



Biotech Daily

Tuesday July 5, 2016

Daily news on ASX-listed biotechnology companies

- * **ASX DOWN, BIOTECH EVEN: ORTHOCELL UP 12%, ANTISENSE DOWN 11%**
- * **IMMURON RIGHTS OFFER RAISES \$5.3m**
- * **MMJ: RECREATIONAL MARIJUANA TASK FORCE 'A VALUE-DRIVER'**
- * **CHRIS RETZOS INCREASES, DILUTED TO 8% OF PRESCIENT**
- * **PAUL RUGGIERO, 'LIKE-MINDED INVESTORS' TAKE 11% OF CELLMID**

MARKET REPORT

The Australian stock market fell 1.02 percent on Tuesday July 5, 2016 with the ASX200 down 53.8 points to 5,228.0 points.

Sixteen of the Biotech Daily Top 40 stocks were up, 15 fell, six traded unchanged and three were untraded. All three Big Caps fell.

Orthocell was the best, up 3.5 cents or 12.1 percent to 32.5 cents with 60,370 shares traded.

Living Cell and Pro Medicus climbed more than eight percent; Admedus was up 6.6 percent; Clinuvel and Genetic Technologies were up more than five percent; Atcor and Oncosil improved more than three percent; Factor Therapeutics, IDT and Impedimed rose more than two percent; Anteo, Airxpanders and Nanosonics were up more than one percent; with Starpharma and Viralytics up by less than one percent.

Antisense led the falls, down 0.4 cents or 11.1 percent to 3.2 cents, with 245,477 shares traded.

Prana fell 4.55 percent; Bionomics, Biotron, Cellmid and Pharmaxis lost more than three percent; Mesoblast, Prima and Uscom shed more than two percent; Actinogen, Avita, Cochlear, CSL, Ellex, Medical Developments and Sirtex were down one percent or more; with Opthea and Resmed down by less than one percent.

IMMURON

Immuron says its three-for-10 rights issue at 25 cents a share has raised \$5,330,245 of a hoped-for \$6 million (BD: May 31, 2016).

Immuron said that each new share came with an attaching option, exercisable at 55 cents each within three years from the date of issue, pending shareholder approval.

The company said the capital raising was not under-written but it had commitments for \$3 million from directors, major shareholders, and shortfall applicants.

Immuron said the money would fund the company to interim results from the phase II non-alcoholic steato-hepatitis trial, when 30 patients had completed the trial, which was expected by end of the year, with 25 patients having completed treatment to date.

The company said that it received valid acceptances comprising entitlements and over-subscriptions for 18,045,510 shares and shortfall applications from professional and sophisticated investors for 3,275,468 shares.

Immuron chairman Dr Roger Aston said the company was “very pleased at the strong take-up of the rights issue by existing shareholders reflecting their confidence and support of the company’s technology platform together with its future global business strategy”.

Immuron was up half a cent or two percent to 25 cents.

MMJ PHYTOTECH

MMJ says that Health Canada’s task force on recreational marijuana legalization and regulation is a value-driver for the company.

MMJ said that the requirements for consumer protection and product quality control in the new system were expected to be similar to the existing Marijuana for Medical Purposes Regulations and that current licenced producers would have “a significant advantage in the new recreational market as early stage suppliers”.

The company said that the Canadian recreational cannabis market was about \$C5 billion (\$A5.2 billion) a year.

MMJ said that the Task Force’s objectives were to consult with governments, industry, the public and all other relevant stakeholders in order to provide advice on the design of a new legislative and regulatory framework by November 2016, with the introduction of the new regulatory system by June 2017.

The company said that Canada was committed to “a new system of strict marijuana sales and distribution, with appropriate federal and provincial sales taxes applied, both to prevent youth from accessing marijuana and to curtail the illegal marijuana market that is benefitting organized crime”.

MMJ managing-director Andreas Gedeon said that his company was “very encouraged by Health Canada’s decision to invest in the establishment of a regulated recreational marijuana market in Canada”.

“Importantly, the legalization of the recreational market is expected to be a major value-driver for MMJ and its shareholders, providing strategic access to an emerging market,” Mr Gedeon said.

“As we have witnessed in states throughout North America, the legalization of recreational marijuana has been a key catalyst in allowing regulated cultivators entry into a growing market,” Mr Gedeon said.

“The company’s short-term focus remains on generating near-term cash flow from the production of medical grade cannabis from our Duncan facility to supply the existing [medical cannabis] market,” Mr Gedeon said.

MMJ climbed 7.5 cents or 31.9 percent to 31 cents with 10 million shares traded.

PRESCIENT THERAPEUTICS

The Shepparton, Victoria-based Chris Retzos has increased his holding in Prescient from 8,305,131 shares to 14,825,000 shares but has been diluted to 7.63 percent.

Mr Retzos said shares were held with Susie Retzos through the Retzos Family Superannuation Fund, Jaclyn Stojanovski through the Retzos Executive Superannuation Fund, Stephen Retzos and Melissa Martin.

Mr Retzos said the shares were acquired between May 24 and June 30, 2016 in the placement and rights issue at nine cents a share and on-market (BD: Jun 29, 2016).

Prescient was up 0.3 cents or 3.45 percent to nine cents.

CELLMID

Paul Ruggiero says that the “association of like-minded investors” has increased its holding in Cellmid from 95,466,444 shares (10.3%) to 102,043,846 shares (11.0%).

During the last week, in a series of notices, the Gladesville, Sydney-based Mr Ruggiero said he was the Association’s “group coordinator” and named about 20 shareholders who were part of his group (BD: Jun 29, 30, Jul 4, 2016).

Today, Mr Ruggiero added Justin Morgan’s 3,131,920 shares, Paul Isaac’s 110,000 shares, W & L Hanna’s 3,200,000 shares to his list of “like-minded investors” as well as an increase in his own holding.

Cellmid fell 0.1 cents or 3.1 percent to 3.1 cents with 5.4 million shares traded.