



Biotech Daily

Friday September 5, 2025

Daily news on ASX-listed biotechnology companies

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MARKET REPORT

The Australian stock market was up 0.51 percent on Friday September 5, 2025, with the ASX200 up 44.7 points to 8,871.2 points. Eighteen of the Biotech Daily Top 40 companies were up, 16 fell and six traded unchanged. The four Big Caps were mixed.

4D Medical was the best, for the second day in a row, up 23.5 cents or 17.9 percent to \$1.545, with 35.4 million shares traded. Micro-X and Polynovo were up more than eight percent; Clinuvel and Mesoblast climbed more than six percent; Paradigm was up 5.7 percent; Curvebeam improved 4.55 percent; Emvision was up 3.1 percent; Neuren rose 2.5 percent; Actinogen, Alcidion, Clarity, Genetic Signatures, Imugene, Nova Eye, Proteomics and Resmed were up more than one percent; with Avita, Pro Medicus and Telix up by less than one percent.

Cynata led the falls, down two cents or 9.5 percent to 19 cents, with 409,308 shares traded. Optiscan lost 5.6 percent; Compumedics and Immutep fell more than four percent; both Amplia and Dimerix were down 3.1 percent; Impedimed, Prescient, Resonance, SDI and Syntara shed two percent or more; EBR, Imricor and Nanosonics were down more than one percent; with Cochlear, CSL, Medical Developments and Orthocell down by less than one percent.

DR BOREHAM'S CRUCIBLE: MACH7 TECHNOLOGIES

By TIM BOREHAM

ASX code: M7T

Share price: 31.5 cents; **Shares on issue:** 234,968,047; **Market cap:** \$74.0 million

Chief executive officer: Teri Thomas

Board: Robert Bazzani (chair), Ms Thomas, Dr Eliot Siegel, Rebecca Thompson

Financials (year to June 30, 2025): revenue \$33.8 million (up 16%), net loss \$6.2 million (\$8 million deficit previously), underlying loss \$1.5 million (\$3.3 million deficit previously), cash balance \$23.1 million (down 12%)

Major shareholders: Australian Ethical 14.46%, JM Financial 11.76%, Microequities Asset Management 9.5%

Mach7's shareholders, customers and staff should know what to expect from new CEO Teri Thomas, who is adopting a similar playbook to the one to which everyone sang along at breast imaging house Volpara Health Technologies.

It's likely to be a very different tune to the somewhat tired one they have been hearing.

As CEO of Volpara, Ms Thomas espoused the need to better understand customers, while having fun along the way. The company even adopted a mascot: the endangered blue footed booby.

There was a hard edge too, as she oversaw the departure of 20 of Volpara's 180 staff.

"Some people might have seen us as not-for-profit, but we are not," she said at the time.

In her early days at Mach7, Ms Thomas has adopted a similar modus operandi at the unperforming provider of medical image viewers and storage systems.

Tsunami of change

Ms Thomas is reserving her change manifesto for a strategy update next month, but changes are already reverberating around Mach7's US head office in Burlington, Vermont. (Officially, Mach7 is headquartered in Melbourne).

In her first month, Ms Thomas overhauled the customer support function.

Chief operating officer David Madaffri and head of services Lisa Thompson have left the building, while chief finance officer Dyan O'Herne departs at the end of September and Ms Thomas also hired a chief innovation officer, Paul Jensen, to improve processes and productivity and artificial intelligence adoption.

“My overall assessment of Mach7 is that it is an overall stable company that provides good value and software that works,” she says. “But it’s not perfect - and that’s good news because it means there are things we can improve that will pay dividends.”

About Mach7

Mach7 provides diagnostic and imaging tools to radiologists, oncologists, cardiologists - and other ‘ologists’ - via digital picture archive communications systems, or PACS.

The company takes images, videos and documents and consolidates them on the one platform. The data can then be managed and accessed via ‘phones, devices or web browsers. Mach7’s wares are ‘vendor neutral’, which allows any provider’s imaging tools to be integrated on the platform.

