Biotech Daily

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Daily news on ASX-listed biotechnology companies

*** ASX DOWN, BIOTECH UP; LIVING CELL UP 17%, NOVOGEN DOWN 9%**

*** NOVOGEN CLOSES PHASE III CANCER TRIAL TO CONSERVE CASH**

*** ATCOR WINS TWO CONTRACTS WORTH $1.2m**

*** ACUVAX SELLS RESPROTECT 10% STAKE; CASH UP $730k**

*** CEPHALON INCREASES TO 28% OF ARANA**

*** ROCKEBY PROMOTES IVAN CHONG; APPOINTS ERIC WONG DIRECTOR**

MARKET REPORT

The Australian stock market slipped 0.14 percent on Wednesday April 15, 2009 with the S&P ASX 200 down 5.4 points to 3,747.5 points.

Twelve of the Biotech Daily Top 40 stocks were up, nine fell, 12 traded unchanged and seven were untraded.

Living Cell was best, up two cents or 16.67 percent to 14 cents with 252,691 shares traded followed by Optiscan up 15 percent to 4.6 cents and Alchemia up 11.5 percent to 34 cents.

Prana climbed 8.3 percent; Acrux and Phylogica rose more than seven percent; Phosphagenics and Psivida were up more than six percent; Mesoblast and Resmed were up more than three percent; Chemgenex and Clinuvel rose more than two percent; with Cellestis and CSL up more than one percent.

Novogen led the falls, down five cents or 9.43 percent to 48 cents with 99,684 shares traded, followed by Bionomics down 9.09 percent to 20 cents.

Circadian and Nanosonics lost more than two percent; Cochlear, Genera, Pharmaxis and Progen shed more than one percent; with Arana and Peplin down less that half a percent.

NOVOGEN

Novogen's 72-percent subsidiary Marshall Edwards has closed its phase III trial of phenoxodiol for ovarian cancer trial to conserve funds.

Novogen told the ASX that it would undertake an un-blinded analysis of the data from the 141 patients enrolled in the multicentre Ovature (ovarian tumor response) clinical study.

Novogen said that subject to ethical and regulatory approvals patients currently enrolled in the trial will continue their treatment according to the study protocol, but recruitment would cease immediately.

Novogen chief executive officer Chris Naughton told Biotech Daily that recruitment to the targeted 340 patients had slowed primarily because the standard of care for ovarian cancer had been changing and the control arm of the trial was demonstrating efficacy.

Mr Naughton said that by breaking the special protocol assessment, the trial could no longer continue and the company had made the choice not to continue with the "perennial wait for the data story".

He said Novogen should have its collated results from the 141 patients in about three months.

"We decided it was more important to have the data," Mr Naughton said.

"If the data is equivocal then it saves us tens of millions of dollars," Mr Naughton said. "If the data is unequivocally good, it would hasten our commercialization opportunities."

Mr Naughton said the US Food and Drug Administration special protocol assessment provided for early registration if there had been statistical significance from the agreed 340 patient total.

He said that if the data from the Ovature trial was significant the company could licence the drug to, or partner with, another company to run the required trial for registration.

Mr Naughton said that closing the trial freed up finds for other purposes including two phase II trials of phenoxodiol for ovarian and prostate cancers as well as continuing trials of triphendiol (NV-196), which has an FDA-approved investigational new drug application for clinical trials for pancreatic and bile duct cancers and has orphan drug designation for pancreatic cancer, bile duct cancer and late stage melanoma.

In its media release Novogen said the independent data monitoring committee review found no significant safety concerns to date.

The company said that under the study protocol, the secondary endpoint of overall survival, cannot be analyzed until 18 months after the last patient was randomized, or sooner if there were no patients surviving.

Novogen said it had decided to assess the Ovature trial data "at this time, as the current downturn in the global financial markets makes raising further equity or debt in the near term to fund the trial through to completion most unlikely".

Mr Naughton said the decision was taken "to assess the clinical and commercialization opportunities available for phenoxodiol and to enable the continuing funding from current resources of the ongoing phase I and II programs and release funds to in-licence promising and available compounds".

