Biotech Daily

Thursday June 6, 2024

Daily news on ASX-listed biotechnology companies

*** ASX, BIOTECH UP: COMPUMEDICS UP 27%; CYCLOPHARM DOWN 8%**

*** TELIX NASDAQ LISTING TO RAISE $300m**

*** GENETIC SIGNATURES PLACEMENT, INSTO RIGHTS RAISE $21.5m; $8.5m TO GO**

*** RACE IN-THE-MONEY BONUS OPTIONS RAISE $5m**

*** NEUROTECH 1-YEAR NTI164 'REDUCES PANDAS/PANS SEVERITY, ANXIETY'**

*** ECHO IQ: 'ECHOSOLV BEATS HUMAN AORTIC STENOSIS DIAGNOSIS BY 15%'**

*** BLUECHIIP RELEASES 'WORKSTATION' BULK SAMPLE READER**

*** AVITA TREATS 1st US RECELL GO BURN PATIENT**

*** OSTEOPORE SINGAPORE DENTAL IMPLANT 'MILESTONE'**

*** BLINKLAB, BATES COLLEGE TEST A.I. NEUROLOGY**

*** GOODBYE PROBIOTEC**

*** AVITA AGM 21.6% OPPOSE CEO OPTIONS**

*** LTR TAKES 'TRIAL RESULTS' HALT TO SUSPENSION**

*** HERAMED REQUESTS 'PARTNERSHIP TERMINATION' TRADING HALT**

*** CVC DILUTED TO 6% OF CYCLOPHARM**

*** MEMPHASYS APPOINTS DR DAVID ALI CEO ON $330k PA**

MARKET REPORT

The Australian stock market was up 0.68 percent on Thursday June 6, 2024, with the ASX200 up 52.80 points to 7,821.80 points. Seventeen of the Biotech Daily Top 40 stocks were up, 15 were down and eight traded unchanged.

Compumedics was the best, up 6.5 cents or 26.5 percent to 31 cents, with 102,779 shares traded. Dimerix climbed 10.2 percent; Curvebeam rose 8.1 percent; Medical Developments and Nanosonics were up six percent or more; SDI improved 4.6 percent; both Avita and Immutep were up 3.7 percent; Amplia, Genetic Signatures, Orthocell and Polynovo rose than two percent; CSL and Micro-X were up more than one percent; with Clarity, Clinuvel, Cochlear, Neuren and Telix up by less than one percent.

Yesterday's 21.1 percent best, Cyclopharm, led the falls, down 13.5 cents or 8.0 percent to $1.56, with 93,243 shares traded. Opthea lost 6.7 percent; Impedimed and Resonance fell more than four percent; Cynata, Imugene, Mesoblast, Next Science and Universal Biosensors were down more than three percent; Emvision, Paradigm and Percheron shed two percent or more; Alcidion and Proteomics were down one percent or more; with Pro Medicus and Resmed down by less than one percent.

TELIX PHARMACEUTICALS

Telix says it will offer 17,000,000 American depositary shares (ADSs) to raise about $US200 million ($A300 million) to list on the Nasdaq under the code 'TLX'.
Earlier this year, Telix said that it had filed an initial public offer of American depository shares (ADS) to list on the Nasdaq under the code 'TLX', while remaining listed on the ASX (BD: May 20, 2024).
Today, the company said each ADS was equal to one Australian share.
Telix said that it expected to grant its underwriters "a 30-day option to purchase up-to an additional 15 percent of the number of ADSs sold in the offering at the initial public offering price, less underwriting discounts and commissions".
Biotech Daily calculates the issue price to be about $US11.765 a share.
The company said that Jefferies, Morgan Stanley, Truist Securities and William Blair were joint book-running managers and underwriters for the offer.
Telix was up seven cents or 0.4 percent to $17.96 with 2.1 million shares traded.

GENETIC SIGNATURES

Genetic Signatures says it has raised $21.5 million at 75.0 cents a share through its placement and institutional rights offer, with an $8.5 million retail offer to go.
Earlier this week, Genetic Signatures said it hoped to raise $30 million at 75.0 cents a share through a $6 million placement and a $24 million, one-for-5.82, fully-underwritten rights offer (BD: June 4, 2024).
Today, the company said its placement raised about $6.0 million, while the institutional rights offer raised about $15.5 million of a hoped-for $21.5 million.
Genetic Signatures said the funds would be used for its enteric parasite product's US commercialization, including manufacturing and customer installation, as well as instrument and product development, and working capital.
The company said the $6 million shortfall from the institutional component of the entitlement offer was fully-underwritten by Bell Potter and Taylor Collison.
Genetic Signatures said the retail entitlement offer had a record date of today, June 6, would open on June 12 and close on July 1, 2024.
Genetic Signatures climbed as much as 10 cents or 13.3 percent above the issue price to 85 cents before closing up two cents or 2.7 percent at 75 cents with 1.4 million shares traded.

