



# Biotech Daily

Tuesday January 29, 2019

*Daily news on ASX-listed biotechnology companies*

- \* **ASX, BIOTECH DOWN: IMPEDIMED UP 29%; RESMED DOWN 10%**
- \* **VISIONEERING: 'NATURALVUE REDUCE MYOPIC PROGRESSION 90%'**
- \* **CORRECTION: NEUREN**
- \* **UNIVERSAL BIOSENSORS SALES DOWN 7% TO \$24m; J&J TO PAY \$45m**
- \* **OSPREY 2018 SALES UP 62% TO \$3.4m**
- \* **VOLPARA Q3 RECORD RECEIPTS UP 192% TO \$1.8m**
- \* **INVION 4C: 'CHO GROUP TO FUND ALL COSTS'**
- \* **INVION HIRES GUILIN XINGDA FOR CANCER EQUIPMENT MANUFACTURE**
- \* **NEUROTECH RIGHTS ISSUE FOR \$3m**
- \* **JAPAN PATENT FOR OPTHEA'S OPT-302**
- \* **ADALTA AD-214 MANUFACTURING 'ON-TRACK'**
- \* **PHARMAUST, ELANCO MONEPANTEL DATA SHARING DEAL**
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- \* **NASDAQ 3rd GENETIC TECHNOLOGIES NON-COMPLIANCE LETTER**
- \* **AVITA: 9 ABSTRACTS AT US BURNS MEETING**
- \* **IMPEDIMED TO PRESENT 'DETAILED PREVENT TRIAL RESULTS'**
- \* **CYNATA PRESENTS CYP-001 GVHD RESULTS**
- \* **G MEDICAL REQUESTS 'PURCHASE ORDERS' TRADING HALT**
- \* **MGC COMPLETES DERMA SALE TO CANNAGLOBAL**

## MARKET REPORT

The Australian stock market fell 0.53 percent on Tuesday January 29, 2019, with the ASX200 down 31.4 points to 5,874.2 points. Twelve of the Biotech Daily Top 40 stocks were up, 18 fell and 10 traded unchanged. All three Big Caps fell.

Impedimed was best, up 5.5 cents or 28.95 percent to 24.5 cents, with 690,945 shares traded. Genetic Signatures climbed 12 percent; Reva was up 5.3 percent; Uscom rose 4.2 percent; Actinogen and Proteomics improved more than three percent; Pharmaxis, Telix and Universal Biosensors were up more than two percent; with Kazia up one percent.

Resmed led the falls, down \$1.51 or 10.4 percent to \$12.96 with 11.8 million shares traded. Volpara lost 9.3 percent; Antisense and Imugene shed five percent or more; Neuren, Patrys and Prescient fell more than four percent; Dimerix, Immutep, LBT, Orthocell and Osprey were down more than three percent; with Cochlear, CSL, Mesoblast and Paradigm shedding more than two percent.

## VISIONEERING TECHNOLOGIES

Visioneering says that data on 141 children wearing its Naturalvue multifocal contact lenses shows that an average 90 percent decrease in myopic progression.

Visioneering said that the children were followed for up to four years and the myopic, or short sightedness, progression was compared to the rate of progression prior to wearing Naturalvue multifocal lenses.

The company said the data was “very consistent at each time point, demonstrating approximately 90 percent decrease, or 1.00 diopter, in myopic progression, as compared to the rate of progression prior to wearing Naturalvue multifocal” with all timepoint measurements “statistically significantly different from baseline” ( $p < 0.00001$ ).

Visioneering said the investigators reported that their patients indicated few or no complaints of visual or comfort issues, that nearly all of the children continued wearing the lenses and there were no adverse events.

The company said the consistency of the decreased myopia progression reported in this data set reflected “the potential of Naturalvue multifocal 1-day contact lenses in slowing the progression of myopia in children”.

The Global Specialty Lens Symposium was held in Las Vegas, January 24 to 27, 2019.

Visioneering chief executive officer Dr Stephen Snowdy said “the 90 percent effectiveness shown in these most recent longer term data for Naturalvue multifocal is very encouraging, especially when combined with the excellent vision experienced by the children wearing our lenses”.

“The prevalence and severity of myopia has been increasing at a rapid rate in nearly all industrialized nations, with some Asian nations having 90 or more percent of their children affected by myopia,” Dr Snowdy said.

“Our goal is to expand the availability of Naturalvue multifocal globally and to minimize the amount of myopia progression in as many children as possible,” Dr Snowdy said.

Visioneering was unchanged at 16.5 cents.

## CORRECTION: NEUREN PHARMACEUTICALS

Friday’s Dr Boreham’s Crucible said that Neuren had a 40-for-one consolidation in 2017, making the Lanstead facility 8.86c base shares price equivalent to \$3.54.

