



# Biotech Daily

Monday February 20, 2023

*Daily news on ASX-listed biotechnology companies*

- \* **ASX FLAT, BIOTECH DOWN: KAZIA UP 8%; PRESCIENT DOWN 9%**
- \* **FEDERAL GOVERNMENT: US-CSIRO \$4.1m FOR A-I**
- \* **CYCLOPHARM REVENUE UP 31% TO \$23m, LOSS UP 31% TO \$6.6m**
- \* **CORRECTION: CSL**
- \* **RECCE TRIALS 'FAST' I-V R327 FOR URINARY TRACT INFECTIONS**
- \* **PHARMAUST STARTS 2nd MOTOR NEURONE DISEASE COHORT DOSING**
- \* **NUHEARA APPOINTS FUEL MEDICAL HP PRO US DISTRIBUTOR**
- \* **BIOELECT TO SELL IMOJEV FOR JAPANESE ENCEPHALITIS**
- \* **RESPIRI: MICHIGAN HOSPITAL 1<sup>st</sup> WHEEZO PATIENT**
- \* **HERAMED \$799k HERABEAT SALE TO E-LOVU**
- \* **FLETCHER MEURS TAKES 8.6% IN ADALTA**
- \* **ZELIRA APPOINTS GREG BLAKE EXECUTIVE DIRECTOR, ON \$245k PA**

## MARKET REPORT

The Australian stock market slipped 0.06 percent on Monday February 20, 2023, with the ASX200 down 4.7 points to 7,351.5 points. Thirteen of the Biotech Daily Top 40 stocks were up, 20 fell and seven traded unchanged.

Kazia was the best, up one cent or 8.3 percent to 13 cents, with 463,470 shares traded. Alcidion improved 7.4 percent; Cynata climbed 6.6 percent; Cyclopharm, Impedimed, Medical Developments and Resonance were up more than three percent; Nova Eye and Uscom rose more than two percent; Micro-X and Orthocell were up more than one percent; with Genetic Signatures, Next Science and Resmed up by less than one percent.

Prescient led the falls, down one cent or 9.1 percent to 10 cents, with 1.2 million shares traded. Amplia and Starpharma fell more than four percent; Dimerix, Emvision, Imugene, Paradigm and Patrys were down more than three percent; Immutep, Mesoblast, Pro Medicus and Volpara shed two percent or more; Actinogen and Pharmaxis were down more than one percent; with Avita, Clinuvel, Cochlear, Nanosonics, Neuren, Polynovo and Proteomics down by less than one percent.

## FEDERAL GOVERNMENT

### COMMONWEALTH SCIENTIFIC AND INDUSTRIAL RESEARCH ORGANISATION

The Federal Government says that the US National Science Foundation and the CSIRO will provide \$4.1 million for artificial intelligence research.

A media release from the Federal Minister for Industry and Science, Ed Husic said the National Science Foundation would provide \$1.8 million and the Commonwealth Scientific and Industrial Research Organisation would provide \$2.3 million for three Australian-US teams under their Collaboration Opportunities in Responsible and Ethical Artificial Intelligence initiative.

The Federal Government said that researchers from the University of New South Wales, the Royal Melbourne Institute of Technology, the University of Technology Sydney and the University of Melbourne would use the funds for artificial intelligence research to minimize “the impact of health pandemics, harmful environmental emissions and drought”.

“These grants will support valuable research in ethical artificial intelligence, while strengthening relationships between US and Australian research organizations,” Mr Husic said.

“The NSF-CSIRO initiative will bring the best Australian and US researchers together from a range of disciplinary backgrounds, to share knowledge and learn from each other,” Mr Husic said.

“[Artificial intelligence] is an important driver of new scientific discoveries and economic prosperity, while also safeguarding national wellbeing,” Mr Husic said.

“International collaborations like these will ensure we can maximize the benefits of [artificial intelligence] in ways that are positive for individuals and society,” Mr Husic said.