The company has surfed the move to digital records, which enables hospitals and clinics to aggregate an individual’s medical history for easier access.

Mach7 was founded in 2007 by Singapore-based image workflow expert, Ravi Krishnan; and launched its first product in 2012.

In March 2016, the company merged with the ASX-listed diagnosis house 3D Medical - a reseller of Mach7’s products - in a share deal.

The holder of a zoology degree and a registered nurse, Ms Thomas took over from Mike Lampron, a former US air force medic. Prior to Volpara, Ms Thomas had a 20-year career at the Wisconsin-based electronic medical record provider, Epic.

In 2020, Mach7 bought Canada’s Client Outlook for about \$40 million, expanding its repertoire from ‘back end’ - the archiving of images and other data - to image viewing.

The company has a presence in 15 countries and 165 customers including Advocate Aurora Healthcare, Adventist Health Tulare, Penn Medicine, Massachusetts General Hospital, University of Virginia Health System, Broward Health and Maine Health.

While Mach7 is US-focused, in 2018 the company won a seminal \$15 million deal with the Hospital Authority of Hong Kong.

Learning from Volpara

Ms Thomas says she learnt much from Volpara, her first stock exchange-listed gig. She says Volpara had a research culture rather than commercial orientation and she was brought-in to rectify that, and was offered the top job after advising founder and CEO, Dr Ralph Highnam, who wanted to step away from the latter role.

One imperative was to navigate the gap in Australian investors’ understanding of the US health system. For instance, investors asked whether Volpara provided for the US national breast screening program. Unlike here, it doesn’t exist.

Bottom of the class

Ms Thomas is blunt about the ordinary scores ascribed to Mach7 by the influential US healthcare ratings outfit, KLAS (pronounced 'class') Research.

"They suck," she says.

The ratings – including an 'F' for corporate culture - prompted Ms Thomas immediately to tweak the customer support and sales team so they worked "closely and collaboratively" with customers.

"If a customer has a problem, they don't go to a faceless bank of people waiting to respond," she says. "They will either be able to call someone, or a team that knows their story. In the very best cases [Mach7's reps] know the customer's kids' names and pets' names."

Less, not more

At Volpara, Ms Thomas redirected the company to the biggest "elephant" - customers.

While it's too early to talk about chasing Mach7's pachyderms, Ms Thomas flags a move from the company's 'all-comers' approach to taking on clients.

She says Mach7 has tried to sell a viewer or archive to anyone - "regardless of their size or approach".

"It's hard to compete against every vendor that might service one of these customers. Rather than going more broadly, I want to narrow our focus to ensure we know where we can win best and strengthen our promotion."

Ms Thomas is also a fan of high customer conversion rates.

"I would rather do a ruthless qualification process to ensure good customer-product fit, than play the numbers and have a massive pipeline that may not be the best fit."

While Mach7's sales pipeline is not at the level where she would like it to be, Ms Thomas says there are "some really exciting prospects." Most of the revenue to date has derived from contract expansions.

Defence job 'on track'

Ms Thomas has reassured investors about the progress of a large, delayed contract with the US Veterans' Health Administration.

The job is to support the sprawling organization's National Tele-radiology Program.

Mach7 is part of a five-member consortium, providing its picture archiving and communications systems.

Announcing the contract in July 2023, Mach7 said the phase one roll-out potentially was worth \$11.7 million over three years.

This rises to \$47.9 million for the second five-year phase.

The system was meant to have cranked up by December last year and Ms Thomas hopes this will happen later this year.

“It’s progressing,” Ms Thomas says.

“It’s big, it’s complicated and we are one of a number of vendors who need to come together for this solution to go live.”

Did someone mention Pro Medicus?

Mach7 operates in the shadow of a giant: the “phenomenally successful” \$32 billion market cap Pro Medicus.