In fact, the consolidation was 20-for-one, meaning the base price for the Lanstead facility was \$1.772.

The mistake was made by the Friday sub-editor who said that Melbourne’s more than 40°C temperatures had melted his brain and he had no NNZ-2566 to protect his neurons.

Biotech Daily apologizes unreservedly.

Neuren fell 5.5 cents or 4.1 percent to \$1.295.

## UNIVERSAL BIOSENSORS

Universal Biosensors says that receipts from customers for the 12 months to December 31, 2018 fell 7.3 percent to \$24,061,000 compared to the prior corresponding period.

Universal Biosensors said the fall was primarily due to a 58.9 percent decline in Xprecia Stride blood coagulation test strips to Siemens due to an earlier inventory build-up.

The company said that Johnson & Johnson Lifescan would pay it \$US31,503,880 (\$A44,635,704) as the buy-out price for its blood glucose test strip quarterly service fees.

Universal Biosensors said it expected the payment to be made by February 15, 2019, with no further Lifescan quarterly service fees to be paid on test strip production.

Universal Biosensors was up half a cent or 2.2 percent to 23.5 cents.

## OSPREY MEDICAL

Osprey says that sales of its Dyevert cardiac dye reduction system were up 62.2 percent to \$US2,440,000 (\$A3,408,760) for the 12 months to December 31, 2018.

Osprey said that it had launched its Dyevert EZ which had “a simplified priming process” and had begun implementation of group purchasing organization contracts.

The company said that the Dyevert average selling price was stable at about \$US354, “reflecting the strong customer value proposition of Osprey’s dye reduction technologies”. Osprey fell half a cent or 3.85 percent to 12.5 cents.

## VOLPARA HEALTH TECHNOLOGIES

Volpara says record receipts from customers is up 192.3 percent to \$NZ1,900,000 (\$A1,813,770) for the three months to December 31, 2018, compared to the prior year. Volpara said that total contract value was up 53 percent to \$NZ\$10.8 million and annual recurring revenue increased 56 percent to \$NZ5.6 million at December 31, 2018, with more than seven percent of US women covered by its breast imaging quality assurance equipment and software.

Volpara chief executive officer Dr Ralph Highnam said the company was pleased with its increasing cash flow, but was behind target for annual recurring revenue.

Dr Highnam said the shortfall was due to the confusion caused by the 2018 General Data Protection Regulations in Europe, needing to do trials outside the US, where the company did not have reference sites, a slower than expected start for the US sales team and the time taken to close contracts with some US screening organizations.

“We’re looking forward to a strong [fourth quarter] and ending the [financial year] with a least 85 percent growth in [annual recurring revenue],” Dr Highnam said.

Volpara fell 11.5 cents or 9.3 percent to \$1.125 with 1.3 million shares traded.

## INVION

Invion says that although its Appendix 4C quarterly report appears to show less than two quarters cash, it is fully funded by the Cho Group.

Invion said that it had a cash burn for the three months to December 31 of \$1,004,000, with cash and cash equivalents of \$642,000 at December 31, 2018, with an expected spend of \$950,000 for the three months to March 31, 2019.

Invion company secretary Melanie Farris told Biotech Daily that, following the spin-out of its respiratory assets, all of the company’s costs would be on its Photosoft cancer technology and would be funded by the Hong Kong-based Cho Group.

Invion fell 0.1 cents or 5.6 percent to 1.7 cents with 2.1 million shares traded.

## INVION

Invion says it has hired Guilin Xingda Photoelectric Medical Device Co to manufacture and supply medical equipment for its drug-and-light-therapy cancer treatments.

Invion said the Guangxi, China-based Guilin Xingda would deliver medical light source equipment including light emitting diode (LED) and laser devices, being developed for a range of cancers including skin, ovarian, prostate and lung cancer.

The company said the light sources would be used in its photodynamic therapy, using non-toxic photo-sensitizers and visible light in combination with oxygen to produce a reaction that killed cancer cells.

### NEUROTECH INTERNATIONAL

Neurotech says it hopes to raise \$3 million through a one-for-one renounceable rights issue at three cents a share.

Neurotech said that each new share would come with a free attaching option, exercisable at six cents each by March 31, 2021.

The company said the record date for the rights issue would be February 4, with the offer opening on February 6 and closing on February 20, 2019 and the funds would be used to build its Mente software suite beyond autism, focus on enabling clinics to offer Mente, change the subscription price and for digital marketing, support and services.

Neurotech fell 0.7 cents or 15.6 percent to 3.8 cents.

### OPTHEA

Opthea says Japan has granted a patent covering OPT-302 for a range of diseases, including wet age-related macular degeneration and diabetic macular oedema.

