



Ag & Vet Weekly

Monday December 2 – Friday December 6, 2019

All the news on ASX-listed agriculture and veterinary companies

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- * WIDE OPEN APPOINTS MEERKATS' RONNIE DUNCAN DIRECTOR

MARKET REPORT

The Australian stock market was up 0.36 percent on Friday December 6, with the ASX200 up 24.0 points to 6,707.0 points. Thirteen of the AVW-44 stocks were up, 13 fell, 13 traded unchanged and five were untraded.

Regeneus was the best, up 0.5 cents or 5.6 percent to 9.5 cents, with 120,000 shares traded. Althea was up 4.5 percent; Fonterra, Murray Cod and Ocean Grown Abalone were up more than three percent; Apiam and Ridley rose more than two percent; Nufarm was up one percent; with A2 Milk, Elders, Huon, Synlait and Tassal up by less than one percent.

Elixinol led the falls, down eight cents or 8.4 percent to 87 cents, with 704,265 shares traded. Cannpal fell 7.1 percent; Bubs and Cann Global lost more than six percent; Memphasys fell 5.6 percent; Bega, Clean Seas, Costa, Ecofibre and Seafarms shed more than two percent; Cann Group fell 1.1 percent; with Clover Corp and National Veterinary down by less than one percent.

DR BOREHAM'S CRUCIBLE: MEMPHASYS

By Tim BOREHAM

ASX code: MEM

Share price: 5.1 cents; **Market cap:** \$37.8 million; **Shares on issue:** 740,742,415

Financials (year to June 30 2019): revenue \$86,612*, loss of \$1.04 million, cash of \$873,573**

Executive chair: Alison Coutts

Board: Alison Coutts, Andrew Goodall, Marjan Mikel, Shane Hartwig

Major shareholders: Peters Investments (Bob Peters) 27.9%, Andrew Goodall 23.4%, Alison Coutts 10.85%.

* consists of grant and interest income

** pre \$4.2 million placement

Did you know that a hard-working stallion ejaculates 100 times more sperm than the average bloke?

Given a virile, but weary, thoroughbred can service hundreds of mares in a breeding season, that's just as well.

But even the most virile of these breeders can do with a helping hand when it comes to selecting the very best of the tiddlers.

Enter Memphasys, which is commercializing a novel sperm separation device called Felix to replace the current techniques that can damage the tadpoles rather than enhance the gene pool.

The equine program bears the cute title of Far Lap, but that's a bit of a misnomer because thoroughbred artificial insemination is illegal (technically at least).

The Memphasys program is actually pitched at show horses and polo ponies, harness nags and the like.

"People pay handsomely for that sort of thing," says executive chair Alison Coutts.

The company is also working on cattle breeding and there's enough promise on the veterinary side to attract West Australian horse owner and breeder Bob Peters as a major shareholder.

"We also want to expand to other aspects of animal fertility. There are some interesting programs going on," Ms Coutts says, enigmatically.

Mr Peters says the market is probably bigger for food production animals than for humans. He notes that with cattle and sheep, natural conception is successful only around 80 percent of the time.

With race horses, there's also scope for using Felix to test sperm for imperfections.

But for the time being the Memphasys emphasis is on the two-legged side of things: sperm selection for human in-vitro fertilization (IVF) procedures.

With male sperm quality declining alarmingly - one in three blokes aged over 40 are shooting blanks - humanity needs all the help it can get.

Not every sperm is sacred

Formerly known as Nusep, Memphasys is getting to the pointy end of commercializing Felix, which uses electrical separation and a membrane to sort the sperm by quality and size.

'Good' sperm - the tiddlers without a double head, short tail, bent neck and other flaws - has a negative charge. The membranes work by clearing "unwanted debris" such as white blood cells.

The technology was developed in league with fertility specialist Prof John Aitken, of the University of Newcastle.

The Felix devices consist of a unit in which a cartridge containing the sample is placed.

