



Biotech Daily

Tuesday April 4, 2023

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH UP: KAZIA UP 13%; STARPHARMA DOWN 6.5%**
- * **PARADIGM: 'PPS SLOWS OSTEO-ARTHRITIS PROGRESSION'**
- * **KAZIA: 'DATA PACKS PAXALISIB, EVT801 FOR CANCERS'**
- * **ALTERITY ENROLS 1st UK PATIENT IN ATH434 MSA TRIAL**
- * **CLARITY COPPER-67 MANUFACTURE 'WITHIN WEEKS'**
- * **AUSCANN SELLS PERTH PREMISES FOR \$6.75m**
- * **CYNATA REQUESTS 'CAPITAL RAISING' TRADING HALT**
- * **EMYRIA LICENCES MARIJUANA EMD-RX5 TO ASPEN**
- * **RECCE RECEIVES \$970k RADIUM LOAN**
- * **RACE TARGETS \$7.4b 'CARDIO-PROTECTION' MARKET**
- * **GZ FAMILY TAKES 8% OF LUMOS**
- * **AUSBIOTECH, MONASH MAY 'BIO-CHEERS'**

MARKET REPORT

The Australian stock market was up 0.18 percent on Tuesday April 4, 2023, with the ASX200 up 13.0 points to 7,236.0 points. Fifteen of the Biotech Daily Top 40 stocks were up, 12 fell, 10 traded unchanged and three were untraded.

Kazia was the best for the second day in a row, up two cents or 13.3 percent to 17 cents, with 1.2 million shares traded. Avita climbed 6.9 percent; Amplia and Dimerix were up five percent or more; Alcidion and Volpara improved more than four percent; Neuren was up 3.8 percent; Actinogen, Cochlear, Genetic Signatures, Nanosonics, Polynovo, Telix and Universal Biosensors rose more than one percent; with CSL, Next Science and Opthea up by less than one percent.

Starpharma led the falls, down three cents or 6.5 percent to 43 cents, with 261,372 shares traded. Impedimed and Paradigm lost six percent or more; Proteomics fell 4.4 percent; Micro-X shed 2.3 percent; Cyclopharm, Emvision, Medical Developments, Orthocell and Prescient were down one percent or more; with Mesoblast, Pro Medicus and Resmed down by less than one percent.

PARADIGM BIOPHARMACEUTICALS

Paradigm says that day-168 data from its phase II trial of injectable pentosan polysulfate sodium (PPS) shows that it may slow disease progression in osteo-arthritis.

In 2021, Paradigm said it had dosed the first of 60-patients in its randomized, double-blind, placebo-controlled, phase IIb trial of PPS, or Zilosul, for synovial fluid biomarkers in knee osteoarthritis pain (BD: Apr 14, 2021).

Today, the company said top-line results from the day-168 follow-up had shown “changes consistent with [disease modifying osteo arthritis drug] efficacy”.

Paradigm said its Para-OA-008 trial at two sites in Victoria and New South Wales was exploratory in nature and not powered for significance.

Paradigm said it intended to discuss disease modification label pathways for PPS with regulatory agencies such as the US Food and Drug Administration by the end of the year.

Paradigm fell nine cents or 6.3 percent to \$1.345 with 5.4 million shares traded.

KAZIA THERAPEUTICS

Kazia says pre-clinical and biomarker data support the use of both paxalisib for melanoma and childhood brain cancer and EVT801 for solid cancers.

Kazia said research at the Huntsman Cancer Institute at the University of Utah showed paxalisib lead to “substantially increased overall survival” in mice with melanomas.

The company said that its partner Evotec had developed a biomarker selection strategy to be employed in its ongoing phase I study of EVT801 to identify vascular endothelial growth factor receptor 3 (VEGFR-3) in advanced solid cancers.

Kazia chief executive officer Dr James Garner said the data reinforced “the significance of these new opportunities for paxalisib”.

“Moreover, Kazia’s ongoing collaboration with Evotec remains extremely fruitful, with excellent work from the biomarker team opening the possibility of rational patient selection in clinical trials,” Dr Garner said.

“Of note, biomarker strategy is an important area of focus for [the US Food and Drug Administration], and drug candidates with biomarker selection are potentially more likely to achieve approval than those without,” Dr Garner said.

Kazia said the results of the studies would be presented at the American Association for Cancer Research meeting in Orlando, Florida, from April 14 to 19, 2023.

Kazia was up two cents or 13.3 percent to 17 cents with 1.2 million shares traded.

ALTERITY THERAPEUTICS

Alterity says it has enrolled the first UK patient in its 60-patient, phase II, randomized, double-blind, placebo-controlled trial of ATH434 for multiple system atrophy.