RACE ONCOLOGY

Race says it has raised $5,035,448 of a hoped-for $6,115,079 through the exercise of 6,713,931 'in the money' bonus options at 75.0 cents each.
Last year, the company said it hoped to raise up to $36.7 million through the issue of one-for-20 'in-the money' bonus options, with three 'piggyback' options for every bonus option exercised (BD: Nov 22, 2023).
Today, Race said the bonus options were issued on the basis of one option for every 20 shares, with the three 'piggyback' options exercisable at $1.25 by May 29, 2026.
Race said the funds would be used for its phase I safety study of its RC220 bisantrene formulation, its phase II cardio-protection trial and anti-cancer efficacy study, a phase I/II acute myeloid leukaemia trial, preclinical studies and general working capital.
Race was up 17.5 cents or 11.1 percent to $1.75.

NEUROTECH INTERNATIONAL

Neurotech says its marijuana-based NTI164 continued to reduce illness severity and anxiety at one-year, in its 15-patient, phase I/II trial for neuro-psychiatric disorders.

Last year, Neurotech said the trial of children with paediatric auto-immune neuro-psychiatric disorders associated with streptococcal infections (Pandas) and paediatric acute-onset neuro-psychiatric syndrome (Pans) met its primary endpoint of a 30 percent improvement in overall symptoms from high severity at baseline to low severity from week four onward ($p = 0.016$) (BD: Oct 6, 2023).

Today, the company said that the 52-week data showed that daily use of NTI164 improved illness severity by 38 percent ($p = 0.000078$), as well as anxiety and depression by 45 percent ($p = 0.000033$), with no adverse events recorded between 24 weeks and 52 weeks.

Neurotech said illness severity was assessed using the one-to-seven clinical global impression scale, and anxiety and depression was assessed with a 47-item parent-report questionnaire.

Neurotech executive director Dr Thomas Duthy said the durable response seen in Pandas/Pans patients was “remarkable in the context of their baseline clinical symptoms immediately prior to commencing NTI164 therapy”.

“When overlaid with the safety benefits, we believe NTI164 provides a therapeutic intervention well-suited in this patient population, where persistent or progressive neuro-inflammation is consistently observed,” Dr Duthy said.

Neurotech was up half a cent or 8.8 percent to 6.2 cents with 2.1 million shares traded.

ECHO IQ

Echo IQ says independent research shows its Echosolv artificial intelligence-based algorithm outperformed human-diagnosis of severe aortic stenosis by 15 percent.

Echo IQ said that “where initial under-diagnosis occurred, patients were found to have a ‘low-flow’ state of disease in 30 percent of cases” which was identified by Echosolv.

The company said that the research found its technology could automatically identify aortic stenosis patients at-risk using “only echo-cardiographic measurement data” and that it might improve the diagnostic rates of severe aortic stenosis, particularly in low flow states.

Echo IQ said the research had implications for “less specialized cardiology centres where echocardiographers are likely to benefit the most from automated diagnosis of severe [aortic stenosis]”.

Echo IQ said the research titled ‘AI-Powered Cardiac Ultrasound Improves Identification of High-Risk Aortic Stenosis’ was presented at the New York Valves Structural Heart Summit by the independent Dallas, Texas-based Baylor Scott & White and The Heart Hospital’s Dr Pedro Covas.

Echo IQ chair Andrew Grover said the company was “extremely pleased to see the power of our [artificial intelligence] being highlighted in a scientific conference of this calibre”.

“Independent validation like this clearly demonstrates the kind of impact Echosolv can have in healthcare settings,” Mr Grover said.

“Given we expect [US Food and Drug Administration] clearance for our [artificial intelligence]-enabled solution for aortic stenosis in only eight weeks or so, we are looking forward to seeing Echosolv start to gain commercial traction at a significantly accelerated rate,” Mr Grover said.

Echo IQ was up one cent or 6.25 percent to 17 cents with 5.5 million shares traded.

BLUECHIIP

Bluechiip says it has released its Workstation tool for identifying multiple cryogenic samples for use in low-temperature laboratory management.