Felix intends to replace two current sperm sorting methods. One is density grading centrifuging, which is labor intensive and costly and can cause DNA damage.

The other is a laborious process called 'swim up', which involves the strongest sperm demonstrating that they can break out of the seminal plasma and emerge as a swimmer rather than a floater.

If it all sounds rather Darwinian, you're right ...

A tortured path to gestation

Originally known as Sperm Sorter, the device has gone through several iterations. But the company's remit is basically the same since Nusep listed in May 2007 as a spin off from blood products group Life Therapeutics.

"Along the way, we have had to do a lot of engineering of the original device," Ms Coutts says.

"Some were pure economic reasons. The electrodes were platinumized titanium which cost \$40 a pair. We have replaced it with carbon printed on to a plastic."

The big difference between Sperm Sorter and Felix relates more to the company itself, with Nusep becoming a basket case after a promising start.

Five years ago, the company was rescued by Alison Coutts and Andrew Goodall.

The company's executive chair, Ms Coutts was a biotech corporate adviser who co-founded the ASX-listed mobile x-ray machine developer Micro-X.

Director Andrew Goodall left school early and founded a plant nursery in New Zealand, before successfully dabbling in property investment. "He has a sharp eye for understanding competitive advantage," Ms Coutts says.

Both are major shareholders, having tipped plenty of their own hard-earned into the company.

The path to approval

Memphasys recently took delivery of the first Felix units, manufactured by WNS Plastics (the biggest maker of plastic injected moulds in New South Wales, the company also supplies Resmed).

The units are being sent to key opinion leaders - a.k.a. IVF specialists - for appraisal.

In September last year, Memphasys struck a collaboration with the ASX-listed Monash IVF, along the lines of Monash clinicians test-driving the device and providing advice.

Melbourne's Monash IVF has already suggested that the optimal sample size is one millilitre rather than 1.8 millilitres, while the cartridge should be loaded with a single rather than dual pipetting method.

Monash IVF also has first dibs on any approved and commercial instrument.

On that note, the company plans to front the local Therapeutic Goods Administration early next year with its plans for a clinical trial to support an approval application.

“We are working with Monash IVF to do a substantial number of in-vitro tests to compare with the current process,” says Ms Coutts, adding the exact parameters of the trial are yet to be decided.

If the TGA says OK, Europe is next ... or maybe.

Ms Coutts says the European approval process is “a bit of a menace” because of the Continent’s push to tighten device approval requirements following some mishaps with faulty breast implants.

“Even devices that are already approved need to be re-certified,” Ms Coutts says.

China and India need more babies ...

But does Memphasys really need approval from fuddy-duddy regulators?

Ms Coutts confides that the company is eyeing other markets where registration may not be required at all, because the units are treated as a laboratory device in the same way a test tube is.

Ms Coutts is not letting on which countries the company has in mind.

“You would be surprised,” she teases.

One aspect to this surprise is that the US is not the biggest potential market, because a lack of reimbursement means IVF procedures are stratified between the rich (NY, Boston, California) and the poor (Trump’s battlers).

The biggest markets are Japan, China and Europe (notably Germany, France and Spain).

We didn’t think the Middle Kingdom was in urgent need of more babies but China is “going gangbusters”.

The company’s reference institution, Shanghai’s prosaically titled Number 9 Hospital, carries out more IVF procedures a year than the whole of Australia.

IVF procedures in China are cheaper - \$2,000 to \$3,000 a year - but are always paid out of pocket (having spent decades mandating one child only, the government doesn’t exactly shower patients with subsidies).

Japan - which has an urgent need to re-stock - is also an interesting market, if only because of the nuances ensuing from a belief that life begins only at birth.

There's also a massive need in India, where egg donation is popular. "People really want families but they are not as particular about their genetic material," Ms Coutts says.

A key feature of Felix is a six-minute run time, compared with at least half an hour for the standard methods.

"It's dead easy, so you don't need an embryologist to do it."