"We believe that this oncology focused multi-phase program will maximize opportunities in the best interests of shareholders and patients and enhance the value of the company's proprietary flavonoid technology platform over the medium term," Mr Naughton said.

He said the company's funds of $23 million would be used to complete the Ovature data analysis, pursue negotiations for out-licencing phenoxodiol, maintain other ongoing phenoxodiol ovarian and prostate cancer clinical trials, initiate the triphendiol clinical program and to in-licence further promising anti-cancer compounds.

Novogen fell five cents or 9.43 percent to 48 cents.

ATCOR MEDICAL

Atcor says it has two new contracts worth $US835,000 ($A1,165,000) to supply its Sphygmocor non-invasive measure of central blood pressures and arterial stiffness.
Atcor said the two contracts, one for $US635,000 and one for $US200,000 were for the supply of Sphygmocor systems and clinical trial support services "to leading international pharmaceutical companies".
The company said the contracts brought the total value of US pharmaceutical trial contracts secured over the past 10 months to $US7.3 million.
Atcor chief executive officer Duncan Ross said the contracts from existing customers to support new clinical trials "demonstrate the importance of non-invasive central blood pressure data in drug development, as well as the high quality of the services we provide".
"Scientific literature shows how important it is to measure central blood pressure in clinical trials and in patient care," Mr Ross said.
Atcor was up one cent or five percent to 21 cents.

ACUVAX

Acuvax says its 10 percent equity stake in Resprotect GmbH, has been sold in a private transaction to a European firm.
Acuvax (formerly Avantogen) said the German-based Resprotect was the original inventor and developer of the pancreatic cancer drug RP101 and its application to oncology.
The company said that while "the exact details are confidential, the total transaction will improve Acuvax's cash position by over $750,000 and result in a gain over book value of over $410,000".
Acuvax owns 43 percent of the North American rights of RP101, the largest commercial market for the drug.
The company said Resprotect held the intellectual property rights for the rest of the world.
Acuvax said Sciclone Pharmaceuticals was developing RP101 for the North American market and Acuvax shareholders had "the opportunity to benefit through the continued 43 percent ownership in the North American rights, including royalty and milestone payments".
Acuvax chief executive officer Dr William Ardrey said the company "was faced with a unique opportunity to improve its cash position by selling an oncology asset following recent and positive news that Sciclone had accelerated completion of enrolment of phase IIb clinical trials for RP101".
"We can redeploy the cash to advance our strategy in vaccine markets, as disease prevention represents an excellent opportunity for Acuvax," Dr Ardrey said.
"Concurrently the vaccine assets are progressing well, with good clinical results from West Nile vaccine phase I trials in the US. This news preceded the favorable clinical trials announcement by Sciclone of accelerated enrolment completion in RP101 trials," Dr Ardrey said.
Acuvax was unchanged at three cents.

ARANA

Cephalon International Holdings increased its substantial shareholding in Arana from 62,239,841 shares (27.34%) to 64,721,800 shares (28.43%) on April 14, 2009.
The change was through an increase in takeover acceptances (BD: Feb 27, Mar 2, 2009).
Arana fell half a cent or 0.36 percent to $1.37.

ROCKEBY

Rockeby says Eric Wong has been appointed as a non-executive director.

Rockeby said Mr Wong was an assistant superintendent with the Singapore Police Force until his resignation in 1978.

The company said Mr Wong held senior positions in human resource management and security and risk management in companies developing semiconductor circuits and held a senior management position in Healthway Medical Group until his retirement in 2007.

He was a director of Singapore's Tri-Global Security Pte Ltd from 2005 to 2007, where he assisted in the acquiring security service projects in manufacturing facilities.

Rockeby said Ivan Chong had been appointed as executive director.

Dr Lip Chai Seet and Syn Pau Lew have resigned as directors of Rockeby effective from April 1, 2009.

Rockeby climbed half a cent or 26.3 percent to 2.4 cents.