



Biotech Daily

Tuesday May 21, 2024

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH DOWN: CURVEBEAM UP 17%; NEXT SCIENCE DOWN 6.5%**
- * **BLUECHIIP CEO ANDREW MCLELLAN: 'DIRECT-TO-MARKET'**
- * **VOLPARA EXITS ASX - REVENUE UP 22% TO \$39m, LOSS DOWN 11%**
- * **AROA REVENUE UP 9% TO \$63.3m; \$9.7m LOSS**
- * **PACIFIC EDGE REVENUE UP 22% TO \$22m; LOSS UP 9.5% TO \$27m**
- * **AUSTCO RIGHTS RAISE \$2.8m; TOTAL \$9.7m**
- * **TELIX TLX592 PROSTATE CANCER STUDY BACK PHASE I/II TRIAL**
- * **ECHO IQ, ST VINCENT'S AI HEART FAILURE DIAGNOSIS STUDY**
- * **DORSAVI VALIDATES DISABILITY DIAGNOSTIC ALGORITHM**
- * **STATE STREET TAKES 7.1% OF COCHLEAR**
- * **JACK ROSAGRO REPLACES OSTEOPORE CO SEC KELLIE DAVIS**

MARKET REPORT

The Australian stock market slipped 0.15 percent on Tuesday May 21, 2024, with the ASX200 down 12.0 points to 7,851.7 points. Ten of the Biotech Daily Top 40 stocks were up, 24 were down and six traded unchanged.

Yesterday's 14.7 percent worst, Curvebeam, was today's best, up 2.5 cents or 17.2 percent to 17 cents, with 32,840 shares traded. Syntara climbed 5.6 percent; Compumedics and Mesoblast improved more than four percent; Actinogen and Emvision were up more than three percent; Micro-X rose 2.3 percent; Nanosonics and Resmed were up more than one percent; with Clinuvel up 0.4 percent.

Next Science led the falls, down two cents or 6.45 percent to 29 cents, with 461,221 shares traded. Cynata and Impedimed lost more than five percent; Clarity, Prescient and Starpharma fell more than four percent; Alcidion, Nova Eye, Paradigm, Proteomics and Universal Biosensors were down more than three percent; 4D Medical, Dimerix, Medical Developments and Pro Medicus shed more than two percent; Amplia, Genetic Signatures, Neuren, Percheron, Polynovo, Resonance and SDI were down one percent or more; with Avita, Cochlear, CSL and Opthea down by less than one percent.

BLUECHIIP

By JAMIE MILLER

Bluechiip chief executive officer Andrew McLellan says selling directly to market is “getting customers on board and will lead to significant revenue”.

Since his appointment as Bluechiip chief executive officer in December 2014, Mr McLellan has been driven by his “passion for taking Australian technology to global markets”.

“Over the last 18 months we have really got moving into the market, and today we now have three of the top 20 global pharma companies using our product, with two of them only really turning-on in February this year,” Mr McLellan said.

Bluechiip was founded in 2003 and listed on the ASX in 2011 to sell its micro-electro-mechanical systems (MEMS)-based tracking tags to other parties that made cryo-freeze devices stored in ultra-low temperatures.

Mr McLellan said the company “had some success getting agreements in place with that and had some challenges in Covid”.

In 2022, Bluechiip registered its own storage products including a range of cryo-vials, readers, labels and software as an “overall product solution” to sell directly to market.

The company said that a “box reader” for reading several samples at the same time, in development and “near launch”.

Mr McLellan said the revenue received from fitting a laboratory with Bluechiip’s products was about \$US20,000 to \$US40,000 (\$A30,055 to \$A60,110).

Mr McLellan said a “reasonably-sized customer” would generate recurring revenue of about \$US15,000 in repeat orders for cryo-vials and other consumables, as well as for licencing Bluechiip’s reader software.

McLellan said the company had “three of the top 20 global pharmaceutical companies and a number of other cryo-tech companies” using its sample management system.

Mr McLellan said the New York Psychiatric Institute, a consortium of the New York State Psychiatric Institute, the Research Foundation for Mental Hygiene and the Columbia University Department of Psychiatry had turned on a freezer farm of more than 40 separate freezers capable of minus-80°C in the last month.

Last year, Bluechiip said the New York Psychiatric Institute placed initial orders for delivery of its cryogenic, sample management labels (BD: Apr 20, 2023).

Today, Mr McLellan said the company was “starting to get a lot of traction, [and that its] sales pipeline was really solid”.

Mr McLellan said Bluechiip would release a number of case studies on its direct-to-market approach, but the revenue in the last quarter was “very light”.

