



Biotech Daily

Monday August 2, 2021

Daily news on ASX-listed biotechnology companies

- * BDI-40 DOWN 6%; BIG CAPS UP 4%, ASX200 UP 1%, NBI DOWN 0.2%
- * TODAY: ASX UP, BIOTECH DOWN: MEDICAL DEVELOPMENTS UP 7%
- OSPREY DOWN 12.5%
- * ORTHOCELL 'CELGRO HELPS DEVELOP LYMPHATIC TISSUE'
- * ANTERIS TO RAISE \$9m
- * ANTERIS H1 RECEIPTS DOWN 6% TO \$3.5m
- * STEMCELL UNITED RECEIPTS \$7.7m
- * EPSILON H1 RECEIPTS DOWN 2% TO \$3m
- * CRESO H1 RECEIPTS DOWN 21% TO \$2m
- * RESONANCE RECEIPTS UP 2.2% TO \$3.7m
- * DIMERIX: REMAP-CAP COVID-19 PNEUMONIA TRIAL ON-TRACK
- * BIOCURATE FUNDS MONASH EARLY BREAST CANCER RESEARCH
- * BIONOMICS 'POSSIBLE NASDAQ IPO', MERCK ROYALTY RETURN
- * RESAPP REQUESTS 'LICENCING AGREEMENT' TRADING HALT
- * LIFESPOT AGM UP-TO 97% BLOCK 7m DIRECTOR OPTIONS
- * HYDRIX: ANGEL MEDICAL IMPLANTS 1st US GUARDIAN PATIENT
- * THORNEY, TIGA TAKE 19.9% OF OVENTUS
- * MARK LEONG REPLACES OSTEOPORE CHAIR BRETT SANDERCOCK
- * EPSILON APPOINTS DR ROB JENNY, SIMON ROWE DIRECTORS
- * ADRIAN STURROCK REPLACES BOD CFO ALAN DWORKIN
- * SUDA APPOINTS DR SANDHYA BUCHANAN MANUFACTURING, QUALITY

MARKET REPORT

The Australian stock market was up 1.34 percent on Monday August 2, 2021, with the ASX200 up 98.8 points to 7,491.4 points. Fourteen of the Biotech Daily Top 40 stocks were up, 17 fell, eight traded unchanged and one was untraded. All Big Caps were up.

Medical Developments was the best, up 26 cents or 6.9 percent to \$4.03, with 114,195 shares traded. Oncosil, Orthocell and Polynovo climbed four percent or more; Mesoblast was up 3.7 percent; Antisense, Optiscan and Pharmaxis rose more than two percent; Cochlear, CSL, Impedimed, Nanosonics, Nova Eye and Resmed were up more than one percent; with Avita, Genetic Signatures and Neuren up by less than one percent.

Osprey led the falls, down 0.2 cents or 12.5 percent to 1.4 cents, with 18,000 shares traded. Amplia lost 7.3 percent; Resonance and Telix were down more than six percent; Alterity and Prescient shed more than five percent; LBT and Next Science fell more than four percent; Compumedics, Patrys, Pro Medicus and Volpara shed two percent or more; Clinuvel, Imugene and Starpharma were down more than one percent; with Cyclopharm and Universal Biosensors down by less than one percent.

BIOTECH DAILY TOP 40 INDEX (BDI-40)

The Biotech Daily Top-40 Index (BDI-40) eased 6.0 percent in July, led down by four major falls and a plethora of small falls.

Still at its second highest collective market capitalization of \$20,679 million, 11 companies were up, with seven up by more than 10 percent, but 28 fell, with 10 down by more than 10 percent.

The greatest losses were Polynovo down \$364 million, a not unexpected Imugene retreat of \$286 million, Telix down \$210 million and Nanosonics down \$175 million.

But the deepest fall by percentage was Oncosil, from a much smaller base, down 32.6 percent to \$37 million, followed by Prescient (20.4%), Polynovo (19.5%), Actinogen (19.4%), Imugene (16.2%), Medical Developments (15.6%), Telix (12.3%), Optiscan (11.3%), Patrys (10.8%) and Amplia (10.3%).

Alterity was the best of the Top 40, from a low base up 41.4 percent to \$82 million, followed by LBT up 36.4 percent to \$30 million, Proteomics (29.9%), Osprey (24.2%), Dimerix (23.1%), Next Science (14.9%) and Genetic Signatures (14.0%).