“I respect Pro Medicus, I like their mechanisms of engagement,” she says.

“They don’t try to be everything to everyone.”

Pro Medicus caters for bigger institutions with deep pockets, although it’s starting to target smaller organizations and ‘ologies’ (where Mach7 is strong).

“In some ways we are frenemies ... their value proposition to a company is different than ours,” Ms Thomas says.

She says at least nine companies use Pro Medicus and Mach7 products side by side.

However, there’s a risk Trinity Health will not renew after Pro Medicus last November signed up the Integrated Delivery Network (IDN) on a \$330 million 10-year deal for its whole suite of services.

Otherwise, Mach7 competes with the likes of Carestream (Kodak), Agfa, Fujifilm, GE Healthcare, Siemens and Philips.

Finances and performance

Mach7 reported revenue of \$33.8 million for the year to June 30 2025, 16 percent higher and in-line with the company’s guidance.

The net loss improved to \$6.2 million, from an \$8 million deficit previously. The underlying loss of \$1.5 million compared to a previous \$3.3 million shortfall.

Recurring revenue gained 20 percent, to \$25.3 million.

Ms Thomas says the company is considering shifting some research and development expenditure into lower-cost geographies, notably Malaysia.

Research and development expenditure also could be boosted in selected product areas, but this depends on the company better defining its target customers in the first place. Mach7 ended the quarter with \$23.1 million of cash.

The debt-free Mach7 has been undertaking a share buyback, for up to \$5 million of stock.

As of June 30, the company had outlaid \$2.2 million, but the program has been frozen pending the result of the strategic review.

Over the last 12 months, Mach7 shares have traded between 60 cents in mid-August last year and a current low of 30 cents.

They hit a record high of \$1.50 in February 2021 and a nadir of 11 cents in June 2017.

Dr Boreham's diagnosis:

While Mach7 gains sales traction, it's all happening at less than warp speed and the ebbing share price - down more than one-third over the last 12 months - continues to disappoint.

While a natural and engaging speaker, Ms Thomas is prone to marketing rhetoric such as customer roadmaps and 'flywheels' and finding 'north stars'.

But she's cognizant the bottom line of achievement is bottom line improvement.

On this note, Ms Thomas improved Volpara's earnings and share price, before the company was taken over by South Korea's Lunit in late 2023.

Learning of the unedifying KLAS ratings, Ms Thomas flew straight to the agency's Salt Lake City digs to talk about how to improve things.

While it's still a long way to the top of the KLAS, she hopes Mach7 at least can win 'most improved' award.

Mach7's crucial strategic update is likely to coincide with Halloween - and Ms Thomas hasn't ruled out dressing for the occasion.

Hopefully, her costume will be the only thing that scares investors.

"I love keeping things fun," she says. "The investor world can be deathly boring".

Disclosure: Dr Boreham is not a qualified medical practitioner and does not possess a doctorate of any sort. He is the recipient of numerous 'most improved' and participation awards and tries not to be too boring.

VICTORIA GOVERNMENT

The Victoria Government says it has awarded two research teams \$2.6 million to improve children's cancer treatments.

The Victoria Government said funds would be awarded to Prof Rachel Conyers, who was leading a Murdoch Children's Research Institute program exploring ways to reduce the toxic side effects and improve outcomes for children after undergoing cancer treatments. The State Government said it would fund the Peter MacCallum Cancer Centre's Prof Mark Dawson research project to develop a cell therapy to improve the safety of bone marrow transplants in childhood cancer patients.

The Government said the funding was awarded through its Children's Cancer Colab's Safer Therapies program, in which it had invested \$35 million, alongside \$10 million from the Children's Cancer Foundation.

Children's Cancer Colab chief executive officer Dr Udani Reets said that "with 80 percent of childhood cancer survivors facing debilitating life-long side effects from their treatment, these two outstanding projects will help patients survive and thrive".

