow for virtual and hybrid meetings.

Cynata said that 15,241,154 votes (27.98%) opposed the constitution amendment with 39,225,814 votes (72.02%) in favor.

The company did not disclose in its results of meeting that the vote was a special resolution requiring a 75 percent majority to pass.

Cynata said the remuneration report faced 10.15 percent opposition, with 8.47 percent against the 10 percent placement facility, while all other resolutions passed easily, with less than four percent dissent.

According to its most recent filing, Cynata had 143,276,594 shares on issue, meaning that the votes against amendments to the constitution amounted to 10.6 percent of the company, sufficient to requisition extraordinary general meetings.

Cynata was up 1.5 cents or 4.55 percent to 34.5 cents.

INVEX THERAPEUTICS

Invex says its annual general meeting faced 24 percent to 27 percent opposition to the issue of 3,600,000 options to four directors.

Invex said the resolutions to issue options to Jason Loveridge and Prof Alexandra Sinclair were each opposed by 499,042 votes (27.43%) with 1,320,382 votes (72.57%) in favor, while the issue of options to Thomas Duthy and Megan Baldwin were opposed by 438,142 votes (24.08%).

The company said all other resolutions passed easily, with less than 2.8 percent dissent. According to its most recent filing, Invex had 75,153,848 shares on issue, meaning the 499,042 votes in opposition to the issue options to Mr Loveridge and Prof Sinclair amounted to 0.66 percent of the company, not sufficient to requisition extraordinary general meetings.

Invex was untraded at 55 cents.

IMMURON

Immuron says its annual general meeting voted up to 20.4 percent against the remuneration report and up to 18.7 percent against the 10 percent placement facility. Immuron said 2,936,603 votes (20.43%) opposed the remuneration report, with 11,440,365 votes (79.57%) in favor, and that the 10 percent placement facility faced the largest number of opposition votes, with 3,906,462 votes (18.73%) against 16,950,550 votes (81.27%) in favor.

The company said all other resolutions passed easily, with 95 percent or more votes in favor of the resolutions.

According to its most recent filing, Immuron had 227,798,346 shares on offer, meaning that the votes against the placement facility amounted to 1.71 percent of the company, not sufficient to requisition extraordinary general meetings.

Immuron was up 0.4 cents or 5.2 percent to 8.1 cents.

VISIONEERING TECHNOLOGIES

The Sydney-based Regal Funds Management says it has been diluted in Visioneering from 4,329,413 shares or 17.77 percent to 13.82 percent.

Last week, Visioneering said it had issued 6,727,609 Chess depository instruments (CDIs) as a result of the conversion of 1,680,000 convertible notes.

Visioneering fell half a cent or 1.6 percent to 31.5 cents.

BTC HEALTH

Naos Asset Management says it has increased its substantial holding in BTC Health from 91,300,587 shares (32.39%) to 94,750,687 shares (33.62%).

The Sydney-based Naos said that on November 16, 2022 it bought 3,450,000 shares for \$154,204 or 4.5 cents a share.

BTC Health was untraded at 4.2 cents.

CRESO PHARMA

Creso says the Australian Securities and Investments Commission (ASIC) has confirmed that it is “no longer the subject of its investigation”.

Last year, ASIC told Biotech Daily that it had raided the offices of Everblu Capital, an investor in Creso and Roots Sustainable and other companies, including the delisted Esense (BD: Nov 16, 2021).

Later that month, Creso said then chair Adam Blumenthal had stood aside, with James Ellingford to serve as interim chair, and it “was served with a notice issued by ASIC under Section 33 of the ASIC Act, requiring it to produce certain documents to ASIC in connection with an ASIC investigation” (BD: Nov 25, 2021).

At that time, Creso said it appeared to be involved in the ASIC investigation because of “common directorships between it and its corporate adviser, Everblu Capital,” whose chair Mr Blumenthal was the then chair of Creso and, last week, the company said Boaz Wachtel had replaced Mr Ellingford as its chair (BD: Nov 17, 2022).

Today, Creso said that ASIC had confirmed that “the scope of its investigation no longer includes any suspected contraventions by Creso Pharma”.

Creso said ASIC confirmed that, at the date of its letter, Mr Wachtel, Mr Ellingford and chief financial officer Chris Grundy were “not persons of interest in its investigation”.

The company did not name Mr Blumenthal but said it did “not expect that any enforcement action will be taken against Creso Pharma, or any of its current officers or employees”.

“ASIC’s investigation concerning trading in Creso Pharma’s securities by external parties is ongoing,” the company said, adding that it had provided, and continued to provide, assistance to ASIC, as required.

Creso was up 0.7 cents or 35.0 percent to 2.7 cents with 134.2 million shares traded.

IMPEDIMED

Impedimed says it has appointed Sashi Tripathi chief operating officer, Mike Bassett chief commercial officer and expanded chief medical officer Dr Thomas Schenk’s role.

Impedimed said head of operations and strategic planning Dave Adams and part-time chief medical officer Dr Frank Vicini were leaving the company and thanked them for “their contributions to Impedimed over the past decade”.

The company said that it would continue to reduce ongoing costs.

In July, Impedimed said that 10-year chief executive officer and managing-director Richard Carreon has resigned with David Anderson acting as interim chief executive officer until a replacement was found (BD: Jul 26, 2022).

Today, the company said the chief executive officer process was at an “advanced stage”. Impedimed said that Dr Schenk had worked for Bluecross Blueshield Western New York as chief medical officer, Delaware Pediatric Associates as managing-partner and according to his LinkedIn page, he held a Bachelor of Science from the in Ithaca, New York-based Cornell University and a Doctor of Medicine from the State University of New York at Buffalo.

Impedimed said Mr Tripathi joined the company in 2018 as chief technology officer and that his new role as chief operating officer would include software development and technical support for the Sozo digital health platform.

Impedimed said Mr Bassett joined the company in 2020 as head of strategic and corporate development and would oversee the development and execution of commercial strategies. Impedimed said the management restructuring would reduce net operating cashflow to be “less than \$3 million a quarter”.

Impedimed was up 0.1 cents or 1.1 percent to 9.5 cents.

PARADIGM BIOPHARMACEUTICALS

Paradigm says chief executive officer Marco Polizzi has “stepped down” with non-executive chair Paul Rennie appointed managing-director, effective immediately. Last year, Paradigm said that founder and then executive chair Mr Rennie would continue as non-executive chair, with chief medical officer Dr Donna Skerrett appointed interim chief executive officer (BD: Nov 22, 2021).

In May, Paradigm said Mr Polizzi had been appointed chief executive officer with Mr Rennie continuing as non-executive chair and Dr Skerrett returning to her role as chief medical officer (BD: May 30, 2022).

Today, Paradigm said Mr Polizzi would cease his employment with the company on February 23, 2023.

Mr Rennie said “I am pleased to advise that the personal circumstances that originally required my stepping down from the managing-director role in 2021, have now been successfully resolved”.

Paradigm fell 15 cents or 8.8 percent to \$1.55 with 1.4 million shares traded.