Financials and performance

The Memphasys coffers are pregnant with cash after a \$4.2 million placement, supported by the aforementioned Messrs Goodall and Peters.

"The good thing is we have raised enough money to develop the device and get it to the key opinion leaders and make some progress on registration," Ms Coutts says.

"It will see us through to some meaningful milestones in future."

Earlier, the company raised \$3.64 million in a rights issue, also supported by family and friends.

With the raisings struck at 2.3 cents and 2 cents, respectively, supporters have broad smiles on their faces given the shares have traded as high as 9.2 cents (on October 14).

For its efforts, Monash IVF was issued with two million Memphasys shares in August 2019, at a nominal price of two cents.

In August last year, the company underwent a 15-to-one share consolidation.

Dr Boreham's diagnosis:

Ms Coutts says she's now feeling the investor love after a few barren years when most of the company's progress was behind the scenes.

"I knew way back then that we had a valuable technology," she says.

"I was frustrated it wasn't being understood and covered. I knew it was a matter of time before the market cottoned on."

The fortunes of Memphasys are aligned to the IVF industry, which in turn is linked to the availability or otherwise of reimbursement.

In Australia, a standard cycle costs \$10,000 to \$12,000 and is partly subsidized by Medicare (budget offerings without certain add-ons are also available).

Of that cost component, sperm preparation accounts for only around \$100.

So, moving to a deluxe separation method won't break the (sperm) bank, especially if it leads to an improved success rate for notoriously unreliable IVF procedures.

Ms Coutts says the company hasn't worked out its exact pricing model, but in the case of big orders it's likely to provide the units for nothing in the hoping of making money from the consumables (membranes, electrodes, other paraphernalia).

"Pricing will depend very much on results," she says. "We know we will have to be competitive, but the price will come down as we automate and obtain scale."

Oh baby! This one could be a winner.

Disclosure: Dr Boreham is not a qualified medical practitioner and does not possess a doctorate of any sort. He knows a few stallions who should be gelded - and he's not talking about horses.

AUST BUREAU OF AGRICULTURAL, RESOURCE ECONOMICS, SCIENCES

The Australian Bureau of Agricultural and Resource Economics and Sciences says winter crop production is forecast to fall 3.0 percent in 2019-'20 to 29.4 million tonnes.

ABARES said the estimate was 13 percent lower than the production forecast in September 2019.

ABARES acting executive director Peter Gooday said the revised forecast reflected early spring conditions that were poorer than expected in most cropping regions, particularly in Western Australia and southern New South Wales.

"Forecast winter production is around 27 percent below the 10-year average to 2018-'19 and is set to fall for the third consecutive year since record high production was achieved in 2016-'17," Mr Gooday said.

"Below-average rainfall and above-average temperatures during spring reduced winter crop prospects in most cropping regions - but the changes in Western Australia and southern New South Wales had the biggest impact on national production prospects," Mr Gooday said.

"High fodder prices and unfavorable seasonal conditions caused some crops planted for grains and oilseeds production to be cut for hay in regions with low levels of soil moisture at the beginning of spring," Mr Gooday said.

"For the major winter crops, wheat production is forecast to decrease by eight percent to around 15.9 million tonnes, 35 percent below the 10-year average," Mr Gooday said.

"Barley production is forecast to increase by four percent to around 8.7 million tonnes, three per cent below the 10-year average," he said.

"Canola production is forecast to fall by four percent to around 2.1 million tonnes, 35 percent below the 10-year average," Mr Gooday said.

Mr Gooday said that, according to the latest three-month rainfall outlook issued by the Bureau of Meteorology, summer rainfall was likely to be very much below average in most parts of Queensland and northern New South Wales.

"A combination of the unfavorable Summer outlook and very much below average levels of soil moisture at the end of Spring means Summer crop production is forecast to decline by 52 percent to around 1.2 million tonnes, which is 69 percent below [the] 10-year average," Mr Gooday said.

