Biotech Daily

Thursday March 30, 2023

Daily news on ASX-listed biotechnology companies

*** ASX, BIOTECH UP: RESONANCE UP 14%; COMPUMEDICS DOWN 10%**

*** STRIDE LAUNCHES $50m CROWD-FUNDED VENTURE CAPITAL FUND**

*** ATMO RAISES $8m FOR GUT GAS-SENSING CAPSULE**

*** ARGENICA: $2.5m PERRON FOUNDATION ARG-007 GRANT**

*** CYCLOPHARM FILES TECHNEGAS FDA RESPONSE LETTER**

*** PHARMAUST ENROLS MONEPANTEL MND/ALS COHORTS**

*** IMMUTEP EXPANDS EFTI COMBINATION TRIAL TO 50 CANCER PATIENTS**

*** MONASH DISCOVERS EZH2 PROTEIN ROLE IN CANCER**

*** LBT LOSES DIRECTOR SIMON ARKELL**

*** MEDADVISOR APPOINTS ANSHU RAGHUVANSHI AS CO-CO SEC**

*** MEMPHASYS APPOINTS HASSAN BAKOS OPERATIONS DIRECTOR**

MARKET REPORT

The Australian stock market was up 1.02 percent on Thursday March 30, 2023, with the ASX200 up 72.0 points to 7,122.3 points. Seventeen of the Biotech Daily Top 40 stocks were up, 15 fell, seven traded unchanged and one was untraded. All three Big Caps rose.

Resonance was the best, up 0.7 cents or 14.0 percent to 5.7 cents, with one million shares traded. Pharmaxis climbed 11.4 percent; Cyclopharm and Oncosil were up more than nine percent; Next Science improved 6.25 percent; Antisense, Impedimed and Paradigm were up more than four percent; Neuren was up 3.6 percent; Clinuvel, Mesoblast and Prescient rose more than two percent; Immutep, Nanosonics, Resmed, Telix and Universal Biosensors were up more than one percent; with Cochlear, CSL and Polynovo up by less than one percent.

Compumedics, led the falls, down 1.5 cents or 9.7 percent to 14 cents, with 17,189 shares traded. Cynata lost 5.4 percent; Dimerix fell 4.35 percent; Emvision and Nova Eye were down more than three percent; Actinogen and Atomo shed more than two percent; Amplia, Avita, Genetic Signatures, Orthocell and Volpara were down more than one percent; with Medical Developments, Pro Medicus and Proteomics down by less than one percent.

STRIDE CORP EQUITY PARTNERS

Stride Corp says it has launched Stride Equity, Australia's first equity crowd-funding platform to raise up to $50 million and backed by venture capital fund, Stride Lead.
The Sydney-based Stride Corp said the fund would "provide cornerstone investment to all companies successfully raising capital on the crowdfunding platform".
Stride Corp chief executive officer Maria Halasz told Biotech Daily that the fund would be "industry agnostic and our selection criteria include passionate founders with deep domain expertise, defendable product in a validated market".
The former Cellmid chief executive officer said that Stride Lead would fund 20 percent of the total capital, and the rest would be raised through the Stride Equity crowdfunding platform.
Ms Halasz said that the company was targeting "six to eight campaigns during the first 12 months".
In a media release Stride said it would assess each investment against internal selection criteria and "back pre-qualified companies with up to 20 percent co-investment from Stride Lead, with the remaining amount raised on the Stride Equity crowdfunding platform".
The company said that the crowd-funding model "goes further to provide mentoring and industry contacts to the early-stage founders, further enhancing their companies' chances of success".
Stride said that its founders included Ms Halasz, chair Jon Brett and director Alan Chonowitz, who previously worked together at Investec and collectively had more than "30 successful investments in scaleups and startups".
"Around $220 million has been raised by crowdfunding intermediaries since 2018 but only a few exits executed so far," Ms Halasz said.
"Unlike our model, where we prequalify investee companies, crowdfunding is normally transactional and companies are not routinely vetted by professional investors," Ms Halasz said.
"Our purpose is to close the funding gap for emerging businesses by combining our experience as successful venture investors with the power of equity crowdfunding," Ms Halasz said.
"We back these companies with our money, expertise and connections," Ms Halasz said.
Stride Equity can be contacted at: www.strideequity.com.au.