The Federal Government said that in January 2022, the CSIRO and the US National Science Foundation established a memorandum of understanding to establish multiple pathways for expanding and deepening research collaborations between the US and Australia.

## CYCLOPHARM

Cyclopharm says revenue for the year to December 31, 2021 was up 31.1 percent to a record \$23,218,797 with net loss after tax up 31.2 percent to \$6,611,515.

Cyclopharm said revenue came primarily from sales of its Technegas lung imaging generators and patient administration sets.

The company said that Technegas sales were up 4.1 percent to \$13.66 million while third party distribution revenue was \$9.22 million “more than double [the year to December 31, 2021] revenue”.

Cyclopharm said that an unfranked interim dividend of 0.5 cents a share for shareholders on the record date of March 28 would be paid on April 4, 2023.

In his managing-director’s report James McBrayer said that “sales of Technegas generators and patient administration set consumables remained robust, attaining pre-Covid-19 levels for the first time since the pandemic’s onset, with unit sales of each exceeding those of 2021”.

“This was achieved despite the global shortage of the isotope used to manufacture Technegas impacting the final quarter of 2022,” Mr McBrayer said.

Cyclopharm said diluted loss per share was up 27.4 percent to 7.17 cents with net tangible assets per share down 17.5 percent to 33 cents.

The company said that it had cash and cash equivalents of \$20,296,176 at December 31, 2022 compared to \$29,249,255 at December 31, 2021.

Cyclopharm was up five cents or 3.45 percent to \$1.50.

### CORRECTION: CSL

Friday's comprehensive article on CSL incorrectly asserted that chair Dr Brian McNamee "headed the company since listing in 1992".

This was factually inaccurate: Dr McNamee headed from 1990, four years before listing. We apologize for the error made by the Friday chronology editor, who was not born at that time, and will spend more time at home with his calendars and diaries.

CSL was unchanged at \$298.40 with 480,716 shares traded.

### RECCE PHARMACEUTICALS

Recce says it will conduct a 12-patient, phase I/II trial of fast intravenous R327 for urinary tract infections at Adelaide's CMax clinical research laboratory.

Recce said that trial of its synthetic anti-infective would include male and female patients, with the first cohort expected to be dosed with "fast" infusions of either 15 or 30 minutes, by April 2023, with phase II expected to be enrolled by the end of 2023.

The company said in-vitro studies had shown that R327 had a fast effect against Escherichia coli which was responsible for 90 percent of urinary tract infections (UTIs). The study principal investigator Dr Nicholas Farinola said the safety and tolerability of R327 in the phase I trial was encouraging and a "high concentration of R327 in the human bladder, some 20-fold, suggests R327 may be used as a broader anti-infective treatment in urosepsis" (BD: Sep 27, 2022).

Recce fell 0.75 cents or 1.3 percent to 57.25 cents.

### PHARMAUST

Pharmaust says it has begun dosing the second cohort in its 12-patient, phase I/II trial of monepantel for motor neurone disease.

Last year, Pharmaust said it had completed dosing the first cohort of six patients in its trial for motor neuron disease or amyotrophic lateral sclerosis (BD: Dec 2, 2022).

Today, the company said the first patient in the second cohort would receive 4mg/kg monepantel which was twice the dose of the first patient in the first cohort.

Pharmaust said all six cohort one patients "elected to continue" on monepantel and the first patient had more than 140-days of treatment "with no material safety issues or serious adverse events".

Pharmaust fell 0.1 cents or 1.8 percent to 5.4 cents.

### NUHEARA

Nuheara says it has appointed the Camas, Washington-based Fuel Medical as a distributor for its over-the-counter Hewlett-Packard Hearing Pro hearing aids in the US. Nuheara did not disclose the commercial terms of the partnership with Fuel Medical but said the recommended retail price for the product was \$US699 (\$A1,015).

In October, the company said that the US Food and Drug Administration 510(k) had approved its self-fitting, over-the-counter hearing aid (BD: Oct 31, 2022).