The Victoria Minister for Economic Growth and Jobs Danny Pearson said "this program is supporting our world-class researchers to develop ground-breaking and age-appropriate treatments to give kids the best chance to beat cancer and live healthy lives".

AVITA MEDICAL INC

Avita says 247 patients treated with its Recell spray-on-skin had a 36 percent reduction in hospital stay in a 741-patient study of adults with second degree burns.

Avita said the study compared Recell to traditional split thickness skin grafts in patients with second degree burns affecting up to 30 percent total body surface area, and was based on an analysis of US national burn registry data, showing that Recell spray-on skin reduced hospital stays by an average of 5.6 days ($p < 0.0001$).

The company said the results were clinically meaningful and could potentially result in more than \$US42,000 (\$A64,300) per patient in cost savings, based on an estimated average daily inpatient bed cost of \$US7,554; exclusive of procedure and rehabilitation costs.

In June, Avita said that a 6,300-patient, retrospective study showed that Recell reduced patients' length of hospital stay by 6.2 days (35.7%) compared to standard skin grafts (BD: Jun 10, 2025).

At the time, the company said the study analyzed registry data from patients treated with Recell between 2019 and 2024 and found that, in patients with burns covering less than 30 percent of total body surface area, Recell alone reduced average patient hospital stay by 6.2 days, compared to split-thickness autografts.

Today, Avita said that in 2023, US burn cases consumed more than 110,000 intensive care unit days, costing more than \$US676 million (\$A1,035 million), with a resulting need to reduce the burden of burn care on hospital systems.

Avita chief executive officer Jim Corbett said "the results from this real-world analysis underscore the transformative potential of Recell in reducing hospitalization time and improving care efficiency".

"When you consider use of Recell in deep-partial thickness burns requires 97.5 percent less skin with significantly improved donor site healing, pain, and scarring, compared to split-thickness skin graft, these insights reaffirm our commitment to delivering clinically meaningful solutions that benefit patients, providers, and the broader healthcare system," Mr Corbett said.

Avita was up one cent or 0.75 percent to \$1.34 with 772,604 shares traded.

BOTANIX PHARMACEUTICALS

Botanix says Dongwha Pharm Co Ltd has South Korean regulatory approval to sell its Ecclock five percent sofipirionium bromide gel for excessive underarm sweating.

Botanix said partner Kaken Pharmaceutical Co launched Ecclock in Japan in November 2020, and secured a sublicense and distribution agreement with the Seoul, South Korea-based Dongwha in June 2023 to sell Ecclock in South Korea (BD: Jun 5, 2023).

The company said Dongwha filed an application for Ecclock to South Korea's Ministry of Food and Drug Safety on September 27, 2023 and received approval on August 29, 2025.

Botanix said Dongwha would commercialize Ecclock in South Korea, add the product to its prescription and over-the-counter products, and expected to sell Ecclock by April 2026, with the product to be manufactured at the Tokyo-based Kaken's Shizuoka plant in Japan. Botanix was unchanged at 13.5 cents with 8.8 million shares traded.

ARGENT BIOPHARMA (FORMERLY MGC PHARMACEUTICALS)

Argent says it has a further "deed of variation" with New York's Mercer Street Global Opportunity Fund for the refinancing of 400,000 convertible notes.

In 2020, the-then MGC Pharmaceuticals said that it had an up to \$15 million draw-down facility with the New York-based Mercer Street Global Opportunity Fund LLC, with \$2.25 million to be received upfront (BD: Sep 10, 2020).

Last year, the company said the minimum conversion price for 300,000 of its Mercer convertible notes had been reduced from \$10 to 30 cents (BD: Oct 9, 2024).

In April, Argent said the minimum conversion price for 250,000 of its 1,600,000 convertible notes with Mercer Street Global has been reduced from \$10.00 to 11 cents, and said it intended "to seek additional agreements with Mercer to amend the terms of the remaining 2020 convertible note facility and the 2022 convertible note facility" (BD: Apr 23, 2025).