"Area planted to summer crops is forecast to fall by 49 percent in 2019-'20 to around 535,000 hectares, driven by significant expected falls in area planted to grain sorghum and cotton," Mr Gooday said

The Australian crop report December 2019 is available at <https://bit.ly/365T9vz>.

COMMONWEALTH SCIENTIFIC AND INDUSTRIAL RESEARCH ORGANISATION

The CSIRO says that a prawn health check technology could mean up to 50 percent more “Aussie-grown prawns this Christmas”.

The Organisation did not describe how the test worked.

The CSIRO said that it developed the prawn health check using its Shrimp Multipath technology, which could “detect 13 commercially significant prawn diseases, including white spot syndrome, which wiped out many prawn populations in 2016, and infectious hypodermal and haematopoietic necrosis virus (IHHNV)”.

The Organisation said the technology was commercialized by Brisbane CSIRO spin-off Genics, established “to tackle the global challenge of food security and quality”.

Genics chief executive officer Dr Melony Sellars said the technology came at an opportune time after prawn losses from pathogens over the last three years.

The CSIRO said “the improved management of IHHNV using Shrimp Multipath technology increased production by 3.7 tonnes per hectare, or \$67,000 farm gate value” which meant that a 50-hectare Australian prawn farm could see revenue increase by more than \$3 million a season, and an increase of 3.7 tonnes per hectare could boost the yield of farmed prawns by around 50 per cent.

The Organization said that Australia consumed all of its domestically produced prawns, and foreign imports were required to meet the shortfall in consumer demand.

Dr Sellars said the tests would “allow farmers to better manage their prawn stocks as they grow, helping them to minimize stock losses and significantly boost their production levels, which could reduce Australia’s reliance on imported prawns”.

“This technology can also be used as a detection system by biosecurity agencies to prevent the spread of any potential future incursions that could harm our industry,” Dr Sellars said.

AGRIFUTURES AUSTRALIA

Agrifutures says more than 1,300 delegates from across the Asia-Pacific are expected at its Evoke Ag agriculture and food technology event in Melbourne in February 2020.

Agrifutures Australia managing-director John Harvey said the two-day conference would hear from “more than 70 thought-provoking experts in their fields ... on how we can challenge the conventions of what we grow, how we grow it and what we eat”.

“Some of the themes in our program have a sense of urgency,” Mr Harvey said.

“For example, we already know consumers are driving big changes in our industry but how can Australian farmers and retailers adapt to this new normal and capitalize on the opportunities of our discerning consumer?” Mr Harvey asked.

“We want to ignite these ideas and concepts,” Mr Harvey said.

Agrifutures said that under the theme of ‘Food Farm Future’, the program would include panel discussions, breakout sessions, industry speakers and support for start-ups and agriculture and food technology businesses.

The industry organization said that sessions included: ‘Reading the fine print: Traceability in the supply chain’, ‘Producer led innovation’, ‘Are we treating soil like dirt?’ and ‘Investing in agtech – insider tips’.

Agrifutures said that Evoke Ag 2020 would be held at Melbourne’s Royal Exhibition Building on February 18 and 19, 2020.

Tickets are available at: <https://evokeag.com/#tickets>, with discounted group, student and primary producer delegate passes available.

For more information visit www.evokeag.com.

VICTORIA GOVERNMENT

The Victoria Government says the Barrie, Canada-based Medipharm Labs has opened the State's first commercial medicinal marijuana processing facility in Wonthaggi.

A media release from Victoria Premier Daniel Andrews said the facility would process up to 75,000 kilograms of cannabis into resin every year for use in medicinal products.

The Government said the facility would create up to 60 new jobs in Gippsland, in Eastern Victoria, and would support local agriculture and business.

The media release said Medipharm Labs would partner with more than 50 Australian agricultural growers, including 30 from Victoria, as the first independent global manufacturing company to enter Victoria's medicinal cannabis industry.

Medipharm Labs chief executive officer Warren Everitt said that this company was "proud to be opening the first specialized cannabis manufacturing facility in the state of Victoria, setting the gold standard for this new and exciting industry".

