



Biotech Daily

Monday May 20, 2024

Daily news on ASX-listed biotechnology companies

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MARKET REPORT

The Australian stock market was up 0.63 percent on Monday May 20, 2024, with the ASX200 up 49.3 points to 7,863.7 points. Fifteen of the Biotech Daily Top 40 stocks were up, 22 were down and three traded unchanged. All three Big Caps were down.

Nova Eye was the best, up 6.5 cents or 28.3 percent to 29.5 cents, with 2.7 million shares traded. Prescient gained 9.3 percent; Percheron was up 5.3 percent; Avita and Starpharma climbed more than four percent; Clarity, Cynata, Immutep and Telix improved more than three percent; Opthea rose 2.4 percent; with Alcidion, Amplia, Genetic Signatures, Impedimed and Nanosonics up by more than one percent.

Curvebeam led the falls, down 14.7 percent to 14.5 cents, with 88,286 shares traded. Syntara lost 10 percent; Medical Developments fell seven percent; Atomo shed 6.45 percent; Dimerix, Medadvisor and Resonance fell more than five percent; Compumedics, Imugene and SDI fell more than four percent; Cochlear, Micro-X, Orthocell and Paradigm lost more than three percent; 4D Medical and Cyclopharm shed more than two percent; Emvision, Next Science and Resmed were down more than one percent; with Clinuvel, CSL, Mesoblast, Neuren, Polynovo and Pro Medicus down by less than one percent.

VECTUS BIOSYSTEMS

Vectus Biosystems says that “with great sadness and regret [it] announces the death of Dr Karen Duggan, the company’s co-founder and [chief executive officer]”.

Vectus deputy chair Maurie Stang told Biotech Daily that Dr Duggan was not just the co-founder of the company and the inventor of all its patents around drug candidate VB0004 for fibrosis and high blood pressure, but an accomplished researcher and chemist.

“Karen was an outstanding researcher and she was respected through the scientific community,” Mr Stang said.

In an announcement to the ASX, Vectus said that before Dr Duggan succumbed to a recent illness, “she expressed her desire to see the technologies that she helped pioneer utilized for the benefit of humanity”.

The company said that all of the team expressed “our deepest and sincerest condolences to her family and friends”.

“Karen was a visionary, a world-leading nephrologist and a research scientist of outstanding talent,” Vectus said.

“We wish to recognize her unparalleled contributions to cardiovascular science and medicine,” the company said.

Vectus chair Dr Ron Shnier said: “The past few years have been an absolute privilege to be working with a scientist and physician of Karen’s calibre and commitment.”

Vectus fell four cents or 20 percent to 16 cents.

CORRECTION: BLINKLAB

Friday’s edition incorrectly said that Blinklab shares had “slumped to 16 cents” on April 16, whereas the intra-day low, so far, has been 22 cents on April 9.

Blinklab has not closed below 23 cents to date.

The mistake was made by the Friday sub-editor who has been seconded to the Alexandria Daily Herald for retraining in basic mathematics.

We apologise unreservedly.

Blinklab was up 0.75 cents or 2.0 percent to 38.25 cents.

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

The Walter and Eliza Hall Institute says its president Jane Hemstritch has invested \$8 million over 10 years to open a research center for pancreatic cancers.

WEHI said the centre would be called the Hemstritch Centre of Excellence for Pancreatic Cancer Research and aim to “help close the significant survival gap between pancreatic cancer and other cancers”.

The Institute said the centre would provide a team of scientists and clinicians with long-term funding to develop treatment options, including drugs, for pancreatic cancer.

WEHI said 11.5 percent of patients diagnosed with pancreatic cancer survived more than five years, it was expected to be Australia’s second most lethal cancer by 2030 and 3,600 people died from the disease each year.

The Institute said research investment had “significantly improved survival outcomes for other cancers, including skin, breast, prostate and many blood cancers, but the progress in pancreatic cancer has been slow”.

WEHI said the funding would support the expansion of the Purple Pancreatic Cancer Translational Registry led by its consultant medical oncologist Dr Belinda Lee.

The Institute said the Registry was a large-scale database that tracks the treatment journey of more than 4,000 patients at 48 cancer centres across Australia, New Zealand and Singapore.

WEHI said the \$8 million funding would be used for a research collaboration with the Garvan Institute of Medical Research as part of “a broader network of clinicians and scientists working together to improve outcomes for pancreatic cancer patients”.

The Institute said the investment provided “a substantial start for the research team, [but that] further funding will be needed for the centre to expand its program and to meet its ambitious aims”.

WEHI said Ms Hemstritch understood “the devastating impact of pancreatic cancer”.

“Her late husband, Philip, died of the disease, two-and-a-half years after diagnosis,” the Institute said. “Years earlier Philip’s father, Reg, died of the disease on the day he was diagnosed.”

