



# Biotech Daily

Monday May 13, 2024

*Daily news on ASX-listed biotechnology companies*

- \* **ASX EVEN, BIOTECH DOWN: 4D MEDICAL, CYNATA UP 7%;  
- ACTINOGEN DOWN 7%**
- \* **CENTENARY 'DUAL DRUG' STRATEGY FOR MELANOMA, IN MICE**
- \* **OPTISCAN, MAYO CLINIC TO DEVELOP ROBOTIC ENDO-MICROSCOPE**
- \* **SOMNOMED PAYS \$11.5m EPSILON DIRECT LOAN**
- \* **CONTROL BIONICS APPOINTS LYNX ADVISORS; FUNDING TRADING HALT**
- \* **ADALTA APPOINTS CELL THERAPIES MANUFACTURER**
- \* **HERAMED: ASX LIFTS VOLUNTARY SUSPENSION**
- \* **PHILLIP ASSET DILUTED TO 19% OF ADHERIUM**
- \* **MELANIE LEYDIN REPLACES IMAGION CO SEC GEOFF HOLLIS**

## MARKET REPORT

The Australian stock market edged up 0.01 percent on Monday May 13, 2024, with the ASX200 up 1.0 points to 7,750.0 points.

Ten of the Biotech Daily Top 40 stocks were up, 20 fell, nine traded unchanged and one was untraded. All three Big Caps were up.

4D Medical and Cynata were the best, both up 6.7 percent to 64 cents and 24 cents, respectively, with one million shares and 310,022 shares traded, respectively. Orthocell improved four percent; Prescient rose 2.4 percent; Alcidion, Clarity, Cochlear, Genetic Signatures, Nova Eye and Proteomics were up more than one percent; with CSL, Nanosonics and Resmed up by less than one percent.

Actinogen led the falls, down 0.2 cents or 6.7 percent to 2.8 cents, with 3.25 million shares traded. Amplia, Avita, Curvebeam, Imugene and Syntara lost five percent or more; Medical Developments fell 4.5 percent; Paradigm was down 3.6 percent; SDI shed 2.8 percent; Cyclopharm, Dimerix, Emvision, Immutep, Mesoblast and Pro Medicus were down more than one percent; with Clinuvel, Neuren, Opthea, Polynovo and Telix down by less than one percent.

## CENTENARY INSTITUTE

Sydney's Centenary Institute says it has identified a 'dual drug' strategy for melanoma patients with immune checkpoint blockade resistance.

The Centenary Institute said that immune checkpoint blockade resistance was "a frequent challenge in melanoma treatment ... [which was] an aggressive form of skin cancer notorious for its resistance to conventional treatments".

The Institute said that high levels of bromodomain and extra terminal (BET) proteins were linked to poorer survival and less effective Immune checkpoint blockade responses in people with melanoma.

The Centenary said that immune checkpoint blockade (ICB) therapy, a form of immunotherapy, aided the immune system in identifying and attacking cancer cells by blocking proteins that hinder immune responses, but overcoming patients' physical resistance to ICB therapy was "a significant obstacle in treating melanoma".

The Institute said that mouse experiments with a combination of two drugs, BET inhibitor IBET151 and anti-CTLA-4, "overcame innate resistance to ICB, suggesting a new and promising treatment option for many melanoma patients".

The research, titled 'BET inhibition sensitizes innate checkpoint inhibitor resistant melanoma to anti-CTLA-4 treatment' was published in Pigmen Cell & Melanoma and the full article was available at: <https://onlinelibrary.wiley.com/doi/10.1111/pcmr.13174>.

Co-lead author and the Centenary Institute's Dr Cindy Hsin-Yi Tseng said that melanoma was a significant clinical challenge.

"About half of all melanoma patients don't respond to immune checkpoint blockade therapy due to treatment resistance," Dr Tseng said.

"Even those who initially respond positively may eventually lose that response, impacting their long-term survival," Dr Tseng said.

"Our research not only sheds light on the reasons behind treatment resistance but also proposes a new drug combination for melanoma patients with innate resistance to this type of immunotherapy," Dr Tseng said. "This breakthrough brings renewed hope for improved treatments benefitting both patients and clinicians."

The Institute said that melanoma accounted for about 1,300 deaths a year in Australia and was the third most diagnosed cancer in the country.

## OPTISCAN IMAGING

Optiscan says with Rochester, Minnesota's Mayo Clinic it will develop a digital confocal laser endo-microscopic imaging system for robotic surgery.

Optiscan said the partnership would use its "engineering expertise in digital endo-microscopic hardware and software with Mayo Clinic's know-how in robotic surgery and quality patient care".

The company said co-development and clinical testing of the endo-microscope would begin with an initial focus on robotic-assisted breast cancer surgery.