Opthea said the patent titled, 'Ligand Binding Molecules and Uses Thereof', covered OPT-302 until February 13, 2034.

The company said it had patents covering OPT-302 in Japan, the US, Australia, South Africa and Singapore and had applications pending in a further 14 countries.

Opthea was unchanged at 78 cents.

### ADALTA

Adalta says it has improved cell line development for lead fibrosis candidate AD-214 from one gram per litre to three grams per litre.

Adalta said the improvement meant it was on-track with the AD-214 manufacturing process to deliver good laboratory practice material for its four-week non-human primate toxicology study, expected to begin in July 2019 and be completed by the end of 2019.

The company said it was on-track to deliver good manufacturing practice material for its phase I human study expected to begin in January 2020.

Adalta was untraded at 27 cents.

### PHARMAUST

Pharmaust says it has a data sharing agreement with Elanco US to assist in the development of monepantel as an anti-cancer therapeutic for dogs.

Pharmaust said the Eli Lilly subsidiary Elanco would allow it to reference safety and blood chemistry data generated for regulatory approval of monepantel as an anti-parasitic drug in livestock animals, namely round worm in sheep and goats.

Pharmaust fell 0.1 cents or 2.4 percent to four cents.

### ITL HEALTH GROUP

ITL says following an overwhelming vote to delist from the ASX, it will do so on February 8, 2019, the last day of trading of its shares on the ASX.

ITL was up one cent or 7.4 percent to 14.5 cents with 2.3 million shares traded.

## GENETIC TECHNOLOGIES

Genetic Technologies says it has received a third non-compliance letter from the Nasdaq requiring it to ensure its share price is above \$US1.00 within 180 days.

In 2017, Genetic Technologies said it had received a second non-compliance letter from the Nasdaq requiring it to ensure its share price is above \$US1.00 within 180 days and in January 2018 regained compliance (BD: Jul 21, 2017; Jan 21, 2018).

In 2014, the company received a Nasdaq \$US1.00 bid compliance letter and rectified the issue five months later (BD: Sep 3, 2014; Feb 4, 2015).

Today, Genetic Technologies said that the Nasdaq had informed it that its share price had been below the \$US1.00 minimum for 30 consecutive business days and it had 180 days to July 22, 2019 to regain compliance, with the minimum bid price at or above \$US1.00 for 10 consecutive business days.

The company said the deficiency notice did not immediately affect its Nasdaq listing and only applied to the Nasdaq and not the shares trading on the ASX.

Genetic Technologies was unchanged at 0.8 cents with 1.2 million shares traded.

## AVITA MEDICAL

Avita says nine abstracts relating to its Recell spray-on skin device will to be presented at the American Burn Association meeting in Las Vegas from April 2 to 5, 2019.

Avita said the presentations covered the treatment of burns in children, burns to hands and joints, as well as cost of treatment, post-operative management, and treatment of donor skin sites.

Avita was unchanged at 11.5 cents with 3.1 million shares traded.

## IMPEDIMED

Impedimed says that results from its Prevent trial will be presented at the American Society of Breast Surgeons meeting in Dallas, Texas, April 30 to May 5, 2019.

Impedimed said it previously released results for its 500-patient Prevent trial, recommending an L-Dex assessment every three months to measure lymphoedema of the arm post-mastectomy and the presentation in Dallas would be of the “pre-specified, interim details results” of the trial (BD: Aug 23, 2018).

Impedimed was up 5.5 cents or 28.95 percent to 24.5 cents.

## CYNATA THERAPEUTICS

Cynata says results from its phase I trial of CYP-001 for steroid-resistant acute graft versus host disease will be presented in Houston, Texas from February 20 to 24, 2019.

Cynata said the results would be presented to the Transplantation and Cellular Therapy meetings of the American Society of Bone Marrow Transplantation and the Centre for International Blood and Marrow Transplantation Research (BD: Aug 30, 2018).

Cynata fell half a cent or 0.4 percent to \$1.38.

## G (GEVA) MEDICAL INNOVATIONS

G Medical has requested a trading halt “pending an announcement in respect of the receipt of material purchase orders for the supply of the company’s products into the US”. Trading will resume on January 31, 2019 or on an earlier announcement.

G Medical last traded up one cent or 3.5 percent to 29.5 cents.

### [MGC \(MEDICAL GRADE CANNABIS PHARMACEUTICALS\)](#)

MGC says it has sold MGC Derma to private marijuana investment company Cannaglobal Canada (BD: Aug 27, Oct 19, Nov 13, 2018).

MGC said it had completed the process, delivered ownership of MGC Derma to Cannaglobal and IT would receive a 10 percent equity in the company.

MGC was unchanged at four cents.