The Institute said Ms Hemstritch hoped the Centre of Excellence for Pancreatic Cancer Research would “help people rapidly access new, individualized therapies, given pancreatic cancer patients generally have so little time”.

[CENTRE FOR EYE RESEARCH AUSTRALIA](#)

The Centre for Eye Research Australia says it has opened its Cerulea clinical trial centre with a \$10 million investment from the Victorian Government.

Last year, CERA said it would open a clinical trial centre at Melbourne’s Royal Victorian Eye and Ear Hospital in 2024 with \$10 million of Victorian Government funding, appointing Michelle Gallaher as its chief executive officer (BD: Dec 19, 2023).

Today, the organization said Victoria Deputy Premier and Minister for Medical Research Ben Carroll opened the Cerulea centre at the Royal Victorian Eye and Ear Hospital.

CERA said the center would “test new therapies for eye conditions such as age-related macular degeneration, diabetic eye disease, glaucoma, inherited retinal disease and other rare genetic eye conditions”.

The Centre said it expected to begin clinical trials on gene therapies for retinitis pigmentosa and Stargardt’s disease “in the next year”.

Ms Gallaher said the Centre’s aim was “to build a specialist clinical trial centre that cements Victoria’s reputation as a world leader in preventing blindness and reducing the impact of vision loss”.

AUSTRALIAN NATIONAL UNIVERSITY

The Australian National University says its Deploy artificial intelligence-based test shows an “unprecedented accuracy of 95 percent” in classifying brain tumors.

The Australian National University said Deploy used microscopic pictures of patient tissue, called histopathology images, and was developed with the US National Cancer Institute as a way to predict DNA methylation and classify brain tumors into 10 subtypes.

The University said it trained and validated the artificial intelligence using 4,000 patients in the US and Europe and that the diagnostic could “more quickly and accurately classify brain tumors”.

The research article, titled ‘Prediction of DNA methylation-based tumor types from histopathology in central nervous system tumors with deep learning’ was published in Nature Medicine with an abstract available at: <https://bit.ly/3WKmybZ>.

Study lead author Dr Danh-Tai Hoang said “the current gold standard for identifying different kinds of brain tumors is DNA methylation-based profiling”.

“DNA methylation acts like a switch to control gene activity, and which genes are turned on or off,” Dr Hoang said.

Dr Hoang said the time DNA methylation testing took was “a major drawback, often requiring several weeks or more when patients might be relying on quick decisions on therapies” and that there was a lack of availability for these tests.

“When given a subset of 309 particularly difficult to classify samples, Deploy was able to provide a diagnosis that was more clinically relevant than what was initially provided by pathologists,” Dr Hoang said.

“This shows the potential future role of Deploy as a complementary tool, adding to a pathologist’s initial diagnosis, or even prompting re-evaluation in the case of disparities,” Dr Hoang said.

TELIX PHARMACEUTICALS

Telix says it has filed an initial public offer of American depository shares (ADS) to list on the Nasdaq under the code ‘TLX’.

Earlier this year, Telix said it was considering an initial public offering of American depository shares on the Nasdaq and would remain listed on the ASX (BD: Jan 21, 2024). Today, the company said “the number of ordinary shares to be represented by each ADS, the number of ADSs to be offered and the price per ADS for the proposed offering have not yet been determined”.

Telix said the offer was “subject to market conditions and there can be no assurance as to whether or when the offering may be completed”.

The company said Jefferies, Morgan Stanley, Truist Securities and William Blair would act as joint book-running managers for the proposed offering.

In a separate announcement, Telix said that it had an operating profit of \$28.5 million for the three months to March 31, 2024 compared to a \$5.6 million operating loss in the prior corresponding period.

Last month, the company said that its revenue for the three months to March 31, 2024 was up 74.8 percent to \$175.0 million, compared to the previous corresponding period (BD: Apr 18, 2024).

Today, Telix said it invested \$38.4 million in research and development in the three months and that it had cash and cash equivalents of \$122.7 million at March 31, 2024.

Telix was up 57 cents or 3.85 percent to \$15.37 with 1.4 million shares traded.

MEMPHASYS

Memphasys says a trial of 45 Japanese couples shows its Felix device outperforms sperm preparation methods “comprising two of the most widely used processes”.

Memphasys said the in-vitro fertilization trial of 45 infertile couples tested its Felix sperm separation system compared to the commonly used ‘density gradient centrifugation’, followed by ‘swim-up’ methods used to produce embryos.

The company said the Felix results were “numerically better on most clinical measures, including most importantly embryo utilization rate”.

Memphasys said the results did not reach statistical significance “given the limited scale of the clinical trial”.