ATMO BIOSCIENCES

Melbourne's Atmo says it has raised $8 million in a series B funding round at $1.40 a share, for its ingestible gas-sensing capsule.
Atmo said the funding would support a multi-site study of the gas-sensing capsule for assessing gastro-intestinal motility such as gastro-paresis and constipation.
The company said the study would support a submission to the US Food and Drug Administration.
Atmo said funding would progress its clinical portfolio, such as a study using its gas sensing technology as a diagnostic tool for small intestinal bacterial overgrowth.
The company said the raise was led by existing shareholder Japan's Otsuka Pharmaceutical and was supported by other existing and new investors in Australia and the US.
Atmo chief executive officer Malcolm Hebblewhite said the funding showed that "even in this challenging financial climate, investors recognize the commercial potential in gut health and the microbiome, and they are confident in Atmo Biosciences".
Atmo is a public unlisted company.

ARGENICA THERAPEUTICS

Argenica says it has received a $2.5 million grant from the Stan Perron Charitable Foundation to the Perron Institute for Neurological and Translational Sciences.
Argenica said the funds would be used to progress the study of its neuroprotective peptide candidate ARG-007 in infants with hypoxic ischaemic encephalopathy.
The company said the total cost of an ARG-007 animal efficacy and toxicology study would be $3.6 million and it would cover $1.1 million of that cost.
An Argenica official told Biotech Daily the grant would cover the remaining $2.5 million.
Argenica said the funds were not directly received by the company and would have no impact on its balance sheet, but ownership of all generated intellectual property related to ARG-007 would remain solely with Argenica.
Argenica was unchanged at 42 cents.

CYCLOPHARM

Cyclopharm says it has filed its response to the US Food and Drug Administration complete response letter, which refused approval of Technegas for lung imaging.
In 2021, Cyclopharm said the FDA complete response letter had delayed approval of Technegas by about nine months (BD: Jun 28, 2021).
In 2020, Cyclopharm said its 240-patient, phase III Technegas lung imaging trial was halted after data from 200 patients met the primary efficacy endpoint and in January the Society of Nuclear Medicine and Molecular Imaging called on the FDA to expedite the approval of Technegas (BD: Sep 15, 2020; Jan 22, 2021).
Today, the company said it had responded to the complete response letter which contained more than 145 supporting attachments and believed it has addressed the items.
Cyclopharm said Technegas was “unique amongst lung imaging agents and unique in the way it [was] viewed by the FDA”.
Cyclopharm said the FDA had deemed Technegas as a drug-device combination product, meaning both the Technegas particle for inhalation along with the components required in its manufacture and administration were evaluated together as a drug.
The company said due to the “bespoke nature” of the equipment required to manufacture the elements making up the Technegas system, full outsourced contract manufacturing was not possible.
Cyclopharm said the Technegas radioactive particle for inhalation was manufactured at the point-of-care within a nuclear medicine department and administered to the patient within 10 minutes.
Cyclopharm said it expected a response from the FDA within six months, and subject to approval would commence commercial sales of Technegas in the US market in 2023.
Cyclopharm was up 14.5 cents or 9.7 percent to $1.64.

PHARMAUST

Pharmaust says it has enrolled the second cohort of six patients in its phase I/II trial of monepantel for motor neurone disease and amyotrophic lateral sclerosis.
Pharmaust said it had enrolled all 12 patients in the first two cohorts of the four cohorts with escalating oral monepantel doses, which so far had been well-tolerated.
The company said the interim trial analysis would determine the optimum dose level for the phase II trial, and subject to safety committee reviews, cohort one patients would move to cohort three and cohort two patients to cohort four.
Pharmaust was up 1.4 cents or 15.4 percent to 10.5 cents.