The collective three Big Caps of Cochlear, CSL and Resmed passed through \$200 billion to another record high, despite Cochlear's 1.6 percent fall to \$16,281 million. Resmed climbed 10.2 percent to \$52,557 million, with CSL up 10.2 percent to \$132,452 million, taking the collective market capitalization of the three Big Caps to \$201,290 million.

The benchmark S&P ASX200 was up 1.1 percent in July to 7,393 points, and up 24.7 percent compared to 12 months ago. The three Big Caps rose 13.1 percent for the year, with the BDI-40 up 37.0 percent for the year. The Nasdaq Biotechnology Index (NBI) slipped 0.2 percent in July, but was up 21.6 percent for the year.

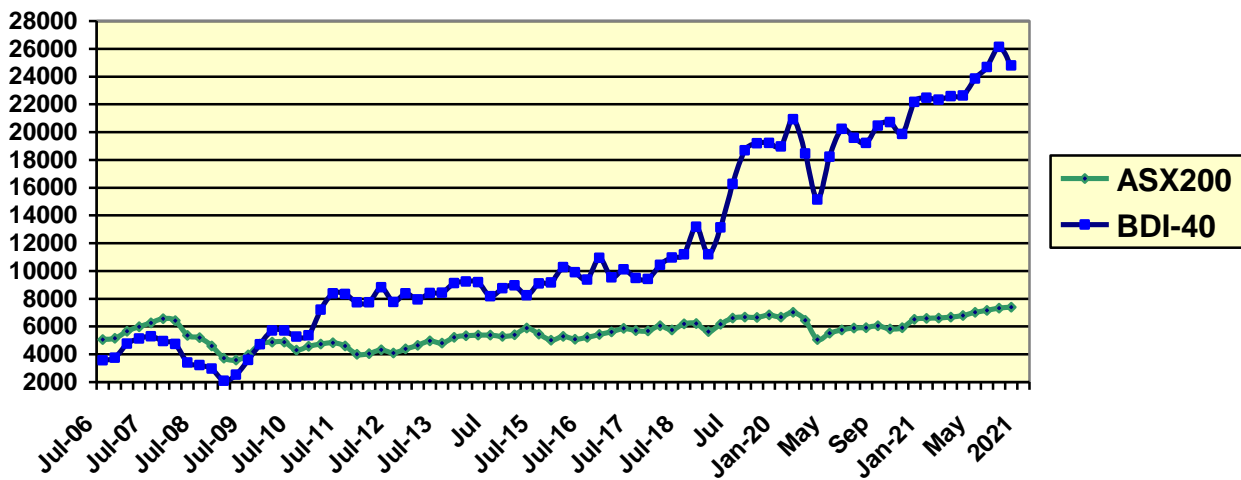
Outside the BDI-40, Rhinomed was the most impressive, up \$14 million or 35.9 percent to \$53 million, followed by Cogstate up 23.6 percent to \$288 million.

The 22 companies in Cannabis Corner recovered 2.8 percent to \$1,563 million, well below the record \$1,973 million, but 46.6 percent higher than a year ago, with the Gina Rinehart, Thorny and Tiga backed Little Green Pharma up \$25 million or 21.4 percent to \$142 million, and Medlab Clinical up 30 percent to \$65 million.

