



Biotech Daily

Tuesday August 28, 2018

Daily news on ASX-listed biotechnology companies

- * **ASX UP, BIOTECH EVEN: AIRXPANDERS UP 8.5%; FACTOR DOWN 7%**
- * **PATRY'S, WEHI WIN VICTORIA \$100k FOR 7D10-PAT-DX1 FOR CANCER**
- * **PROBIOTEC TO SELL IMPROMY TO BLACKMORES FOR \$9m**
- * **NUHEARA REVENUE UP 61% TO \$4m, LOSS UP 53% TO \$7.4m**
- * **ADHERIUM REVENUE UP 150% TO \$6m, LOSS DOWN 27% TO \$9m**
- * **SOUTH AUSTRALIA \$4m 'LOW COST' LBT LOAN APPROVED**
- * **PARADIGM: ROSS RIVER VIRUS PHASE IIa RECRUITMENT COMPLETE**
- * **INBRIDGE REDUCES TO 6.3% OF INVITROCUE**
- * **MEDIBIO REQUESTS 'STAFF CHANGES' TRADING HALT**
- * **ANATARA LOSES CO-FOUNDER, CSO DR TRACEY MYNOTT**

MARKET REPORT

The Australian stock market was up 0.57 percent on Tuesday August 28, 2018 with the ASX200 up 35.8 points to 6,304.7 points. Seventeen of the Biotech Daily Top 40 stocks were up, 18 fell, three traded unchanged and two were untraded.

Airxpanders was the best, up 0.7 cents or 8.5 percent to 8.9 cents with 1.5 million shares traded.

Clinuvel and Dimerix climbed more than six percent; Imugene and Optiscan improved five percent or more; LBT, Medical Developments, Prana, Reva and Universal Biosensors were up more than four percent; Actinogen and Pro Medicus were up more than three percent; Avita and Starpharma rose more than two percent; Cochlear, Sirtex and Telix were up more than one percent; with Nanosonics and Resmed up less than one percent.

Yesterday's 9.6 percent best, Factor Therapeutics, led the falls, down 0.4 cents or seven percent to 5.3 cents with 221,012 shares traded. Impedimed fell 4.85 percent; Benitec, Ellex, Genetic Signatures, Opthea and Orthocell lost more than three percent; Benitec, Bionomics, Compumedics and Osprey shed two percent or more; Cyclopharm, Cynata, Mesoblast, Neuren, Pharmaxis, Polynovo, Prescient and Volpara were down more than one percent; with CSL down two cents or 0.01 percent.

[PATRYS, THE WALTER AND ELIZA HALL INSTITUTE OF MEDICAL RESEARCH](#)

Patrys says that with the Walter and Eliza Hall Institute it has won a \$100,000 Victoria Medical Research Acceleration Fund grant for PAT-DX1 for cancer.

Patrys said the research would be undertaken by the Institute's molecular genetics of cancer laboratory head Dr Ruth Kluck immunology laboratory head Prof Edwin Hawkins. The company said that Dr Kluck was investigating how cancer cells die and was "an expert on how cell-killing proteins called Bax and Bak help to eliminate cancer cells that grow out of control".

Patrys said that Prof Hawkins had developed microscopy imaging technology that investigated the action of drugs in real time and allowed the monitoring of drug responses over extended periods, focused on blood cancer treatments.

The company said the State Government grant would support a collaboration "to develop new reagents that target, penetrate and kill cancer cells" and would couple Patrys' PAT-DX1 with the Institute's 7D10 to generate a bi-specific antibody called 7D10-PAT-DX1.

Patrys said the 7D10 protein interacted with the Bak protein inside cells to cause cell death but was unable to pierce a cancer cell's outer membrane and bind to targets itself. The company said that PAT-DX1 could enter and kill cancer cells harboring defective DNA repair mechanisms and combining the technologies would "result in a novel antibody that will be able to enter a cell, bind to its targets and act to help circumvent survival pathways typically employed by cancer".

Patrys chief executive officer Dr James Campbell said the collaboration "should provide data regarding the potential effectiveness of 7D10-PAT-DX1 to kill cancer cells".

The company said it expected to report the research findings in 2019.

Patrys was unchanged at four cents with 3.9 million shares traded.

[PROBIOTEC](#)

Probiotec says it will sell its "consultation-based" Impromy weight loss brand and business assets to the Sydney-based supplements retailer Blackmores for \$9 million.

Probiotec said that Impromy was co-developed with the Commonwealth Science and Industrial Research Organisation and it expected the sale to be finalized by November 2018, subject to conditions requiring the consent of contract counterparties.

Probiotec was unchanged at \$1.70.

[NUHEARA](#)

Nuheara says that sales revenue for the year to June 30, 2018 was up 60.7 percent to \$3,962,565 with net loss after tax up 53.2 percent to \$7,416,412.

Last year, Nuheara posted a maiden revenue of \$2,466,336 for sales of its Iqbuds sound filtering and device ear buds for the year to June 30, 2017.

In April, the company announced the commercialization of Iqbud Boost hearing devices for mild to moderate hearing loss (BD: Apr 24, 2018).

Today, the company said that other income including the Federal R&D Tax Incentive and other grants increased from \$450,316 last year to \$1,289,395 this year.