"Building this state-of-the-art facility is a tremendous achievement for Medipharm Labs," Mr Everitt said.

"We are thankful for the strong support from traditional landowners, government and from the Therapeutic Goods Administration," Mr Everitt said.

The Government said Victoria's emerging medicinal marijuana industry would provide manufacturing, agricultural and pharmaceutical opportunities, attract investment and create new high-tech jobs.

The Government said its Medicinal Cannabis Industry Development Plan would aim to supply half of Australia's medicinal cannabis by 2028, creating 500 Victoria jobs.

The media release said Victoria had attracted investment from the Cronos Group and Canopy Growth Corp and both established their Asia-Pacific headquarters and research facilities in Victoria.

The Government said Victoria was the first state to legalize medicinal marijuana for patients in exceptional circumstances in 2016 and the Federal Government allowed doctors to prescribe medicinal cannabis to anyone who needed it.

Mr Andrews said the facility would "give more people access to life-changing treatment and [will] create regional jobs".

"No one should have to choose between watching their children suffer and breaking the law - that's why we legalized access to medicinal cannabis and why we're backing a local industry right here in Victoria," Mr Andrews said.

SYNLAIT MILK

Synlait says China has provided infant formula registration approval for its Auckland-based blending and canning facility.

Synlait said the General Administration of Customs of the People's Republic of China (GACC) required a "quality management system" and a three-day onsite audit for instant formula registration and the audit included "a full traceability exercise from raw materials through to export, as well as an assessment of Synlait's capability to meet China's rigorous regulatory and quality requirements".

The company said it had GACC general dairy registration for its Dunsandel, New Zealand, advanced dairy liquid processing facility to develop high-returning, fast-growing, pasteurized and long-life dairy foods into China and previously had a general dairy registration in May 2018 for its Auckland facility.

"GACC approvals confirm we have the opportunity to continue the growth with customers looking to keep expanding in the China market," Mr Clement said.

Synlait was up two cents or 0.22 percent to \$8.92.

BUBS AUSTRALIA

Bubs says it has raised \$30 million in a placement at 95 cents a share and hopes to raise a further \$5 million in a share purchase plan.

Bubs founder and chief executive officer Kristy Carr said the funds would be used to support “the Beingmate Joint Venture in Shanghai serving Mother and Baby stores, and the launch of Bubs organic cow’s milk infant formula in Australia”.

The company said the share plan would offer up to \$30,000 worth of shares to eligible investors at the record date of December 5, opening on December 9 and closing on December 20, 2019.

Bubs was down seven cents or 6.54 percent to \$1, with 9,933,060 shares traded.

WATTLE HEALTH AUSTRALIA

Wattle Health says it has a 10-year supply agreement with Chemist Warehouse for its organic nutritional dairy range and its Little Innoscents organic skin care products.

Wattle Health said the deal would supply nine products across both lines, including its range of Uganic infant formula.

The company said the deal was subject to the finalization of the acquisition of Blend and Pack, and raising at least \$62 million in a rights issue by December 31, 2019.

The company said it would pay up to \$1.2 million yearly for the first five years of the agreement “in marketing support to build brand awareness, sales and brand loyalty”.

Wattle Health said it would give Chemist Warehouse up to 20,000,000 shares for meeting “specific milestones, subject to shareholder approval”.

The company said it would issue Chemist Warehouse 3,000,000 shares for signing the deal, 5,000,000 shares for the distribution and marketing of the Uganic infant formula range, 10,869,792 for the marketing and distribution of the proposed “ultra-premium certified organic A2 protein-based infant formula range” and 1,130,208 shares for undisclosed professional services.

Wattle chief executive officer Lazarus Karasavvidis said the agreement was an “important addition to Wattle Health’s vertical integrated supply chain which extends from securing supply of Australian certified organic fresh milk through to a dedicated organic spray drying facility, and the proposed majority owned blending and packing plant all the way to the end consumer”.