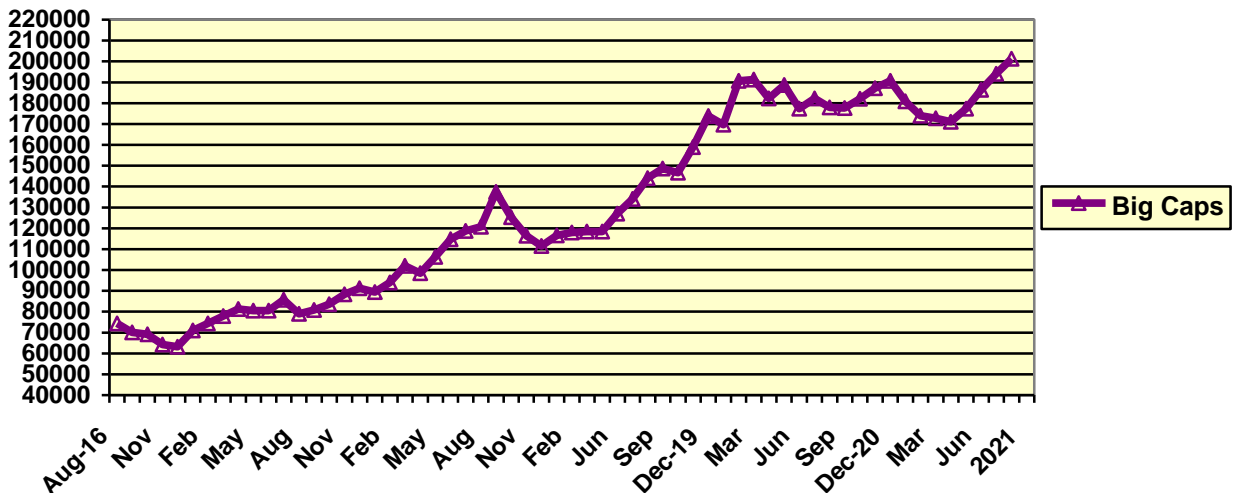
On the Nasdaq, Queensland's Protagonist is the main character in the story, up a further 12.5 percent to \$3,193 billion and 306.2 percent above July 31, 2020. Its most recent news was the continuation with Johnson & Johnson's Janssen to develop IL-23 agonists for Crohn's disease and a range of other indications. In 2016, the University of Queensland spin-out, founded by Dr Mark Smythe, raised \$US90 million to list on the Nasdaq and develop oral peptide drugs (BD: Aug 12, 2016).

Redhill with Australian assets fell 4.4 percent to \$410 million, while Eyepoint (Psvida) lost 6.7 percent to \$322 million.

BDI-40 v ASX200 Jun 30, 2006 to Jul 31, 2021- Adjusted



Big Caps \$m (Cochlear, CSL, Resmed) Jul 31, 2016 – Jun 30, 2021



ORTHOCELL

Orthocell says an Israeli study combining Celgro with lymphatic and blood vessel cells has developed functional lymphatic tissue, in mice, with implications for lymphoedema. Orthocell said that the findings were a “substantial advance” in the ex-vivo fabrication of implantable lymphatic grafts, with the potential for use in surgical treatments for patients with lymphoedema.

The company said the study, titled ‘Investigating lymphangiogenesis in vitro and in vivo using engineered human lymphatic vessel networks’ was co-authored by Orthocell chief scientific officer Prof Minghao Zheng, was published in the US Proceedings of the National Academy of Sciences and the full article was available at: <https://www.pnas.org/content/118/31/e2101931118>.

Orthocell said the aim of the study at Haifa’s Technion (Institute of Technology) was to engineer a functional lymphatic tissue graft and evaluate its potential to integrate with the target host tissue.

The company said the lymphatic graft was fabricated using cultured lymphatic and blood vessel cells on its Celgro scaffolds and subjecting them to mechanical loads and stretching to simulate real life use and movement situations.

Orthocell said the engineered graft was implanted in a mouse and assessed after seven days.

The company said that the graft “integrated with the host lymphatic vessel and most importantly, showed characteristics of native tissue”.

Orthocell managing-director Paul Anderson said “this is exciting research that opens up potential for novel treatments addressing significant unmet medical needs in women’s health and we will explore these development options alongside our nerve repair applications.”

“Celgro continues to impress and this further validates the very valuable Celgro platform technology addressing multiple medical needs,” Mr Anderson said.

Orthocell was up 2.5 cents or 4.7 percent to 56 cents.

ANTERIS TECHNOLOGIES

Anteris says it has commitments to raise \$9.0 million in a placement to sophisticated investors at \$8.00 a share for the development of its Duravr, single piece aortic valve.

Anteris said subject to shareholder approval, investors would receive three unlisted options for every five new shares issued, exercisable at \$10.00 within four years.

The company said if shareholder approval was not provided, a cash payment equivalent to \$1.25 per option would be payable.

Anteris said Evolution Capital Advisors was appointed the lead manager and would receive 500,000 options at similar conditions and seven percent of the gross proceeds from the placement.

Anteris fell 31 cents or 3.6 percent to \$8.28.

ANTERIS TECHNOLOGIES

Anteris says receipts from customers for the six months to June 30, 2021 were down 5.7 percent to \$3,563,000 compared to the previous corresponding period.

Anteris said that receipts from customers for its Adapt treated bovine cardiac valves system for the three months to June 30, 2021 were down 10.8 percent to \$1,817,000.