Bluechiip said the Workstation was “a generational change for laboratories that manage critical samples at ultra-low temperatures, which require the highest levels of both productivity and quality”.

The company said it released the product at the BIO 2024 convention in San Diego, and that the Workstation was “the only solution capable of identifying samples in bulk at cryogenic temperatures”.

Bluechiip said the product could monitor sample-level temperature and allowed “a box of ultra-low temperature samples in multiple configurations to be identified while remaining ultra-cold”.

Bluechiip said the launch was part of its platform update, which incorporated “customer-driven enhancements to platform software and the Bluechiip handheld reader”.

Bluechiip managing-director Andrew McLellan said the Workstation was “a game-changing innovation for clients, providing their laboratories with unparalleled capabilities for managing samples in a high-throughput manner in challenging ultra-low temperature conditions”.

“For Bluechiip, the Workstation provides additional product capability and, importantly, meets the needs of our customers,” Mr McLellan said.

“We have already sold one unit and received positive feedback from its installation into an existing customer,” Mr McLellan said.

“Importantly, we have demand for the technology in our client pipeline,” Mr McLellan said.

Bluechiip was up 0.05 cents or 10 percent to 0.55 cents with 1.7 million shares traded.

AVITA MEDICAL

Avita says the Augusta, Georgia-based Doctors Hospital of Augusta is the first US burn centre to treat a patient using its Recell Go spray-on-skin application.

Last week, Avita said the US Food and Drug Administration had approved its Recell Go spray-on skin autologous cell harvesting device for thermal burn wounds and full-thickness skin defects (BD: May 31, 2024).

Today, the company said it would continue to rollout Recell Go to US burn treatment centres, with other “existing accounts” to be converted throughout the year.

Avita chief executive officer Jim Corbett said completing the first case of Recell Go was “a defining moment for Avita”.

“Following FDA approval, our swift product deployment ensured prompt delivery to the centre,” Mr Corbett said.

“The centre embraced our initiative, and together with our team, their clinicians successfully completed the first case last Friday, with additional cases completed over the past three days,” Mr Corbett said.

“With the integration of Recell Go, we believe their clinicians will be empowered to expand treatment capabilities, reaching more patients and achieving optimal outcomes, thus setting a new standard-of-care in wound care management,” Mr Corbett said.

“We eagerly await the success stories of patients treated at this facility in the coming months,” Mr Corbett said.

Avita was up 10 cents or 3.7 percent to $2.83 with 420,351 shares traded.

OSTEOPORE

Osteopore says it has produced non-cytotoxic, three-dimensionally-printed dental implant as part of its partnership with the National Dental Centre Singapore.

In 2021, Osteopore said it would contribute $1.8 million to an $18.7 million Singapore project to work on dental implants over the following three years (BD: Dec 13, 2021).

At that time, the company said the project was primarily funded by the Singapore Foundation and would be conducted with Singapore's National Dental Centre and the Singapore Agency for Science, Technology and Research (ASTAR).

Osteopore said project milestones included in-vivo implantations of its magnesium composite, and biological additives and polymer compounds would be combined and tested for any adverse reactions, any osteogenic differentiation, indicating bone growth, and higher osteogenic differentiation, indicating faster bone growth.

Today, the company said the project had met a "milestone" after it had developed three-dimensional printing technology that combined patented biological additives and polymer compounds, including substances for speeding up bone regeneration.

Osteopore said adverse reaction testing had shown the non-cytotoxicity of combined implants, and that testing had shown osteogenic differentiation capabilities, including higher osteogenic differentiation, and the project was expected "to progress towards in-vivo studies in biological models".

Osteopore was up 1.6 cents or 29.6 percent to 7.0 cents with 51.8 million shares traded.

BLINKLAB

Blinklab says Lewiston, Maine's Bates College will conduct a 500-patient study of its smartphone diagnostic for functional neurological disorder (FND).

Blinklab said the up-to three-year study hoped to test its artificial intelligence-based application's ability to reduce the burden of testing on patients between the ages of 18 and 85 years old, including patients with a diagnosis of functional neurological disorder, as well as age-and-comorbidity-matched controls.

The company said functional neurological disorder was a "commonly misdiagnosed condition, characterized by loss of voluntary control over the movement of a body part".

Blinklab said functional neurological disorder symptoms were often mistaken other psychiatric and neurological comorbidities as well as factitious disorder, meaning they often visited multiple doctors and contended with multiple misdiagnoses.

