

Ag & Vet Weekly



Monday October 18 – Friday October 22, 2021

All the news on ASX-listed agriculture and veterinary companies

- * **ASX, AVW-44 FLAT: CANN GLOBAL UP 25%; ROOTS DOWN 5%**
- * **CANN GROUP SHARE PLAN RAISES \$8.7m, TOTAL \$18.7m**
- * **AVECHO, LAMBERT TRIAL TPM-MARIJUANA FOR ARTHRITIS PAIN**
- * **PHARMAUST: 24 DOGS, 1 PARTIAL RESPONSE TO MONEPANTEL**
- * **PHARMAUST MANUFACTURES TRIAL BATCHES OF MONEPANTEL**
- * **CANNIM HIRES EPSILON TO MANUFACTURE HUMMINGBUD MARIJUANA**
- * **AUSCANN REQUESTS FDA CPAT-01 MEETING**
- * **GOODBYE AP HEMP, WELCOME THE SUSTAINABLE NUTRITION GROUP**
- * **PHARMAUST 14% OPPOSE INCENTIVE SCHEME, REMUNERATION REPORT**
- * **ANATARA 1.8m DIRECTOR OPTIONS AGM**
- * **NANOLLOSE 1m DIRECTOR OPTIONS AGM**
- * **GREENCAPE BELOW 5% IN ELDERS**
- * **KIRSTY CLARKE REPLACES RIDLEY CO SEC AMY ALSTON**

MARKET REPORT

The Australian stock market was flat on Friday October 22, 2021, with the ASX200 up 0.1 points to 7,415.5 points. Sixteen of the AVW-44 stocks were up, 17 fell and 11 traded unchanged.

Cann Global was best, up 0.1 cents or 25 percent to 0.5 cents, with 12.8 million shares traded. Ocean Grown Abalone climbed 14.3 percent; Epsilon was up 10.7 percent; both Auscann and Wellnex rose five percent; AP Hemp improved 3.6 percent; Costa, Elixinol, Fonterra, Harvest Tech, Huon and Terragen rose two percent or more; Apiam and Bubs were up more than one percent; with Elders and Next Science up less than one percent.

Roots led the falls, down 0.05 cents or 5.3 percent to 0.9 cents, with 144,000 shares traded. Cann Group fell 4.6 percent; A2 and Memphasys lost more than three percent; Cobram, Ecofibre, MGC, Murray Cod, Seafarms, Select Harvests and Tasfoods shed two percent or more; Botanix, Clover, Ridley and Synlait were down more than one percent; with Nufarm and Wide Open Agriculture down by less than one percent.

CANN GROUP

Cann Group says its share plan at 27.5 cents a share has raised \$8.69 million taking the total raised to \$18.69 million.

In July, Cann Group said it raised \$10 million in a placement at 27.5 cents and hoped to raise another \$10 million in a share plan (BD: Jul 26, 2021).

Today, the company said the funds would be used for further integration of its supply chain and expanded production capabilities with the commissioning of its manufacturing facility near Mildura and to “expedite and strengthen [its] in-house extraction, laboratory and manufacturing capabilities”.

Cann Group said proceeds would also be used to expand subsidiary Satipharm.

Cann Group fell 1.5 cents or 4.6 percent to 31 cents with 1.5 million shares traded.

AVECHO BIOTECHNOLOGY

Avecho says with Sydney University’s Lambert Initiative it will conduct a 20-patient, phase IIa trial of its topical marijuana-based cannabidiol for arthritic pain.

Avecho said that Dr Daniel Lewis would be the principal investigator and Lambert Initiative’s Prof Iain McGregor would be the co-investigator for the II trial.

The company said about 20 patients with painful arthritis of the fingers or thumb would be asked to apply its tocopheryl phosphate mixture (TPM) formulation to their painful joints daily for four weeks.

Avecho said assessments would include pain scores, functional scores and grip strength using “innovative technologies”, including a dynamometer and a smartphone software application.

Avecho chief executive officer Dr Paul Gavin said the company was “focused on the development of our oral [cannabidiol] soft gel product which has just completed its phase I trial, [but] we are excited to examine further clinical applications of our formulations”.

Avecho was unchanged at 1.7 cents with 1.4 million shares traded.

PHARMAUST

Pharmaust says that one dog of 24 with naïve B-cell lymphoma has had a partial response to monepantel treatment.

Pharmaust said that 24 dogs qualified for the trial, with a further two dogs admitted but not evaluated due to incorrect dosing.

The company said that monepantel had been administered at four doses and it had calculated the optimal drug plasma range for anti-cancer activity and minimal side-effects.

Pharmaust said that of the seven dogs with drug plasma levels within the optimum range, six had stable disease, and one had a partial response in which some tumors disappeared entirely.

The company said that while side-effects were minimal or not observed within the optimal range, dogs dosed below the optimal saw reduced efficacy, while dogs dosed below the optimal range exhibited occasional weight loss.

Pharmaust said that of the six dogs that achieved stable disease, five continued taking monepantel with the cortico-steroid prednisolone following the conclusion of the trial, and these dogs had “much higher than expected mean and median survival times, at 125 and 138 days, respectively”.

Pharmaust was unchanged at 9.6 cents.

PHARMAUST

Pharmaust says it has manufactured a 500-gram demonstration batch of monepantel for its Covid-19 and motor neurone disease trials and was identifying trial sites.

