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Companies covered: **Half Year Review,
NTI**

	Bioshares Portfolio
Year 1 (May '01 - May '02)	21.2%
Year 2 (May '02 - May '03)	-9.4%
Year 3 (May '03 - May '04)	70.6%
Year 4 (May '04 - May '05)	-16.3%
Year 5 (May '05 - May '06)	77.8%
Year 6 (May '06 - May '07)	17.4%
Year 7 (May '07 - May '08)	-35.8%
Year 8 (May '08 - May '09)	-7.4%
Year 9 (May '09 - May '10)	50.2%
Year 10 (May '10 - May '11)	45.4%
Year 11 (May '11 - May '12)	-18.0%
Year 12 (May '12 - May '13)	3.1%
Year 13 (May '13 - May '14)	26.6%
Year 14 (May '14 - May '15)	23.0%
Year 15 (May '15 - May '16)	33.0%
Year 16 (May '16 - May '17)	16.8%
Year 17 (May '17 - May '18)	-7.1%
Year 18 (May '18 - May '19)	-2.3%
Year 19 (May '19 - May '20)	39.5%
Year 20 (May '20 - May '21)	86.8%
Year 21 (May '21 - May '22)	-15.6%
Year 22 (May '22 - Current)	-7.8%
Cumulative Gain	1483%
Av. Annual gain (21 yrs)	19.0%

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Mark Pachacz - Editor/Analyst
Email: mark[at]bioshares.com.au
Ph: 0403 850 425

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*Delivering independent investment research to investors on Australian
biotech, pharma and healthcare companies*

Extract from Bioshares –

Positive Phase II Study Results for Neurotech International in Autism

Neurotech International (NTI: \$0.071) has released the results from its Phase II study in children with moderate autism spectrum disorder (ASD). The study involved 14 children who were treated with the proprietary medicinal cannabis strain which contains less than 0.3% THC, which is the main psychoactive constituent of cannabis.

Thirteen of the 14 children showed an improvement in the main measure of the Global Improvement scale (93%), with two thirds having a 'much improved' outcome. There were over 2,000 assessment points which included anxiety, irritability and participation. Importantly there were no effects of drowsiness observed. Only one child recorded no improvement.

The study was conducted at Monash University under Professor Michael Fahey. Professor Fahey said the trial had a rigorous design with encouraging outcomes achieved.

According to Neurotech CEO Alexandra Andrews, all of the children are continuing on treatment in an extension study following requests from parents who were 'delighted' with the outcome. The severity of illness was judged by caregivers as having improved over the treatment period (from an average score of 4.4 to 3.6). The therapy was well tolerated up to the highest daily dose of 20mg/kg. Side effects noted were minor and mainly digestive related.

Next is a Phase II/III study in Australia that will seek to recruit between 50 – 100 children with ASD. That study is expected to start this quarter. Strong demand to participate is expected from patient families at Monash Children's Hospital according to Neurotech chairman Brian Leedman.

Neurotech is capitalised at \$50 million with \$2.3 million in cash at the end of March. A longer and larger study will help strengthen the data package around this asset. That patients are continuing on treatment supports the potential safety-benefit profile of this drug candidate. The distinctive aspect of NTI164, from other medicinal cannabis therapies, is that due to its very low THC levels – THC is responsible for the mood-altering characteristics of cannabis – its safety profile has been confirmed to be benign. Andrews said that other medicinal cannabis studies in autism have shown signs of sedation which NTI164 did not.

Autism is a large unmet need with the lack of patient-friendly, long-term therapies available. Neurotech is also looking to start a trial in cerebral palsy early next year. Other indications, such as ADHD, which are prescribed the same therapy as ASD, are also a potential indication for NTI164.

A larger US study in autism is planned for the end of 2023.

Bioshares recommendation: Speculative Buy Class B

How Bioshares Rates Stocks

For the purpose of valuation, Bioshares divides biotech stocks into two categories. The first group are stocks with existing positive cash flows or close to producing positive cash flows. The second group are stocks without near term positive cash flows, history of losses, or at early stages of commercialisation. In this second group, which are essentially speculative propositions, Bioshares grades them according to relative risk within that group, to better reflect the very large spread of risk within those stocks. For both groups, the rating “Take Some Profits” means that investors may re-weight their holding by selling between 25%-75% of a stock.

Group A

Stocks with existing positive cash flows or close to producing positive cash flows.

- Buy** CMP is 20% < Fair Value
- Accumulate** CMP is 10% < Fair Value
- Hold** Value = CMP
- Lighten** CMP is 10% > Fair Value
- Sell** CMP is 20% > Fair Value
(CMP–Current Market Price)

Group B

Stocks without near term positive cash flows, history of losses, or at early stages of commercialisation.

Speculative Buy – Class A

These stocks will have more than one technology, product or investment in development, with perhaps those same technologies offering multiple opportunities. These features, coupled to the presence of alliances, partnerships and scientific advisory boards, indicate the stock is relative less risky than other biotech stocks.

Speculative Buy – Class B

These stocks may have more than one product or opportunity, and may even be close to market. However, they are likely to be lacking in several key areas. For example, their cash position is weak, or management or board may need strengthening.

Speculative Buy – Class C

These stocks generally have one product in development and lack many external validation features.

Speculative Hold – Class A or B or C

Sell

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