“We are still very early in the overall direct-to-market development,” Mr McLellan said.

The Northern Territory-born Mr McLellan moved at an early age to Canberra before spending his teenage years in Melbourne.

He earned his Bachelor of Mechanical Engineering and a Master of Business Administration at Melbourne’s Monash University.

In his early 30s, Mr McLellan lived in Los Angeles, California, taking another Australian cancer diagnostic to market before returning to Melbourne.

Mr McLellan said there were 300,000,000 cold-storage samples worldwide, but that a “big player in this marketplace” claimed there were more than 1.1 billion.

“It is an absolutely huge market,” Mr McLellan said. “And it is growing.”

“We are just at the start, so we are lumpy in our revenue, but we expect it to build,” Mr McLellan said.

Bluechiip was untraded at 0.7 cents.

VOLPARA HEALTH TECHNOLOGIES

Volpara says its record revenue for the year to March 31, 2024, was up 22.1 percent to \$NZ42,743,000 (\$A39,157,660) with loss down 10.9 percent to \$NZ8,733,000 (\$A8,000,460).

Volpara made the announcement today as it delists from the ASX, following the takeover by Seoul, South Korea-based Lunit Inc for \$1.15 a share or \$295.7 million.

The company said that it departed the ASX with “solid growth in all three core products, namely Analytics, including Scorecard, Patient Hub ... and Risk Pathways”.

Volpara said trading on ASX was suspended at the close of trading on May 3, 2024 and would “cease to be listed ... at the close of trading on May 22, 2024”.

The company said that at implementation, Paul Reid, Roger Allen, John Pavlidis, Karin Lindgren, Ann Custin and Mark Bouw resigned as directors.

Volpara said chief executive officer Teri Thomas would continue as a director, along with chief financial officer Craig Hadfield and Lunit nominees Brandon Beomseok Suh and Anthony Paek.

Volpara closed on May 3, 2024 at \$1.145.

AROA BIOSURGERY

Aroa says revenue for the year to March 31, 2024 was up 9.0 percent to \$NZ69,066,000 (\$A63,292,000), with net loss after tax up from \$NZ396,000 last year to \$NZ10,628,000 (\$A9,739,000).

Aroa said the increased revenue was driven by continued sales of its sheep-stomach-derived Myriad for soft tissue wounds; and sales of its Ovitex ‘bio-scaffold’ products for hernia repair to Tela Bio Inc, with Endoform sales “in line with 2022-’23”.

The company said loss was up due to continued investment in US sales operations and increased investment in clinical activities, including the trial of its Symphony tissue product for complex wound tissue regeneration.

Aroa said diluted loss per share was \$NZ3.09 in the year to March 31, 2024 compared to 12 NZ cents in the year to March 31, 2023, with net tangible assets per security down 13.0 percent from 23 NZ cents to 20 NZ cents, and it had cash and equivalents of \$NZ11,522,000 at March 31, 2024 compared to \$NZ9,540,000 at March 31, 2023

Aroa fell half a cent or one percent to 49.5 cents with 1.1 million shares traded.

PACIFIC EDGE

Pacific Edge says it revenue for the year to March 31, 2024 was up 21.9 percent to \$NZ23,907,000 (\$A21,902,000), with net loss after tax up 9.5 percent to \$NZ29,535,000 (\$A27,058,000).

Pacific Edge said revenue was up due to a two percent rise in sales of its commercial Cxbladder non-invasive urine test for bladder cancer in the US, increased collection conditions and an 18 percent increase in per test sale price.

The company said its increased loss was a result of continued investment in “long-term growth initiatives and incurred one-off restructuring costs”.

Pacific Edge said its diluted loss per share was up 9.1 percent to 3.6 NZ cents for the year to March 31, 2024, with net tangible assets per share down 34.65 percent to 6.6 NZ cents.

Pacific Edge said that it had cash and cash equivalents of \$NZ29,261,000 at March 31, 2024 compared to \$NZ33,229,000 at March 31, 2023

Pacific Edge was up half a cent or 5.9 percent to nine cents.

[AUSTCO HEALTHCARE](#)

Austco says it has raised \$2,819,425 at 18.5 cents a share in its one-for-22, underwritten rights offer, taking the total with the \$6,900,000 placement to \$9,720,000.

Last month, Austco said it hoped to raise \$9.72 million at 18.5 cents a share, through a \$6.9 million placement and a \$2.82 million, underwritten rights offer (BD: Apr 24, 2024).