The company said it had estimated 1.1 quarters of funding available compared to the 2.15 quarters of funding available in the previous corresponding period (see above).

STEMCELL UNITED

Stemcell United says receipts from customers for the year to June 30, 2021 were \$7,772,000 compared to the previous period's \$801,000.

Stemcell United said that receipts from customers for its marijuana, Chinese medicine and plant-based products for the three months to June 30, 2021 were \$1,201,000 compared to \$7,000 at June 30, 2020, and it had 8.52 quarters of funding available.

Stemcell fell 0.2 cents or 11.1 percent to 1.6 cents with 50.0 million shares traded.

EPSILON HEALTHCARE (FORMERLY THE HYDROPONICS CO)

Epsilon says receipts from customers for the six months to June 30, 2021 were down 1.9 percent to \$3,106,000 compared to the previous corresponding period.

Epsilon that receipts from customers for its marijuana products for the three months to June 30, 2021 fell 30.7 percent to \$1,351,000, with 3.3 quarters of funding available.

Epsilon fell half a cent or 3.3 percent to 14.5 cents.

CRESO PHARMA

Creso says receipts from customers for the six months to June 30, 2021 were down 21.2 percent to \$2,323,000 compared to the previous corresponding period.

Creso said that receipts from customers for its cannabis-based products for the three months to June 30, 2021 were down 17.4 percent to \$1,243,000.

The company said it had \$13,563,000 in cash and equivalents, with 1.95 quarters of funding available, but it raised \$2.4 million through the exercise of options in July and the three-month period had a higher than usual expenditure.

Creso was unchanged at 11 cents with 29.6 million shares traded.

RESONANCE HEALTH

Resonance says receipts from customers for the year to June 30, 2021 were up 2.2 percent to \$3,679,000 compared to the previous corresponding period.

Resonance said that receipts from customers for its medical imaging software and services for the three months to June 30, 2021 were down 12.3 percent to \$750,000.

The company said it had 29.8 quarters of funding available.

Resonance fell one cent or 6.1 percent to 15.5 cents with 1.6 million shares traded.

DIMERIX

Dimerix says 167 of 800 patients have been recruited for the phase III Rmap-Cap trial which includes its DMX-200 for Covid-19 pneumonia patients.

Last year, Dimerix said DMX-200 for kidney disease would be included the protocol of the 'randomized, embedded, multifactorial adaptive platform trial for community-acquired pneumonia' (Remap-Cap) phase III study (BD: Jun 4, 2020).

Today, the company said the angiotensin-converting enzyme 2 (Ace2) renin angiotensin system (RAS) modulation study recruited subjects at 43 sites in the UK, Netherlands and Italy, with patients randomized to: an angiotensin receptor blocker; an angiotensin receptor blocker with DMX-200, an angiotensin converting enzyme inhibitor; or a placebo. The company said the study was funded by the European Union and was expected to be fully recruited by the end of 2021 with preliminary data available soon after.

Dimerix was unchanged at 24 cents.

[BIOCURATE, MONASH UNIVERSITY](#)

Biocurate says it will fund early-stage Monash University research into two proteins required for triple negative breast cancer to grow.

Biocurate acting chief executive officer Dr Damien Bates told Biotech Daily that the amount of the award was undisclosed but would cover basic in-vitro proof-of-concept research to be undertaken by the Monash Biomedicine Discovery Institute.

The company said that the award would support research, led by Prof Roger Daly, to determine the effectiveness of targeting the two proteins, required by triple negative breast cancer, that could lead to treatments for triple negative breast cancer and other poor prognosis cancers.

Biocurate said that the proteins were potential targets for small molecule drugs that could be used to treat the cancer.

“Our aim was to identify new targeted treatments that could avoid the side effects of chemotherapy,” Prof Daly said.

“To do this we applied a screening approach that characterizes cellular proteins that transmit growth regulatory signals in the cancer cell,” Prof Daly said.

“Understanding this is important, because now we can identify new targets to go after that may open up new therapies against this devastating disease,” Prof Daly said.

Dr Bates said that following “a rigorous selection process we are excited to provide our first ‘Proof of Concept’ funding to this early-stage research”.

“We believe it has significant clinical potential and aligns perfectly with our mission to translate medical research into high quality pre-clinical candidates,” Dr Bates said.