Optiscan did not disclose the commercial terms of the two-year co-development agreement, but said the Mayo Clinic would take a financial interest in its technology. Optiscan managing-director Prof Camile Farah said the collaboration was "part of Optiscan's wider strategic focus on the US market, and its plan to embed its platform technology as a key component of intraoperative oncological surgery workflows in a variety of settings and clinical applications to provide surgeons with real-time microscopic information of cancer clearance for the potential to reduce missed cancers and minimize repeat surgeries due to residual disease".

Optiscan was up 2.2 cents or 22.45 percent to 12 cents with 1.3 million shares traded.

## SOMNOMED

Somnomed says it has used \$11.5 million raised in its entitlement offer to pay the entire balance of its loan facility with Epsilon Direct Lending.

Last week, Somnomed said it had raised \$16.8 million at 21 cents a share in its retail rights offer, taking the total raised with its \$7.5 million institutional offer to \$22.6 million (BD: Apr 10, May 6, 2024).

At the bottom of page four of a six-page 'Quarterly Cash Flow Report' filed to the ASX on July 26, 2022, Somnomed said that "on July 25, 2022, [it] entered into a \$16 million debt facility with Epsilon Direct Lending".

Somnomed said at the time that it had drawn \$10 million of the three-year facility, with interest payable quarterly at 9.0 percent above the Bank Bill Swap Rate.

Somnomed was up 1.5 cents or 7.5 percent to 21.5 cents.

## CONTROL BIONICS

Control Bionics says it has appointed Sydney's Lynx Advisors Pty Ltd as a corporate advisor, and requested a trading halt "in relation to a capital raising".

Control Bionics said Lynx would assist with "ongoing capital markets strategy, provide introductions to a broader investor community and other advisory services".

The company said it would issue Lynx 1,000,000 options exercisable at 10 cents each within two years and 1,000,000 options exercisable at 15 cents each within two years.

Control Bionics chief executive officer Jeremy Steele said that while Lynx was "boutique" it had "experience in the small capital markets space, raising capital, giving strategic advice, and providing investor relation services".

Trading will resume on May 15, 2024, or on an earlier announcement.

Control Bionics last traded at five cents.

## ADALTA

Adalta says the Melbourne-based Cell Therapies Pty Ltd will manufacture its cellular immune-therapies for use in clinical trials and commercial supply.

Adalta said the agreement provided its Adcella joint-venture with product development, manufacturing and supply chain capabilities.

Last month, the company said with Melbourne's Synthesis Bioventures it would develop a joint-venture, called Adcella, to provide Asian cellular immunotherapy products in "western regulated markets" (BD: Apr 8, 2024).

At that time, the company said Adcella would licence or acquire the commercial rights for the immunotherapies owned by Asian companies in territories outside of Asia and conduct "initial clinical trials for western regulated markets in Australia".

Today, Adalta said the costs of the agreement were project specific, but were "not anticipated to be material prior to Adcella securing rights to its first assets".

The company said initial work was expected to include feasibility assessments of Adcella's in-licencing candidates including regulatory suitability and manufacturing potential.

Adalta said that following the licencing of a technology Adcella and Cell Therapies would "work together to transfer manufacturing processes into [Cell Therapies'] facilities and manufacture patient doses for phase I clinical trials".

Adalta managing-director Dr Tim Oldham said the partnership was "the next key building block in our strategy to bring highly innovative cellular immunotherapies into a western regulated environment".

Adalta was up 0.2 cents or 8.7 percent to 2.5 cents with 2.5 million shares traded.

### HERAMED

The ASX has lifted Heramed's suspension following the announcement of its quarterly cashflow and activities report and a capital raise and restructure.

On Thursday, Heramed requested a third extension to its suspension in relation to "proposed financing and board changes" (BD: Apr 3, Apr 5, Apr 8, Apr 29, 2024).

On Friday, the company lodged its quarterly report and said that it remained in a suspension, had "firm commitments" to raise \$2.75 million, appointed interim director Tim Chapman as chair and would cut costs (BD: May 10, 2024).

Heramed was up 0.05 cents or 2.9 percent to 1.8 cents with 5.4 million shares traded.

### ADHERIUM

Phillip Asset Management says its substantial holding in Adherium was consolidated and diluted from 1,106,007,400 shares (23.16%) to 73,733,827 shares (18.9%).

The Melbourne-based Phillip Asset said that on December 5, 2023 its holding was reduced to 73,733,827 shares due to the company's 15-to-one stock consolidation and on May 3, 2024 was diluted in a capital raise (BD: Dec 1, Dec 7, 2023).

Last month, the company said it had "binding commitments" to raise up-to \$1.57 million in a placement at 2.0 cents a share, followed by a \$6.8 million underwritten, one-for-one rights offer. (BD: Apr 26, 2024).

Adherium was untraded at 1.9 cents.

### IMAGION BIOSYSTEMS

Imagion says its company secretary Geoff Hollis has resigned and will be replaced by Melanie Leydin, effective from today.

Imagion was in a suspension and last traded at 7.3 cents.