Today, the company said the offer raised \$1,217,764 from shareholders and the shortfall of \$1,601,661 had been taken up by the underwriters.

Austco fell 0.25 cents or 1.3 percent to 18.5 cents.

[TELIX PHARMACEUTICALS](#)

Telix says its first-in-human, 11-patient, dose-escalation study of TLX592 radio-pharmaceutical therapy for advanced prostate cancer supports a phase I/II trial this year. Telix said TLX592 was a targeted alpha therapy for the treatment of prostate cancer using its radio-pharmaceutical standard monoclonal antibodies (Radmab) technology.

The company said Radmab antibodies “accelerated blood clearance and reduced bone marrow residence time compared with standard monoclonal antibodies while retaining target selectivity, internalization and retention”.

Telix said the study evaluated the safety, tolerability, pharmaco-kinetics, bio-distribution and dosimetry of TLX592, and showed that copper-64 was detectable by positron emission tomography (PET), as a replacement for actinium-225 to enable a successful proof-of-targeting study, and predictive dosimetry calculations for future studies.

Telix said preliminary results from the 11 evaluable patients enrolled in the study showed accelerated blood kinetics compared to the standard antibody TLX591, while demonstrating similar on-target and off-target biodistribution and hepatic clearance.

The company said there were no serious adverse events reported in the study.

Telix said it expected to begin a therapeutic phase I/II study of TLX592 with actinium-225 “in the second half of 2024, subject to regulatory approval”.

Telix chief medical officer Dr David Cade said the study showed “clearly how [diagnostic and therapeutic] approaches can be used to streamline novel radio-pharmaceutical drug development”.

“In this case, PET imaging was used to dose-find a targeting agent for future use with an alpha emitter, while establishing basic safety and utility parameters that will greatly inform ongoing development of this product candidate,” Dr Cade said.

Telix was up two cents or 0.1 percent to \$15.39 with 1.4 million shares traded.

[ECHO IQ](#)

Echo IQ says it has begun a study of its artificial intelligence-based algorithm for diagnosing heart failure with Melbourne’s St Vincent’s Institute of Medical Research.

Echo IQ said St Vincent’s Institute would study its algorithm following internal validation, and the study would be used for an application to the US Food and Drug Administration.

The company did not disclose the commercial terms of the trial agreement.

Echo IQ chair Andrew Grover said the agreement and study “considerably broadens the company’s commercial opportunity and we are extremely excited by the clinical and commercial applications for this innovative new solution”.

“Given the seriousness of this condition and its impact on hospital readmission rates, we are pursuing a clear pathway to obtain insurance reimbursement codes for this solution as a priority,” Mr Grover said.

Echo IQ was up 1.5 cents or 11.1 percent to 15 cents.

DORSAVI

Dorsavi says it has validated the accuracy of its natural movement algorithm against the gold-standard in disability diagnostics.

Dorsavi said the validation used more than a decade of data and analysis and it would commercialize its artificial intelligence-based platform for disability diagnosis.

The company said the platform could be used to diagnose and monitor “any form of physical impairment, where maintaining proper posture presents a difficult challenge” such as ankylosing spondylitis, an inflammatory condition that affected the spine.

Dorsavi chief executive officer Dr Andrew Ronchi said the company was “excited about the potential of our sensor technology to make a meaningful impact in the disability and aged care sectors”.

“By leveraging our extensive database and advanced [artificial intelligence] algorithms, we aim to address unmet needs and improve the lives of individuals,” Dr Ronchi said.

“Ongoing research in debilitating conditions, such as ankylosing spondylitis, highlights the capability of Dorsavi’s sensor technology and we look forward to further expanding our reach,” Dr Ronchi said.

“Dorsavi continues to explore other use cases for its newly developed sensor technology, including the insurance, [operational health and safety], and workplace safety markets, with the sensor technology commercially ready to implement at scale,” Dr Ronchi said.

Dorsavi was unchanged at 1.4 cents.

COCHLEAR

State Street Corporation says it has increased its substantial shareholding in Cochlear from 3,998,329 shares (6.08%) to 4,679,342 shares (7.14%).

The Sydney and Boston-based State Street said that in more than 100,000 trades between March 24, 2022 and May 16, 2024 it bought, sold and transferred shares.

Cochlear fell \$1.28 or 0.4 percent to \$318.43 with 123,936 shares traded.

OSTEOPORE

Osteopore says it has appointed Automic Group’s Jack Rosagro as company secretary, replacing Kellie Davis, effective immediately.

Osteopore was up 0.1 cents or 1.3 percent to 7.7 cents with 3.35 million shares traded.