“Hopefully this will be a key funding bridge to further collaboration and investment.”

Biocurate was jointly formed by the University of Melbourne and Monash University, with support from the Victoria Government to identify promising biomedical research discoveries and manage their translation to pre-clinical candidates for human therapeutics.

[BIONOMICS](#)

Bionomics says it is planning a Nasdaq initial public offering, as well as a capital distribution of royalties, if any, from Merck & Co for BNC375.

Bionomics said that the number of American depositary shares (ADSs) and price of the proposed offer had not yet been determined.

The company said the proposed offer would follow a US Securities and Exchange Commission registration review and pending “market and other conditions”.

Bionomics said that, in connection with and prior to any such proposed US offering” it would make a capital distribution representing an economic interest in the net after tax royalty payments, if any, received under its collaboration and licence agreement with Merck & Co relating to BNC375 and related compounds.

The company said that the distribution would be as a financial asset, on a per share basis, prior to the proposed US offer, but “the precise form of the financial asset is yet to be determined”.

Bionomics said that an equal capital reduction and a scheme of arrangement, would require shareholder and court approvals.

In 2014, the company said Merck & Co (known as Merck Sharp and Dohme outside North America) would pay \$US506 million including milestones, but not including royalties on product sales, with an upfront payment of \$US20 million for a collaboration on BNC375 for cognitive dysfunction including Alzheimer’s disease (BD: Jun 24, 2014).

Bionomics was up 2.5 cents or 16.7 percent to 17.5 cents with 5.6 million shares traded.

RESAPP HEALTH

Resapp has requested a trading halt “pending the release of an announcement regarding a new licencing agreement”.

Trading will resume on August 4, 2021 or on an earlier announcement.

Resapp last traded at four cents.

LIFESPOT HEALTH

Lifespot says that annual general meeting resolutions granting 7,000,000 director options were blocked by up to 97.2 percent of votes.

Lifespot said that the issue of options to director Justyn Stedwell options was opposed by 63,739,842 votes (97.2%), with 1,832,962 votes (2.80%) in favor; Frank Cannavo’s options were opposed by a similar number, with the issue of options to Rodney Hannington supported by 16,865,479 votes (21.40%).

The company said the resolution re-elect Mr Hannington was withdrawn before the meeting, with Mr Hannington resigning earlier in the week and replaced as a director and chair by Sean Williams (BD: Jul 27, 2021).

Lifespot said the remuneration report faced 17.96 percent opposition, avoiding a second strike, with the conditional spill resolution withdrawn.

Last year the company reported that 41.8 percent of votes at its annual general meeting opposed the remuneration report earning a ‘first strike’ (BD: Jun 26, 2021).

On Friday, Lifespot said that the additional placements capacity, and the prior issue of shares and options passed easily.

The company’s most recent Appendix 2A announcement said it had 168,466,957 shares on issue, meaning that the votes against Mr Stedwell’s options amounted to 37.8 percent of the company, sufficient to requisition extraordinary general meetings.

Lifespot was unchanged at 10 cents.

HYDRIX

Hydrix says Angel Medical has implanted the first Guardian cardiac arrest warning device in a US patient.

In August, the company said it was the exclusive distributor of the Angel Medical Guardian in eight Asia Pacific countries including Australia, Japan, and Singapore where four patient implants of the device were completed (BD: Aug 17, 2020).

Hydrix was up one cent or 6.45 percent to 16.5 cents.

OVENTUS MEDICAL

Thorney Technologies and Tiga Trading say they have increased their shareholding in Oventus from 44,373,656 shares (18.36%) to 48,107,416 shares (19.90%).

The Melbourne-based Thorney and Tiga said they bought shares between July 13 and 29, 2021, with the single largest purchase 953,000 shares for \$100,065 or 10.5 cents a share.

Oventus was up 0.8 cents or 8.25 percent to 10.5 cents.

OSTEOPORE

Osteopore says it has appointed Mark Leong as its non-executive chair following the resignation of Brett Sandercock, effective from August 1, 2021.

Osteopore said Resmed chief financial officer Mr Sandercock had been a “valued member of the board since June 2019 ... and wishes him the very best for the future”.

The company said Mr Leong had more than 22 years of corporate, management and board experience in different industries and was currently based in Singapore.

Osteopore was up half a cent or 1.35 percent to 37.5 cents.