In 2021, Alterity said New Zealand was the first jurisdiction to approve the ATH434 for early-stage multiple system atrophy trial to explore the effect of ATH434 on imaging and biomarkers, with endpoints of efficacy, safety and pharmaco-kinetics (BD: Dec 14, 2021).

Today, Alterity said it had dosed its first patient in the United Kingdom in the ongoing phase II trial with patients receiving 12 months treatment.

Alterity chief executive officer Dr David Stamler said the trial had sites open in five countries and was steadily enrolling.

“[Multiple system atrophy] is a rare and highly debilitating Parkinsonian disorder, and our phase II clinical program is designed to evaluate the effects of ATH434 in individuals with early-state disease with no current therapeutic treatment options,” Dr Stamler said.

Alterity was unchanged at 0.7 cents.

CLARITY PHARMACEUTICALS

Clarity says Northstar Medical Radioisotopes expects its copper-67 radioisotopes for its therapeutic program to be available “within a few weeks”.

Clarity said the Beloit, Wisconsin-based Northstar’s electron accelerator production of copper-67 was high volume and highly sustainable.

The company’s executive chairman Dr Alan Taylor said, “unlike other commonly used therapeutic isotopes produced on a small number of aging nuclear reactors worldwide, where outages and interruptions are common, Cu-67 is produced on electron accelerators, which are relatively inexpensive and infinitely scalable in all geographies of the world”.

Clarity fell two cents or 2.8 percent to 70 cents.

AUSCANN GROUP HOLDINGS

Auscann says it has entered a conditional contract for the sale of its Wangara, Perth premises for \$6,750,000 to Optral Pty Ltd.

Auscann said it expected to settle the sale on June 8, 2023.

The company said the funds from the sale would be used “for a proposed material acquisition and working capital”.

Auscann was in a suspension at four cents.

CYNATA THERAPEUTICS

Cynata says it has requested a trading halt pending a “capital raising, to be undertaken through an institutional share placement and share purchase plan”.

Trading will resume April 6, 2023.

Cynata last traded at 26.5 cents.

EMYRIA

Emyria says it has a binding licence and commercialization agreement with Aspen Australia of its over-the-counter marijuana capsule EMD-RX5 for mental health.

Emyria said EMD-RX5 was currently in phase III trials and aimed to be the first product of its kind on the market, with Aspen Australia to provide funding to support the development and regulatory approvals of the drug in Australia.

The company said the agreement gave Aspen exclusive rights to market, sell, and distribute EMD-RX5 in Australia, with Emyria receiving a royalty of up to 10 percent based on net sales, with aggregate milestone payments of \$400,000 on completion of milestones.

Emyria fell 1.5 cents or 7.9 percent to 17.5 cents with 2.5 million shares traded.

RECCE PHARMACEUTICALS

Recce says it has borrowed \$973,144 from Melbourne’s Radium Capital as an advance on its Federal Research and Development Tax Incentive.

Recce said the loan came in addition to the \$1,908,039 it had borrowed from Radium Capital earlier this year, which was against its expected research and development tax incentive at a 1.25 percent compound rate per month (BD: Jan 25, 2023).

Recce was up 1.5 cents or 2.75 percent to 56 cents.

RACE ONCOLOGY

Race says market research suggests Zantrene could target \$US5 billion (\$7.4 billion) if anti-cancer efficacy is shown in trials, or \$1 billion as a cardio-protective therapy. Race said its Zantrene (previously known as bisantrene) products were inhibitors of the fat mass and obesity associated (FTO) protein, which had been shown to be the genetic driver for a range of cancers, and that it was exploring ways of using Zantrene as a therapy for melanoma and carcinoma. Race was up 8.5 cents or 4.6 percent to \$1.92.

LUMOS DIAGNOSTICS HOLDINGS

Sydney's GZ Family Holdings Pty Ltd says it has increased its substantial shareholding in Lumos from 14,430,614 shares (6.50%) to 20,605,638 shares (8.07%). GZ Family Holdings director Qixin Gao said that in 58 separate transactions between February 16 and March 31, 2023 it bought 6,175,024 shares, with the largest single transaction of 1,000,000 shares for \$27,012, or 2.7 cents a share. Lumos fell 0.2 cents or 7.4 percent to 2.5 cents.

AUSBIOTECH

Ausbiotech says it will host a 'Bio-Cheers' social event to promote networking in the biotechnology sector at Monash College in Docklands, Melbourne. Ausbiotech said that members and non-members were invited to attend and "share ideas, build relationships and make new contacts" in Victoria's biotechnology community, as well as to meet its Victorian branch committee and members of its national advisory groups. The industry organization said that drinks and food would be provided by partner Monash Talent, with the event held at Monash College City Campus, Level 2, 750 Collins Street, Docklands, Melbourne on May 11, 2023 from 5pm to 7:30pm. To register go to: <https://www.ausbiotech.org/events/event/vic-biocheers-may-2023>.