Today, the company said it had agreed with Mercer to reduce the minimum conversion price of the 400,000 notes from of \$10.00 to 12 cents.

Argent fell 1.5 cents or 11.5 percent to 11.5 cents.

ISLAND PHARMACEUTICALS

Island says its annual general meeting will vote to issue 18,500,000 options to its board, former director Phillip Lynch and Ora Capital Pty Ltd.

Island said investors would vote to issue director Christopher Ntoumenopoulos 750,000 options exercisable at 16 cents each, expiring on April 30, 2028, and 2,000,000 options exercisable at 30 cents each and expiring in three years.

The company said the meeting would vote to issue 2,000,000 options to managing director Dr David Foster, exercisable at 30 cents each; it proposed to issue chair Jason Carroll 2,000,000 options exercisable at 30 cents each and 3,000,000 options exercisable at 15 cents each; with the director options dependent on vesting conditions.

Island said shareholders would vote to issue Ora Capital 8,000,000 "advisor options", exercisable at 25 cents on October 20, 2028, and Mr Lynch 750,000 options exercisable at 15 cents each, expiring in three years.

The company said the meeting would vote to adopt the remuneration report, elect Mr Carroll, approve its placement capacity, ratify the issue of shares, and approve placement shares to Mr Ntoumenopoulos, Mr Lynch and Mr Foster.

The meeting will be held at K&L Gates, 31/1 O'Connell Street, Sydney on October 9, 2025 at 11am AEDT.

Island was unchanged at 27 cents with 1.8 million shares traded.

CAMBIUM BIO

Cambium says the Lyon, France-based Benta SAS will develop and commercialize CAM-101, or Elate Ocular, for dry eye disease in Europe and the Middle East

Cambium said it had a memorandum with Benta SAS to establish joint venture New Co, which would hold and manage the rights to CAM-101 for Europe and the Middle East.

Cambium chief executive officer Karolis Rosickas said the company was “very excited about this partnership with Benta and the opportunity to leverage their ... experience in blood-derived therapeutics, ophthalmology and their established manufacturing and distribution platform to serve dry eye patients in Europe and the Middle East”.

“This marks our second deal for our platelet-lysate technology platform and demonstrates the scalability of our technology across multiple therapeutic areas and geographies,” Mr Rosickas said.

“With Benta's proven track record in manufacturing CSL's blood-derived products and their strong presence in ophthalmology markets, we have found an ideal partner to advance Elate Ocular in these important territories,” Mr Rosickas.

Cambium was up two cents or 4.2 percent to 49.5 cents.

ARTRYA

Artrya has requested a trading halt pending an announcement regarding a “proposed capital raising”.

Trading will resume on September 9, 2025 or on an earlier announcement.

Artrya last traded at \$2.18.

ANATARA LIFESCIENCES

Anatara has told the ASX that it is not aware of any information it has not announced which, if known, could explain the recent trading in its securities.

The ASX said Anatara's share price rose 66.7 percent from a low of 0.9 cents to a high of 1.5 cents today and noted a “significant increase” in the volume of securities traded.

Anatara said it had announced in July that it was “actively assessing other opportunities and assets to add to its portfolio, together with pursuing commercialization discussions for its [gastro-intestinal reprogramming, or Garp] product” with discussions at an early stage, with no arrangements requiring disclosure (BD: Jul 9, 2025).

Anatara closed up 0.3 cents or 37.5 percent at 1.1 cents with 50.6 million shares traded.

NANOSONICS

Nanosonics says non-executive director Dr Lisa McIntyre will not seek re-election at its annual general meeting on November 5, 2025 and will resign as of that day.

Nanosonics said Dr McIntyre joined the board on December 13, 2019 and had made a “significant contribution to the Company during her tenure”.

The company said it had begun a search for a new director.

Nanosonics fell six cents or 1.5 percent to \$4.02 with 733,954 shares traded.