Wattle Health was unchanged at 47.22 cents.

AVECHO BIOTECHNOLOGY (FORMERLY PHOSPHAGENICS)

Avecho says it hopes to market a tocopheryl phosphate mixture reformulation of Daptomycin, Propofol, Phytonadione, Tacrolimus, Melphalan and Clopidogrel.

Avecho said its tocopheryl phosphate mixture (TPM) was a proprietary combination of two forms of phosphorylated vitamin E which improved drug solubility and stability to enhance injectable products, it had an excellent safety profile and was manufactured in its Melbourne facility.

The company said it would use TPM to reformulate Daptomycin, an antibiotic for systemic, life-threatening infections; Propofol, a general anaesthetic used during surgery; Phytonadione or vitamin K for prophylaxis or to prevent blood clotting disorders; Tacrolimus, an immunosuppressant to lower the risk of blood transplantation rejection; Melphalan, a chemotherapy drug used to treat a variety of cancers; and Clopidogrel, an oral medication for heart attack and stroke.

Avecho was unchanged at 0.4 cents.

WIDE OPEN AGRICULTURE

Wide Open Agriculture says it has expanded retail distribution of its Dirty Clean Food 100 percent grass-fed regenerative beef and lamb in Western Australia.

Wide Open said its beef and lamb product lines were now available in more than 10 retail locations, including Boatshed Market, Farmer Jacks, IGA, Peaches, Loose Produce, Fresh Provisions and Perth Organics.

The company said its farmer partners included Blackwood Valley Beef, Parron Dorper Lamb and Black Point Grass-fed Beef.

Wide Open Agriculture said independent retailer uptake exceeded expectations.

Wide Open managing-director Dr Ben Cole said that "Dirty Clean Food allows shoppers to walk alongside farmers on a regenerative journey committed to building healthy soil, sequestering carbon and expanding biodiversity".

"We'd like to request that any shopper seeking 100 percent grass-fed, regenerative beef and lamb should ask their local retailer to stock Dirty Clean Food," Dr Cole said.

Wide Open Agriculture was unchanged at 14.5 cents

ELIXINOL GLOBAL

Elixinol says that it will sell its 50.5 percent of Elixinol Japan to Takeshi Sakurada for about \$346,000, following an investigation into non-compliant products.

In October, Elixinol said it was investigating non-compliant marijuana-derived cannabidiol products sold by Elixinol Japan which related to the strict requirements in Japan on sourcing cannabidiol from only hemp stalk and seed (BD: Oct 23, 2019).

Today, the company said that Mr Sakurada would purchase the majority holding of Elixinol Japan for \$13,500 upfront and a further cash payment by March 31, 2020 of "\$362,715 multiplied by the ratio of the closing price of Elixinol Global shares on January 8, 2020 divided by \$1.09".

Elixinol said the sale would include a non-exclusive licence, business operational training and a 3.0 percent royalty payment of Elixinol Japan's gross sales.

Elixinol said that "the net profit impact of the sale of Elixinol Japan on the company [was] expected to be a loss of \$2.2 million".

Elixinol fell eight cents or 8.42 percent to 87 cents.

ELIXINOL GLOBAL

Elixinol says a yet-to-be served class action alleges its US parent company Elixinol LLC's products are mislabelled as dietary supplements and may be misleading.

Elixinol said the class action suit was filed in the US District Court for the Northern District of California, but was yet to be served.

The company said it believed that its products were accurately labelled, that the claims were without merit and that it intended to defend itself against any suits.

Elixinol said it believed the plaintiffs were the same as reports of other proposed class actions, which were related to the same claim subject matter, against hemp-derived cannabidiol (CBD) brands Charlotte's Web and Infinite Products Co.

MGC (MEDICAL GRADE CANNABIS) PHARMACEUTICALS

MGC says the Irish Ministry of Health has approved the sale of its cannabinoid-based Cannepil for drug resistant epilepsy.