The company said that diluted loss per share increased 20.3 percent to 0.83 cents at June 30, 2018 and net tangible assets per share was up 66.7 percent from 0.6 cents at June 30, 2017 to 1.0 cents at June 30, 2018.

Nuheara said it had \$8,345,698 in cash and cash equivalents at June 30, 2018, compared to \$3,404,552 at June 30, 2017.

Nuheara fell 0.2 cents or 2.4 percent to 8.1 cents with 28.0 million shares traded.

ADHERIUM

Adherium says that revenue for the 12 months to June 30, 2018 was up 150.0 percent to \$5,867,000, with net loss after tax down 27.1 percent to \$9,338,000.

Adherium said that it earned \$4,049,000 from “engineering and other services”, but sensor sales and monitoring services fell 22.5 percent to \$1,818,000.

The company said it delivered 27,000 Hailie sensor devices, formerly known as the Smartinhaler, primarily to Astrazeneca, up from 18,000 devices last year and compared to 56,000 devices in the year to June 30, 2016.

Adherium said diluted loss per share fell 28.9 percent from 7.6 cents at June 30, 2017 to 5.4 cents at June 30, 2018, with net tangible asset backing per share down 45.0 percent to 7.2 cents and it had cash and equivalents of \$12,118,000 at June 30, 2018 compared to \$22,779,000 at June 30, 2017.

Adherium was unchanged at 8.8 cents.

LBT INNOVATIONS, THE GOVERNMENT OF SOUTH AUSTRALIA

LBT says its \$4 million low cost loan from the South Australian Government, as part of a jobs and innovation initiative, has finally been approved (BD: Feb 19, 2018).

LBT said the funding was designed to help extend its platform technology by recruiting 16 full time Adelaide-based staff over the next two years.

The company said drawdowns would be of \$1 million with two further drawdowns of \$1.5 million each by December 2019.

LBT said the interest rate was the “South Australian Government cost of funds plus a 2.0 percent margin, set on the date of first drawdown”.

In February the then South Australia Premier Jay Weatherill said LBT’s automated plate assessment system (Apas) Independence instrument “will help deliver the State Government’s plan to increase global exports of locally made hi-tech systems”.

Today, the company said that the facility would enable it to recruit staff in the areas of artificial intelligence, science, and software engineering over the next two years.

LBT said it would develop of further analysis modules to deliver additional specimen types for use on the Apas Independence instrument, and each new analysis module extended the clinical utility of the instrument and increased its potential market.

The company said it raised \$7.9 million earlier this year and with the facility it would provide sufficient funding to early 2020.

LBT was up half a cent or 4.35 percent to 12 cents.

PARADIGM BIOPHARMACEUTICALS

Paradigm says it has completed recruitment of 20 patients for its phase IIa trial of pentosane polysulfate sodium for Ross River virus induced arthralgia, or joint pain.

Paradigm said it had capped recruitment at 20 instead of 24 patients for the randomized, double-blinded placebo-controlled trial, due to a significantly lower rate of Ross River virus in 2018 compared to 2017.

The company said the trial’s safety and efficacy signals would support the design of future clinical trials for Chikungunya virus-induced arthralgia.

Paradigm chief executive officer Paul Rennie said that the study was aimed at “providing the clinical evidence for the design of a larger clinical trial in Chikungunya virus induced arthralgia”.

The company said it expected results from the Ross River virus study by January, 2019.

Paradigm was unchanged at 99 cents.

[INVITROCUE](#)

The Singapore-based Inbridge Ventures says it has reduced its holding in Invitrocue from 33,500,000 shares (7.50%) to 28,049,000 shares (6.28%).

Inbridge said it sold 5,000,000 shares off-market for \$400,000, or eight cents a share, and sold 451,000 shares for \$46,515, or 10 cents a share, but did not disclose dates for either purchase.

Invitrocue was untraded at 10.5 cents.

[MEDIBIO](#)

Medibio say it has requested a trading halt “pending an announcement ... regarding an organizational change of senior management”.

Trading will resume on August 30, 2018, or on an earlier announcement.

Medibio last traded at 20.5 cents.

[ANATARA LIFESCIENCES](#)

Anatara says that co-founder and chief scientific officer Dr Tracey Mynott has resigned “to develop the [Detach] technology to control infectious diarrhoea in developing countries”. Anatara said that Dr Mynott led the development of Detach including the pig field trials required for submission to the Australian Pesticides and Veterinary Medicines Authority for marketing approval.

The company said that Dr Mynott “played a critical role in the exclusive global licensing of the technology to Zoetis Inc (BD: May 15, 2018).

Anatara said that “after conducting a thorough review of potential opportunities in human gastrointestinal health [it] made the commercial decision to focus on the development of a multi-component product aimed at promoting gut health and managing the symptoms associated with gastrointestinal disorders such as inflammatory bowel disease and irritable bowel syndrome”.

The company said it would licence the intellectual property necessary for the development of products to treat infectious diarrhoea in the developing world to Dr Mynott, with Anatara to receive a share in any commercial returns from successful development.

Anatara said that Dr Mynott would continue to act as a consultant.

Dr Mynott said that anti-microbial resistance had “a disproportionate negative impact on childhood health in the developing world and provides major challenges for childhood health initiatives, that I believe I can help address”.

Anatara fell 3.5 cents or 5.8 percent to 57 cents.