The company said the study would recruit remotely in Maine, New York and New Jersey, and aimed to characterize the behavioral time course of Pavlovian eyeblink conditioning and acoustic startle habituation to assess its test's ability as a remote diagnostic tool.

Blinklab said initial experiments would have participants use the test in one or two sessions, with sessions occurring at least five days apart, with later experiments assessing learning testing participants with the application in three sessions a week for up-to two weeks.

Blinklab said it would have the option to acquire any intellectual property developed as a direct result of the partnership.

Blinklab chief executive officer Dr Henk-Jan Boele said the collaboration would "not only advance our understanding and diagnostic capabilities for functional neurological disorder but will also enhance the overall performance of our platform for autism and/or [attention deficit hyperactivity disorder]".

"This … will boost the reliability and utility of our platform in clinical settings, benefiting a broad spectrum of patients," Dr Boele said.

Blinklab fell one cent or 3.2 percent to 30 cents.

PROBIOTEC

The ASX says it suspended Probiotec from the close of trading yesterday, June 5, 2024, following Federal Court approval of its scheme to be acquired by PT Pyridam.
Last year, Probiotec said it had a binding deed to be acquired by Jakarta's PT Pyridam Farma Tbk at $3.00 a share, valuing it at $251.3 million; and last month, said it had 98.40 percent approval at the scheme meeting (BD: Dec 22, 2023; May 29, 2024).
Probiotec last traded at $2.98.

AVITA MEDICAL

Avita says its annual general meeting passed all resolutions, but with up-to 20.86 percent against the issue of 350,000 options to chief executive officer Jim Corbett.
In April, Avita said investors would vote to issue its chief executive officer 350,000 options, exercisable at $US12.64 ($A18.94) within 10 years, as well as $US750,000 ($A1,123,570) in restricted stock units and options to its board (BD: Apr 24, 2024).
Today, the company said the issue of options to Mr Corbett was supported by 10,040,922 votes (78.44%), with 2,759,325 votes (21.56%) against.
Avita said the resolution to approve the compensation of the board had 10,269,125 votes (81.72%) in favor, with 2,296,661 votes (18.28%) in opposition.
The company said the remaining resolutions to issue restricted stock and options to its chair and five directors were passed with a lower level of dissent, with the re-election of its chair and directors passing with no opposition.
According to today's statement of CDIs, Avita said it had the equivalent of 25,809,687 US shares on issue, meaning the 2,759,325 votes against Mr Corbett's options amounted to 10.7 percent of the company, sufficient to call extraordinary general meetings.

LTR PHARMA

LTR has requested a suspension following Tuesday's trading halt pending the release of an announcement "in relation to the achievement of clinical study results".
Trading will resume on June 7, 2024, or on an earlier announcement.
LTR last traded at 64 cents.

HERAMED

Heramed has requested a trading halt pending an announcement regarding the "termination of a US partnership".
Trading will resume on June 11, 2024, or on an earlier announcement.
Heramed last traded at 1.6 cents.

CYCLOPHARM

The Sydney-based CVC Ltd says its 6,644,758 share-holding in Cyclopharm has been diluted from 7.24 percent to 6.14 percent.
CVC said between May 30 and June 4, 2024 it was diluted due to a share placement and employee incentive scheme.
Last month, Cyclopharm said it hoped to raise $20 million in a placement at $1.42 a share and expected to raise $2 million in a share purchase plan (BD: May 24, 2024).
Cyclopharm fell 13.5 cents or 8.0 percent to $1.56.

MEMPHASYS

Memphasys says it has promoted acting chief executive officer Dr David Ali to permanent full-time chief executive officer, effective from July 1, 2024.

Last year, Memphasys said director Dr Ali would replace chief executive officer Alison Coutts (BD: Nov 30, 2023).

Today, the company said Dr Ali would begin on a $330,000 yearly salary plus a maximum superannuation of $30,000, as well as short-term incentives and long-term incentives of up-to 25 percent of his salary, each.

Memphasys chair Robert Cooke said Dr Ali would “continue to lead the management team to build a commercial sales pipeline for its Felix system whilst also developing a suite of further growth initiatives for human and animal use”.

“During his tenure as acting chief executive officer, [Dr Ali] has overseen multiple distribution agreements in international marketplaces, accelerated sales activity in Japan as well as continued the development of Memphasys’ other technologies,” Mr Cooke said.

“With this extensive experience, David is exceptionally well equipped to lead the company in its next chapter of growth,” Mr Cooke said.

Memphasys was unchanged at 0.8 cents.