MGC said that Irish doctors “were already in contact with MGC Pharma’s distributor to prescribe [the] first patients”.

MGC managing-director Roby Zomer said the Irish approval could be a catalyst for follow-on approval applications in other European Union member states.

“With distribution agreements already in place across Europe, we are well positioned for a quick entry to these markets following receipt of the required approvals,” Mr Zomer said. MGC was unchanged 3.3 cents.

CANNPAL ANIMAL THERAPEUTICS

Cannpal says it has been removed from the Bank of New York Mellon’s clearing house Pershing’s restricted list.

Cannpal said the US-based Pershing had restricted trading for a number of Australian listed cannabis stocks, including Cannpal, but it would now be allowed to trade from November 30, 2019.

Cannpal was down one cent or 7.14 percent to 13 cents.

CRESO PHARMA

Creso says the first shipment of its Cannaqix 50 medical marijuana to the Gold Coast, Queensland-based Burleigh Heads Cannabis has arrived, and it has begun sales.

In April, Creso said it had an Australian import permit for the shipment to CDA Health subsidiary Burleigh Heads, which it expected by October 2019 (BD: Apr 30, 2019).

Today, the company said that Cannaqix 50, would be sold in Australia as a lozenge under the name Lozacan for chronic pain.

Creso was unchanged at 14 cents.

THC GLOBAL GROUP (FORMERLY THE HYDROPONICS GROUP)

THC says its Southport, Gold Coast, Queensland-based marijuana facility has completed the first farm-to-pharma processing and production of medical marijuana.

THC said its Canndeo brand would market medical marijuana from the Southport facility, with an initial launch of a schedule four cannabidiol oral liquid medicine and additional cannabidiol-tetrahydrocannabinol products in 2020.

THC was unchanged at 39 cents.

NUFARM

Nufarm says all annual general meeting resolutions passed but with 26.5 percent opposition to the re-election of chairman Donald McGauchie.

Nufarm said that 73,804,872 votes (26.49%) opposed Mr McGauchie’s re-election, with 204,801,544 votes (73.51%) in favor.

The company said all other resolutions were passed overwhelmingly.

According to Nufarm’s most recent Appendix 3B, the company had 379,639,334 shares on issue, meaning the 73,804,872 votes against the re-election of Mr McGauchie amounted to 19.4 percent, sufficient to requisition extraordinary general meetings.

Nufarm was up five cents or 1.1 percent to \$5.02 with 2,788,017 stocks traded.

CLEAN SEAS SEAFOOD

Clean Seas says its annual general meeting faced strong opposition, including a second remuneration report strike and the failure of its 10 percent placement facility.

Clean Seas said the strongest opposition was against the 10 percent placement facility, which required a 75 percent majority and received 26,492,408 votes (82.8%) against and 5,507,383 votes (17.2%) in favor.

The company said the remuneration report was lost for the second year in a row, with 8,767,492 votes (28.9%) opposed but the conditional spill resolution was easily defeated, approval of the managing director's long-term incentive grant passed with 5,586,569 votes (64.8%) while director Terry O'Brien was re-elected easily.

Clean Seas most recent Appendix 3B said the company had 92,418,465 shares on issue, meaning the 26,492,408 votes against the 10 percent placement facility amounted to 28.7 percent of the company, sufficient to requisition extraordinary general meetings.

Clean Seas was down two cents or 2.65 percent to 73.5 cents.

MGC (MEDICAL GRADE CANNABIS) PHARMACEUTICALS

MGC says its annual general meeting blocked performance rights to Nativ Segev, with heavy dissent against performance rights to Roby Zomer and Brett Mitchell.

MGC said the issue of 10,000,000 free performance rights to company founder and director Mr Segev was opposed by 83,566,776 votes (52.1%) with the issue of 10,000,000 rights to executive chairman Mr Mitchell narrowly passed with 85,862,128 votes (53.5%) in favor and 10,000,000 rights for co-founder and managing-director Mr Zomer passed by a slightly larger majority, with 87,431,062 votes (54.4%) in favor.