IMMUTEP

Immutep says it has expanded enrolment in its triple combination trial including eftilagimod alpha (efti) in first-line non-small cell lung cancer to 50 patients.

Last month, Immutep said it had enrolled all 20 patients in its phase I trial of the triple combination of efti, formerly IMP321, with an anti-programmed death-1 (PD-1) agent and chemotherapy for non-small cell lung cancer (BD: Feb 6, 2023).

Today, the company said the increased target was based on favorable safety and strong initial efficacy results.

Immutep said the results showed the triple combination of its soluble LAG-3 protein efti in combination with anti-PD-1 chemotherapy in patients with lung cancer was well-tolerated and provided early signs of therapeutic activity.

Immutep said the trial showed the combination of efti and chemotherapy had an objective response in eight of the evaluable 11 patients (72.7%), a disease control in 10 patients (90.9%).

The company also said the trial results showed that nine of the 11 evaluable patients (81.8%) had a PD-L1 tumor proportion score of less than 50 percent, with this group of nine patients reporting that six (66.7%) had an objective response eight (88.9%) had disease control.

Lead investigator Prof Salah-Eddin Al Batran of the Frankfurt am Main, Germany-based Institute of Clinical Cancer Research IKF said the research team was “thrilled to expand the trial population for this triple combination therapy, which has demonstrated promising efficacy and safety in first line non-small cell lung cancer patients”.

Immutep chief executive officer Marc Voigt said the company’s relationship with Institute had “uncovered many positive attributes of efti and continues to help us cost-effectively advance this novel immunotherapy for patients”.

Immutep was up half a cent or 1.9 percent to 26.5 cents.

MONASH UNIVERSITY

Monash University says it has discovered how the protein EZH2 generates aggressive tumor cells “which could lead to improved treatments for melanoma and other cancers”.

Monash University said that EZH2 caused certain cells to produce less melanin, a pigment molecule, which resulted in aggressive cells without color that grew faster and were more likely to spread.

The research article, titled ‘UHRF1/UBE2L6/UBR4-mediated ubiquitination regulates EZH2 abundance and thereby melanocytic differentiation phenotypes in melanoma’, was published in the Nature journal Oncogene, with the full article available at: https://www.nature.com/articles/s41388-023-02631-8.

The article said researchers studied melanin pigment differences in melanoma cells and showed low pigmented melanoma cells demonstrated an increased response to the EZH2 protein.

The article said the increased EZH2 activity in low pigmented cells suggested an increase in ribosomal biogenesis, the growth of the aggressive cancerous cell, or a suppression of the cells’ ability to perform melanocytic differentiation and melanin synthesis.

Lead researcher and head of Monash’s Central Clinical School Prof Mark Shackleton said the discovery could potentially improve some cancer treatments.

“By developing treatments that specifically target EZH2, we hope ultimately to improve cures and the quality of life for people affected by melanoma and other cancers driven by EZH2,” Prof Shackleton said.

LBT INNOVATIONS

LBT says that four-year non-executive director Simon Arkell has retired, effective from March 30, 2023.
LBT said Mr Arkell was appointed as a director in January 2019, and had supported the company's technology development strategy.
The company said it would review its skills matrix before recruiting a replacement director.
LBT was untraded at 4.4 cents.

MEDADVISOR

Medadvisor says it has appointed Anshu Raghuvanshi as joint company secretary with Ancila Desai, effective from March 30, 2023.
Medadvisor was up half a cent or two percent to 26 cents.

MEMPHASYS

Memphasys says it has appointed Prof Hassan Bakos as its director of operations, effective from April 24, 2023.
Memphasys said Prof Bakos was previously Monash IVF Group's New South Wales scientific director, for eight years and previously was South Australia's Repromed's deputy scientific director.
The company said Prof Bakos held a Bachelor of Health Sciences and a Doctor of Medicine from the University of Adelaide, as well as a Master of business Administration from the Australian Institute of Management.
Memphasys was up 0.1 cents or 6.7 percent to 1.6 cents.