The company said the study concluded that the Felix system was “a viable option for sperm isolation to alternative methods, with clinical adoption of Felix system expected to improve laboratory operations workflow, as it achieves a statistically similar result in a fraction of the time compared to its competitors”.

Memphasys said the results would be presented at the European Society of Human Reproduction and Embryology conference in June 2024.

Memphasys managing-director Dr David Ali said “the positive findings from this trial further highlights the significant benefits of the Felix System compared to the most widely used methods”.

“While we acknowledge it was a small sample size, the results in favor of Felix were numerically generally better on most clinical measures including most importantly embryo utilization rate,” Dr Ali said. “In addition, the fact Felix is simpler to use and takes a significantly shorter time frame to use would improve lab operations and workflow.”

“This is a huge plus for process flow in [in-vitro fertilization] laboratories which are always seeking efficiency and cost savings,” Dr Ali said.

Memphasys was up 0.1 cents or 12.5 percent to 0.9 cents with 2.0 million shares traded.

AUSCANN GROUP HOLDINGS

Auscann says it has a scheme of arrangement to merge with marijuana manufacturer ECC Pharm, formerly European Cannabis Corporation, in a one-for-one scrip offer.

Auscann said ECC Pharm “held all licences for the production and sale of medical cannabis into Europe and operate a fully integrated German ... cannabis cultivation and extraction facilities that it has built in Macedonia over the past five years”.

The company said it had been funding ECC Pharm through “a secured loan arrangement with a view to potentially acquire the business”.

In 2022, Auscann said it had lent \$8.75 million to the then European Cannabis Corporation to fund further capital to pursue the companies’ mutual interests in Europe and Australia (BD: Apr 29, Sep 9, 2022).

Earlier this year, the company said it had lent a further EUR1.0 million (\$A1.65 million) to the then European Cannabis Corporation for marketing HAPA 2.0 medical marijuana products in Germany (BD: Jan 24, 2024).

Today, Auscann said it had provided a further \$500,000 to ECC Pharm for working capital requirements in April.

The company said that following German regulatory changes on April 1, 2024 “the path and regulatory environment is now clear for ECC Pharm to scale up to meet the anticipated medical cannabis demand coming from Germany, and broader Europe”.

Auscann said the composition of its post-merger board had “not yet been determined”.

Auscann was in a suspension and last traded at four cents.

CHIMERIC THERAPEUTICS

Chimeric says it has ethics approval to begin a 12-patient, phase I/II clinical trial of CHM CDH17, or CHM2101, for advanced gastrointestinal cancers.

Last year, Chimeric said the US Food and Drug Administration has approved its investigational new drug application for a phase Ia trial of CHM2101 for gastro-intestinal cancers (BD: Oct 31, 2023).

Chimeric said ethic approval was “a significant milestone in advancing the program toward study initiation under FDA regulations”.

The company said CHM2101 was a chimeric antigen receptor T-cell therapy that targeted CDH17, a cancer target associated with poor prognosis and metastasis in gastro-intestinal tumors including colorectal cancer, gastric cancer and neuro-endocrine tumors.

Chimeric chief operating officer Dr Rebecca McQualter said the company was “excited to achieve this milestone in anticipation of opening our clinical trial of CHM CDH17 for patients with advanced [gastro-intestinal] cancers”.

“This marks a great step forward for the use of cell therapies in solid tumors” Dr McQualter said.

Chimeric was up 0.3 cents or 14.3 percent to 2.4 cents with 2.6 million shares traded.

PERCHERON THERAPEUTICS

Percheron says the US Patent and Trademark Office has granted a patent for ATL1102 for Duchenne muscular dystrophy.

Percheron said the patent, titled ‘Uses and Methods for Treating Duchenne Muscular Dystrophy’ would preclude other companies from commercializing ATL1102 in Duchenne muscular dystrophy in the US until 2039.

The company said the patent could be eligible for a patent term extension of up-to five years.

Percheron chief executive officer Dr James Garner said it was “very gratifying to see this patent granted”.

“The company has put a persuasive body of evidence to patent agencies in key territories, who have reviewed it in detail,” Dr Garner said.

“The granting of a patent such as this substantially increases the value of ATL1102, and will no doubt be enormously helpful in our future discussions with partners and investors,” Dr Garner said.

Percheron was up 0.4 cents or 5.3 percent to 7.9 cents.

SOMNOMED

Somnomed says its extraordinary general meeting will vote to issue directors and joint chief executive officers Amrita Blickstead and Karen Borg 1,925,000 options, each.

Somnomed said investors would vote to issue Ms Blickstead and Ms Borg 1,925,000 zero exercise price options (Zepos) under the employee share option plan, vesting in three tranches to July 1, 2026.