Nuheara managing director Justin Miller said that following the HP Hearing Pro product launch last month, "I am delighted that we are able to work together to offer Fuel's member clinics our FDA cleared self-fitting over-the-counter hearing aid".

The company said that Fuel Medical had 3,000 ear, nose and throat practice clinics, as well as audiology practice, university medical clinic and hospital clinics.

Nuheara was up half a cent or 2.3 percent to 22 cents.

## BIOCELECT PTY LTD

Sydney's Bioelect says it will commercialize the Paris-based Substipharm Biologics' live, attenuated Imojev vaccine for Japanese encephalitis.

Bioelect said that the Paris-based Sanofi had divested Imojev to Substipharm, which had an exclusive agreement with Bioelect to act as its commercial partner and sponsor for Imojev for Australia, NZ and certain Pacific islands, effective from February 17, 2023.

Bioelect managing-director Karl Herz told Biotech Daily that the company has been commercializing the Novavax vaccine against Covid-19, Nuvaxovid, along with the oral Vivotif typhoid vaccine, Kodatof for malaria prophylaxis, Rapivab for acute influenza patients in hospital, as well as a Covid-19 rapid antigen test and a glucose-6 phosphate dehydrogenase deficiency test for malaria.

"Our partnership with Substipharm allows us to further this support by continuing the supply of Imojev to support the States and Territories with the current response to Japanese encephalitis while at the same time expanding our existing travel medicine portfolio," Mr Herz said.

Bioelect is a private company.

## RESPIRI

Respiri says Michigan Children's Hospital has begun using the Wheezo remote patient monitoring program (RPM) and will offer the program to eligible children with asthma.

Respiri said the Detroit-based hospital had completed the internal systems pilot program for its Wheezo handheld device for monitoring wheeze and other asthma symptoms in children, and have begun prescribing Wheezo to eligible patients.

The company said due to the size of the eligible patient pool it would "fund and provide an on-site clinical staff member to work with physicians and hospital staff to help expedite patient on-boarding".

Respiri chief executive officer Marjan Mikel said "the due diligence afforded to the Wheezo RPM program by the Michigan Children's Hospital team has required significant time investment, however we are very excited about how the program can positively impact the lives of children".

"In another first for Respiri, we will have on-site staff to help expedite the patient onboarding process, another example of our close partnership with Michigan Children's Hospital," Mr Mikel said.

"Having this program now available to all eligible children with asthma will have a material impact on their lives," Mr Mikel said.

Respiri fell 0.1 cents or 2.1 percent to 4.6 cents.

## HERAMED

Heramed says it will sell San Francisco's E-Lovu 1,000 Herabeat foetal heart-rate monitors and licence access to its Heracare platform for 1,000 pregnancies.

Heramed said it expected revenue from the on-line medical group E-Lovu to be about \$US550,000 (\$A798,500).

The company said E-Lovu had received and paid for 200 Herabeat machines and Heracare licences and had a formal purchase order and down payment for a further 300 units.

Heramed said E-Lovu was committed to purchasing the remaining 500 units of its two products by the end of April 2023.

Heramed was unchanged at 14 cents.

## ADALTA

Fletcher Meurs Investments says it has become substantial in Adalta with 27,029,924 shares or 8.59 percent.

Fletcher Meurs said the securities were “part of the winding up of an incorporated limited partnership and was undertaken pursuant to the partnership interest transfer deed”.

In January, Adalta said that two investors would become substantial shareholders as part of the winding-up of the Perth-based Yuuwa Capital’s Innovation Investment Fund (BD: Jan 24, 2023).

Adalta was untraded at 3.7 cents.

## ZELIRA THERAPEUTICS

Zelira says it has appointed commercial and partnering head Greg Blake to executive director, on \$245,000 a year plus superannuation, effective from February 20, 2023.

Zelira said Mr Blake had 20 years of experience in healthcare and was previously Rhythm Biosciences general manager, Mundipharma International European marketing lead and formerly worked for CSL and Johnson & Johnson.

Zelira fell 18 cents or 15.25 percent to \$1.00.