Pharmaust chief scientific officer Dr Richard Mollard said that “despite delays incurred in manufacture due to the global Covid-19 pandemic, Pharmaust remains on-track to recommence clinical trials in humans with a newly-designed tablet, suitable for dosing regimens in people with Covid19 and motor neurone disease”.

The company previously had issues with the palatability monepantel, originally marketed by Elanco for round worm in sheep.

EPSILON HEALTHCARE

Epsilon says it has been hired by Sydney’s Cannim Australia to manufacture its Hummingbud dried marijuana flower products at its Southport Queensland plant.

Epsilon said it had a two-year contract with Cannim which grows marijuana in Australian and Jamaica.

The company said there were no minimum order commitments but expected “to continue to see ongoing purchase orders from Cannim and its partners over the course of the collaboration”.

Epsilon said the Cannim Hummingbud marijuana was “available for prescription now, and can be prescribed by Tetra Health, Epsilon’s wholly-owned clinic network”.

Epsilon was up 1.5 cents or 10.7 percent to 15.5 cents.

AUSCANN GROUP (MERGED WITH CANNPAL)

Auscann says it has requested a meeting with the US Food and Drug Administration’s Centre for Veterinary Medicine for its marijuana -based CPAT-01 pain relief for dogs.

In 2020, the then Cannpal said it had opened an investigational new animal drug file for CPAT-01 pain relief treatment for dogs with osteoarthritis.

Last year Auscann and Cannpal began a merger process which was completed earlier this year (BD: Nov 16, 2020; Mar 18, 2021).

Today, Auscann said it had submitted a pre-submission conference request to the FDA, to discuss submission and investigational requirements, including the number and type of studies required to support the approval of a new animal drug application.

Auscann chief executive officer Layton Mills said the request was “a significant milestone for Auscann as we believe we are the first company globally to request a [pre-submission conference] with the FDA for a cannabinoid-based veterinary drug candidate”.

Auscann was up half a cent or five percent to 10.5 cents with one million shares traded.

AUSTRALIAN PRIMARY HEMP

AP Hemp says subsequent to its annual general meeting it has formally changed its name to The Sustainable Nutrition Group.

AP Hemp it would trade under the ASX ticker code TSN from October 25, 2021.

The company said all resolutions were passed easily at its annual general meeting.

AP Hemp was up one cent or 3.6 percent to 29 cents.

PHARMAUST

Pharmaust says its annual general meeting approved all resolutions but with more than 14 percent opposition to the remuneration report and employee incentive scheme.

Pharmaust said that 13,615,575 votes (14.74%) opposed the issue of up to 30,000,000 shares under the employee incentive scheme, with 78,722,986 votes (85.26%) in favor.

The notice of meeting said that eligible beneficiaries included staff, directors and contractors, but did not specify who would receive how many shares.

The company said that the remuneration report was opposed by 13,412,927 votes (14.42%) with 79,614,418 votes (85.58%) in favor.

Pharmaust said that the 10 percent placement capacity was approved with a wider margin, but it attracted the largest number of votes against 14,553,576 (11.61%).

The company said the election of directors Sam Wright and Neville Bassett passed easily.

The company's most recent Application for quotation of securities said that Pharmaust had 316,912,383 shares on issue meaning that the vote against the placement capacity amounted to 4.59 percent of the company's total shares on issue, not sufficient to requisition extraordinary general meetings.

ANATARA LIFESCIENCES

Anatara says its annual general meeting will vote to grant 1,800,000 options to directors Sue MacLeman, Dr Jane Ryan and Dr David Brookes.

Anatara said that it proposed to issue 900,000 options to Dr Brookes, with 450,000 options each to Ms MacLeman and Dr Ryan, vesting in equal tranches over two years exercisable at a 50 percent premium to the 5-day volume-weighted average price to the day before the meeting and expiring on November 14, 2025.

The company said shareholders would vote on its remuneration report, the re-election of Ms MacLeman, and the approval of a ten percent placement facility.

The meeting will be held virtually on November 16, 2021 at 11am (AEST) and would be available at: web.lumiagm.com/367197181.

Anatara was unchanged at 14.5 cents.

NANOLLOSE

Nanollose says investors will vote to issue 500,000 options each to directors Winton Willesee and Terence Walsh, exercisable at 12.12 cents within three years.

Nanollose said its annual general meeting would vote on the remuneration report, the re-election of Mr Willesee as director, the ratification of issue of one million options to an employee, and the approval of an additional 10 percent capacity.

The meeting will be held at RSM, Level 32, Exchange Tower, 2 The Esplanade, Perth, Western Australia on November 26, 2021, at 4pm (AWST).

Nanollose was unchanged at 8.4 cents.

ELDERS

Sydney's Greencape Capital says it has ceased its substantial shareholding in Elders.

Greencape said that between July 12 and October 14, 2021 it bought and sold shares with the single largest sale 139,806 shares for \$1,751,070 or sold at \$12.525 a share.

The company said it had reduced its holding by 185,442 shares and Ag & Vet Weekly calculates that Greencape retains 7,745,019 shares or 4.95 percent of Elders.

Elders was up 10 cents or 0.9 percent to \$11.46 with 758,944 shares traded.

RIDLEY CORP

Ridley says general counsel Kirsty Clarke has been appointed company secretary replacing Amy Alston, effective from October 21, 2021.

Ridley said Ms Clarke was previously Tandem group's general counsel and company secretary and held in-house legal roles at Service Stream and Australia Post.

Ridley fell 1.5 cents or 1.1 percent to \$1.35.