The company said the options were in addition to Ms Blickstead and Ms Borg’s \$500,000 yearly salaries, each.

Somnomed said the meeting would vote to approve potential termination benefits to Ms Blickstead and Ms Borg.

The meeting will be held at Level 2, 20 Clarke Street, Sydney on June 27, 2024 at 10am (AEST).

Somnomed fell one cent or 3.85 percent to 25 cents.

ONCOSIL MEDICAL

Sarah Cameron and Ardroy Securities say they have increased their holding and been diluted in Oncosil from 134,730,034 shares (6.81%) to 184,776,034 shares (5.6%).

The Melbourne-based Ms Cameron and Ardroy said that on May 8, 2024 they bought 50,000,000 shares in an entitlement offer at 0.5 cents a share.

Earlier this year, Oncosil said it raised \$6.8 million at 0.5 cents a share in a rights offer and placement (BD: Mar 20, Mar 21, May 2, 2024).

Oncosil was unchanged at half a cent with 1.55 million shares traded.

OSTEOPORE

The Cayman Islands-based Advance Opportunities Fund I says it has become substantial in Osteopore with 9,027,863 shares (8.26%) and ceased to be substantial.

After the ASX closed on Friday May 19, Advance Opportunities director Tan Choon Wee said the company became substantial in Osteopore with 9,027,863 shares, or 8.26 percent, having bought the 2,000 shares on March 8, 2024 for \$1,360 or 68 cents a share and 9,025,863 shares on May 8, 2024 for \$261,750, or 2.9 cents a share.

Today, Advance Opportunities said that on May 9 and 10, 2024 it sold 6,500,000 shares for \$507,721, or 7.8 cents a share.

According to its most recent notice, Osteopore had 108,954,833 shares on offer, meaning that the remaining 2,527,863 shares amounted to 2.3 percent of the company.

Osteopore fell 0.3 cents or 3.8 percent to 7.6 cents with 2.6 million shares traded.

AUSCANN GROUP HOLDINGS

Auscann says director Brett Mitchell will resign at the end of the month and Chris Mews will replace company secretary Rachel Kerr, effective on May 16, 2024.

Auscann said Mr Mitchell's resignation was "part of the transition to a single board and management team through the merger" with ECC Pharma (see above).

The company said it would announce Mr Mitchell's replacement "in due course".

Auscann said Mr Mews was chief financial officer and company secretary to Perth's Merchant Group and director of Cycliq Group and had been chief financial officer and company secretary of Polynovo.

ADHERIUM

Adherium says Automic Group's Emily Austin will replace Brett Tucker as company secretary, effective immediately.

Adherium was up 0.1 cents or 5.9 percent to 1.8 cents with 2.7 million shares traded.

HAEMALOGIX

Haemalogix says it has appointed former Liberal Party Federal Minister for Health Prof Greg Hunt as a non-executive director.

According to his LinkedIn page, apart from his political career, Prof Hunt had worked for McKinsey, the World Economic Forum, the University of Melbourne and was chair of Monash University's Turner Institute Advisory Council.

Prof Hunt's LinkedIn page said he held a Bachelor of Arts and a Bachelor of Laws from the University of Melbourne and a Masters of International Relations from Yale University.

Haemalogix is a public unlisted company.

QBIOTICS GROUP

Qbiotics says it has appointed Mark Fladrich and David Phillips as non-executive directors, effective from May 20, 2024.

Qbiotics said Mr Fladrich had more than 30 years of experience including working for Astrazeneca as head of marketing, managing-director Australia and New Zealand and head of Southern and Western Europe.

The company said Mr Phillips had more than 40 years of experience including managing partner of corporate ventures at Glaxosmithkline, and director of the then Suda Pharmaceuticals, now Arovella, and was currently chair of Inosi Therapeutics.

According to their LinkedIn profiles, Mr Fladrich held a Bachelor of Pharmacy from Adelaide's University of South Australia and a Master of Business Administration at Sydney's Macquarie Graduate School of Management and Mr Phillips held a Bachelor of Science from King's College London.

Qbiotics is a public unlisted company.

AUSBIOTECH

Ausbiotech says registration remains open for its Ausmedtech 2024 conference, to be held at the Adelaide Convention Centre on May 22 and 23, 2024.

Earlier this year, Ausbiotech said it had opened submissions for program ideas for its Ausmedtech 2024 conference, to be held at the Adelaide Convention Centre on May 22 and 23, 2024 (BD: Jan 23, 2024).

Today, the industry organization said for members, late registration costed \$1,650 and for non-members it was \$2,150.

Ausbiotech said the conference included a roundtable event, workshops, forums, site-tours and other networking opportunities.

For registration, go to: <https://www.ausmedtech.com.au/registration>.