



Biotech Daily

Thursday February 3, 2011

Daily news on ASX-listed biotechnology companies

*** ASX UP, BIOTECH DOWN: VIRALYTICS UP 24%; UNIVERSAL DOWN 10%**

*** PROGEN JOURNAL ARTICLE BACKS PG545 FOR TUMORS IN MICE**

*** APPLICATIONS OPEN FOR VICTORIA PREMIER'S, SMORGON AWARDS**

MARKET REPORT

The Australian stock market was up 0.5 percent on Thursday February 3, 2011 with the S&P ASX 200 up 24.1 points to 4820.6 points.

Twelve of the Biotech Daily Top 40 stocks were up, 16 fell, six traded unchanged and six were untraded.

Viralytics was the best, up 0.8 cents or 24.2 percent to 4.1 cents, with 47 million shares traded, followed by Antisense up 14.3 percent to 0.8 cents with 50.7 million shares traded and Sunshine Heart up 10 percent to 4.4 cents with 1.6 million shares traded.

Genetic Technologies climbed 9.5 percent; Phosphagenics was up 7.4 percent; Compumedics rose 6.7 percent; Circadian climbed 5.3 percent; Cellmid was up 3.1 percent; Resmed and Starpharma rose more than two percent; with Impedimed and Optiscan up more than one percent.

Universal Biosensors led the falls, down 15 cents or 9.9 percent to \$1.37 with 362,088 shares traded.

Immuron lost 8.2 percent; Patrys was down 6.3 percent; Pharmaxis fell 4.3 percent; Phylogica, QRX and Tissue Therapies were down more than three percent; Clinuvel, Heartware and Prima shed more than two percent; with Acrux, Biota, Chemgenex, Nanosonics and Sirtex down more than one percent.

PROGEN PHARMACEUTICALS

Progen says its dual angiogenesis and heparanase inhibitor, PG545, inhibits tumor growth and metastasis in several different mouse models of cancer.

Progen said the pre-clinical data was published today in the British Journal of Cancer in an article entitled 'PG545, a dual heparanase and angiogenesis inhibitor, induces potent anti-tumour and anti-metastatic efficacy in preclinical models' and the abstract is available at: <http://www.nature.com/bjc/journal/vaop/ncurrent/full/bjc201111a.html>.

The article was co-authored by Progen's director of preclinical development Dr Keith Dredge.

The company said the data showed that PG545 "potently inhibited tumor growth and cancer spread, thus supporting its emergence as a new clinical candidate for cancer therapy".

Progen said the results suggested it could have wider applicability in a number of different tumor types.

Progen chief executive officer Sue MacLeman said the dual angiogenesis and heparanase inhibitor PG545 worked by limiting new blood vessel growth in addition to stopping the spread of tumors around the body.

"We believe that this agent has tremendous potential," Ms MacLeman said.

Progen said it focused its research on slowing blood vessel growth in tumors, similarly to many other angiogenesis inhibitors, many of which had become marketed products.

The company said that the unique ability to inhibit heparanase, an enzyme thought to be involved in the process of tumor spread or metastasis, could differentiate PG545 from its competitors.

Progen said the "commercial potential" of its compounds under development was demonstrated by the 2009 sales for the three leading anti-angiogenic therapies Avastin, Nexavar and Sutent totaling \$US7.77 billion.

Dr Dredge said the results showed that PG545 significantly inhibited tumor growth and the data also indicated that enhanced anti-tumor activity may be achieved by combining with other angiogenesis inhibitors such as Nexavar.

Dr Dredge said the data showed that PG545, but not Nexavar, blocked the spread of tumor to other tissues such as the lung.

"We and others have generated preclinical evidence which suggests that some angiogenesis inhibitors may have limited, if any, capacity to impact on metastasis," Dr Dredge said.

"Thus, PG545 may represent a highly promising and novel approach to cancer therapy, and on the basis on the current data, may be suitable for multiple indications," Dr Dredge said.

Progen said PG545 was being evaluated in cancer patients in a phase I clinical trial.

The company said in November 2010 that the study was an open-label, single centre, phase I, safety and tolerability trial of PG545 in about 25 patients with advanced non-haematologic, malignant solid tumors, excluding primary brain or spinal tumors.

Progen said at that time that the primary objective was to determine the maximum tolerated dose as defined by significant dose limiting toxicity (BD: Nov 15, 2010).

Progen was up three cents or 9.4 percent to 35 cents.

VICTORIA GOVERNMENT

Victoria's Department of Business and Innovation says that it is time to apply for the 2011 Premier's Award for Health and Medical Research.

In a media release the Victoria Government said the Premier's Award for Health and Medical Research for early career research was worth \$70,000 in prizes, with \$16,000 presented to the winner and \$8,000 for each of the three commendees.

The award is an initiative of the Victorian Government and the Australian Society for Medical Research with the Jack and Robert Smorgon families also awarding a \$30,000 prize to the research institute associated with the work of the Premier's Award winner.

The media release said past winners worked in a range of health and medical research fields including cancer, diabetes, cochlear implants and tuberculosis.

The release said the 2010 winner, Dr Julia Archbold, had been furthering her research into the role of immune system proteins in organ transplantation in Victoria and overseas.

"Her award winning research played a major part in helping to explain why patients, who receive donor-recipient matched organs, reject these tissues," the media release said.

Nominations are open until March 16, 2011 with the winner and commendees announced during Medical Research Week in early June 2011.

For further information and to apply go to: www.business.vic.gov.au/premiersaward or call the Australian Academy of Technological Sciences and Engineering on +613 9864 0911.