EPSILON HEALTHCARE (FORMERLY THE HYDROPONICS CO)

Epsilon says it has appointed Cannvalate’s Dr Rob Jenny as an executive director and Simon Rowe as a non-executive director, replacing Alan Beasley and Lou Cattelan.

Last week, the founder of Epsilon, then The Hydroponics Company, Mr Beasley, and director Mr Cattelan were voted off the board (BD: Jul 29, 2021).

Today, the company said that “the new appointments bring significant experience to the company across pharmaceuticals, research and development, operational optimization, and supply chain logistics as ... [it] progresses towards being a toll and contract pharmaceutical manufacturer for the medicinal cannabis industry”.

Epsilon said that Dr Jenny and Mr Rowe would join chair Steven Xu “towards delivering on new corporate initiatives introduced by the senior executive team”.

The company said that Dr Jenny was currently an executive at Melbourne’s Cannvalate managing business development activities in Australia and New Zealand, and previously an executive with contract manufacturer Ensign Laboratories.

The company said it currently did not propose to remunerate Cannvalate or Dr Jenny, with the appointment through Cannvalate aligned with Epsilon’s corporate development.

Epsilon said Mr Rowe was the Kimberly-Clark’s current head of Australasia supply chain transformation and operations, and previously worked for KPMG and Ernst and Young.

Epsilon fell half a cent or 3.3 percent to 14.5 cents.

BOD AUSTRALIA

Bod says it has appointed Adrian Sturrock as its chief financial officer replacing Alan Dworkin, effective from today.

Bod said Mr Sturrock had “healthcare products industry experience” and previously worked for Blackmores.

The company said Mr Dworkin would continue as an advisory to assist with the transition. Bod was unchanged at 32.5 cents.

SUDA PHARMACEUTICALS

Suda says it has appointed Dr Sandhya Buchanan as the head of manufacturing and quality for its newly acquired invariant natural killer cell therapy platform.

Suda said Dr Buchanan had more than 20 years’ experience in cell and gene therapy and vaccine development and would be responsible for leading the technology transfer, manufacturing, and quality aspects for production of the cell therapy for clinical development stages.

The company said Dr Buchanan held a Doctor of Philosophy from the University of Colorado.

Suda was up 0.2 cents or 4.1 percent to 5.1 cents.

BIOTECH DAILY TOP 40 WITH MARKET CAPITALIZATION AT JULY 31, 2021

Company \$Am	Aug-20	Jul-21	Aug-21
Cochlear	12,691	16,546	16,281
CSL	124,614	129,797	132,452
Resmed	40,658	47,688	52,557
BDI-20			
Avita	652	650	629
Clinuvel	1,107	1,517	1,468
Compumedics	78	70	69
Cyclopharm	119	159	155
Cynata	73	72	67
Ellex	47	46	46
Genetic Signatures	349	157	179
Immutep	88	411	408
Medical Developments	397	321	271
Mesoblast	2,237	1,284	1,242
Nanosonics	1,960	1,770	1,595
Neuren	148	187	184
Opthea	646	469	444
Paradigm	719	476	504
Pharmaxis	33	40	43
Polynovo	1,507	1,865	1,501
Pro Medicus	2,507	6,119	6,074
Starpharma	410	607	548
Telix	330	1,714	1,504
Volpara	334	292	281
Second 20			
Actinogen	26	216	174
Alterity	39	58	82
Amplia	13	29	26
Antisense	38	112	121
Dimerix	88	39	48
Impedimed	78	157	142
Imugene	255	1,762	1,476
Kazia	53	174	164
LBT Innovations	43	22	30
Next Science	243	276	317
Oncosil	91	43	37
Optiscan	22	142	126
Orthocell	64	112	102
Osprey	60	33	41
Patrys	15	102	91
Prescient	22	157	125
Proteomics	54	97	126
Resonance	69	71	76
Universal Biosensors	45	149	140
Uscom	30	25	23

* Biotech Daily editor, David Langsam, owns shares in Acrux, Actinogen, Alcidion, Alterity, Amplia, BTC Health, Clarity, Cochlear, Control Bionics, Cynata, Nanosonics, Neuren, Patrys, Polynovo, Telix, Volpara and non-biotech stocks. Through Australian Ethical Superannuation he has an indirect interest in other companies: <https://www.australianethical.com.au/personal/ethical-investing/companies-we-invest-in/>. These holdings are liable to change.

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