The company said the adoption of the incentive performance rights plan was opposed by 70,358,177 votes (43.7%), with resolutions to ratify a prior share offer, shares for vendors of Panax Pharma SRO, options for Canaccord Genuity, Merchant Corporate Advisory and Chieftain Securities passed by wider margins, the remuneration report passed more easily with 20,210,432 votes (12.6%) opposing the report, while the election of directors Mr Segev, Dr Stephen Parker and Dr Ross Walker, the ratification of placement shares, the 10 percent placement capacity and the appointment of an auditor were passed easily.

MGC's most recent Appendix 3B new issue announcement said it had 1,356,375,475 shares on issue, meaning that the votes against Mr Segev's performance rights amounted to 6.2 percent of the company, sufficient to requisition extraordinary general meetings.

MGC fell 0.1 cents or 2.9 percent to 3.3 cents.

ROOTS SUSTAINABLE AGRICULTURAL TECHNOLOGIES

Roots has requested a trading halt "pending an announcement in relation to Roots' entry into the Canadian market".

Trading will resume on December 9, 2019 or on an earlier announcement.

Roots was unchanged at 2.8 cents.

BUBS AUSTRALIA

Bubs says it will release 38,401,340 shares from voluntary escrow on December 20, 2019.

Bubs said the shares had been held in escrow in relation to the acquisition of goats milk product producer Nulac Foods, which was completed on December 21, 2017.

According to its most recent appendix 3B, the company would have 514,070,874 shares available for trading after the release from voluntary escrow.

SELECT HARVEST

The Melbourne-based Thorney Holdings says it has ceased its substantial shareholding in Select Harvest.

Thorney said that between June 26, 2018 and December 2, 2019 it sold 930,671 shares for “market prices”.

In its previous substantial shareholder notice on June 22, 2018, Thorney said it held 5,630,000 shares, or 5.91 percent of Select Harvest.

Select Harvest was unchanged at \$8.30.

NUFARM

Allan Gray Australia says it has increased its substantial shareholding in Nufarm from 24,352,699 shares (6.41%) to 28,760,651 shares (7.58%).

The Sydney-based Allan Gray said that between August 7 and November 27, 2019 it bought and sold shares with the single largest acquisition 1,191,109 shares for \$6,192,260 or \$5.20 a share.

COSTA GROUP HOLDINGS

Perpetual says it has increased its substantial shareholding in Costa from 27,266,038 shares (7.58%) to 40,925,481 shares (10.21%).

The Sydney-based Perpetual said that between November 14 and 27, 2019, it bought and sold shares, with a single largest purchase on November 22, 2019 of 2,229,818 shares for \$5,574,545 or \$2.50 a share.

Costa was down six cents or 2.4 percent to \$2.44 with 4,105,719 shares traded.

PALLA PHARMA (FORMERLY TASMANIAN POPPY INDUSTRIES ENTERPRISES)

Australian Ethical Investment says it has become a substantial shareholder in Palla Pharma with 7,987,076 shares or 6.34 percent.

The Sydney-based Australian Ethical said that it bought the shares between October 25 and December 5, 2019 with the single largest correctly notified purchase 1,641,787 shares for \$1,357,454 or 82.7 cents a share.

Palla was unchanged at 82 cents.

WIDE OPEN AGRICULTURE

Wide Open Agriculture says it has appointed Meerkats chairman Ronnie Duncan as a non-executive director.

Wide Open said Mr Duncan was the co-founder and chairman of Meerkats and was the sole external advisor of the British Conservative Party shadow cabinet for the 2001 British general election, responsible for a \$25 million marketing budget over six weeks.

Labour was returned to Government with Tony Blair as Prime Minister, in what was described as a “landslide” victory.

The company said Meerkats had clients including Harvey Beef, Southern Forests Food Council, Brownes Dairy and Mr Duncan was a committee member of a network of farmers and industry stakeholders, Regen WA.

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