



Biotech Daily

Tuesday April 5, 2011

Daily news on ASX-listed biotechnology companies

*** ASX UP; BIOTECH DOWN:**

- ANTISENSE UP 42%; ADVANCED SURGICAL DOWN 16%

*** ANTISENSE ATL1103 READY FOR PHASE I GROWTH, SIGHT TRIAL**

*** PROGEN POSTER SHOWS PG545 SLOWS TUMOR GROWTH, METASTASIS**

*** VIRALYTICS PHASE I TRIAL APPROVED FOR HIGH DOSE IV CAVATAK**

*** EASTLAND WINS \$1m WA HEALTH SUPPLY CONTRACT**

*** ATCOR, SONIC PARTNER ON SPHYGMOCOR INSURANCE TESTS**

*** FIRST CAPE TAKES 16% OF ANTEO**

*** BONE APPOINTS CEO PETER YOUNG EXECUTIVE DIRECTOR**

*** GRAEME BODEN REPLACES GREG MACMILLAN AS PHYLOGICA CO SEC**

MARKET REPORT

The Australian stock market climbed 0.27 percent on Tuesday April 5, 2011 with the S&P ASX 200 up 13.3 points to 4900.1 points.

Eleven of the Biotech Daily Top 40 stocks were up, fifteen fell, nine traded unchanged and five were untraded.

Antisense was best, up half a cent or 41.7 percent to 1.7 cents with 221.3 million shares traded. QRX and Universal Biosensors climbed more than five percent; Patrys was up four percent; Benitec and Virax were up more than three percent; Nanosonics and Viralytics rose two percent or more; with Acrux, Chemgenex and Cochlear up more than one percent.

Advanced Surgical led the falls, down four cents or 15.7 percent to 21.5 cents, with 25,000 shares traded, followed by Uscom down 9.8 percent to 23 cents with 27,000 shares traded and Phosphagenics down 8.7 percent to 10.5 cents with 1.5 million shares traded.

Bioniche and Genetic Technologies lost more than five percent; Prana, Starpharma and Sunshine Heart fell more than four percent; Prima was down 3.3 percent; Bionomics, Impedimed and Tissue Therapies shed more than two percent; with Biota, Clinuvel and Living Cell down more than one percent.

ANTISENSE THERAPEUTICS

Antisense says it has produced injectible ATL1103 for a phase I clinical trial for growth and sight disorders, due to begin by October and be completed by the end of 2011.

Antisense said ATL1103 was a second generation antisense drug designed to block growth hormone receptor expression thereby reducing levels of the hormone insulin-like growth factor-I (IGF-I) in the blood and was a potential treatment for diseases associated with excessive growth hormone and IGF-I action including acromegaly, an abnormal growth disorder of organs, face, hands and feet, as well as diabetic retinopathy and some forms of cancer.

Antisense said that acromegalic patients had significantly higher blood IGF-I levels than healthy individuals and reduction of these levels to normal was accepted by clinical authorities as the primary marker of an effective drug treatment for the disease.

The company said formulation of raw material into injectible product for the phase I safety and tolerability was completed on schedule.

Antisense said it would apply to an unnamed hospital's ethics committee for approval to conduct the clinical trial, which would be undertaken by an experienced clinical research organization at a clinical trial unit in Victoria.

The first, single ascending dose stage of the phase I safety and tolerability trial was expected to be completed by the end of 2011.

Antisense was up half a cent or 41.7 percent to 1.7 cents with 221.3 million shares traded.

PROGEN PHARMACEUTICALS

Progen says preclinical data shows that PG545 slows solid tumor growth and potently inhibits the development of spontaneous lung metastasis in a model of breast cancer.

Progen said the data on the dual angiogenesis and heparanase inhibitor PG545 was presented in a poster was entitled 'The heparan sulfate mimetic PG545 potently inhibits spontaneous lung metastasis and significantly enhances overall survival in the 4T1 breast carcinoma model' at the American Association for Cancer Research meeting in Orlando, Florida, on April 4, 2001 and showed that blocking metastasis was linked with significantly improved overall survival.

Progen's director of preclinical development Dr Keith Dredge said that the study "confirmed PG545 has the ability to stop the spread of metastatic disease - a property not necessarily associated with other angiogenesis inhibitors".

"This is the first study to link PG545's anti-tumor and anti-metastatic activities with reduced levels of heparanase," Dr Dredge said.

"Furthermore the measurement of heparanase levels following treatment by PG545 represents an important step forward as this enzyme has proved difficult to analyze in living systems despite its therapeutic importance in cancer," Dr Dredge said.

Progen chief executive officer Sue MacLeman said the company continued "to make progress with PG545 and these results demonstrate the potential of PG545 as an anti-angiogenesis and anti-metastatic therapy".

Progen said PG545 was being evaluated in cancer patients in an Australian phase I clinical trial in Australia.

Progen was unchanged at 33.5 cents.

VIRALYTICS

Viralytics says it has approval for a high dose of Cavatak for the last two patients in its phase I late-stage melanoma, breast and prostate cancer study.

Viralytics said the independent data safety monitoring committee approved a single intravenous infusion of Cavatak at a dose of 1010 infectious units, which was 10 times higher than given to the previous patient group and 10,000 times greater than the dose given to the first group of patients in the trial.

The company said the primary objective of the study was to generate safety data to allow more progressive clinical assessment of Cavatak in a variety of cancer indications best targeted with intravenous administration.

Viralytics chief scientific officer Prof Darren Shafren said that effective intravenous delivery of Cavatak “allows potential targeting of a range of solid cancer types found throughout the human body which are not readily accessible for direct injection”.

“To date, intravenous administration of Cavatak has been well tolerated and the completion of this study will provide the company with a sound base to progress into a more advanced clinical evaluation program,” Prof Shafren said.

Viralytics was up 0.1 cents or two percent to 5.1 cents with 3.4 million shares traded.

EASTLAND MEDICAL SYSTEMS

Eastland says its wholly-owned subsidiary Westcoast Surgical & Medical Supplies has won a Western Australia Government medical contract worth \$1 million.

Eastland said the contract followed significant gains from its recent sterile gauze contract, bringing the total new Government contract business to \$3.5 million, with four more Government contracts to be awarded in coming weeks.

Eastland said Westcoast Surgical had been awarded exclusive Western Australia distribution rights for European audiology device manufacturer Interacoustics.

Eastland has been developing the Artimist sub-lingual delivery treatment for paediatric malaria.

Eastland fell 0.1 cents or three percent to 3.2 cents with 2.6 million shares traded.

ATCOR MEDICAL

Atcor says it will supply its Sphygmocor systems to Sonic Healthcare’s Lifescreen health evaluation service.

Atcor said the Lifescreen test would “provide a better picture of a healthy person’s cardiovascular health than traditional exercise stress testing” used by insurance companies and would be the first time insurance companies included central blood pressure measurement test in its medical evaluations.

The company said use of its Sphygmocor non-invasive measure of central blood pressures and arterial stiffness would begin this month to assess cardiovascular risk for potential new policy holders.

Atcor said it would share revenue from the test with Lifescreen.

Atcor was up 1.5 cents or 15 percent to 11.5 cents.

ANTEO DIAGNOSTICS

First Cape Management has increased its substantial shareholding in Anteo from 111,944,463 shares (14.98%) to 123,130,835 shares (16.16%).

First Cape said 12.141.371 shares were acquired through the exercise of options at 5.5 cents with 1,000,000 shares sold on market for \$71,384 or an average price of 7.1 cents each.

Anteo was up 0.1 cents or 1.5 percent to 6.9 cents with 2.15 million shares traded.

BONE MEDICAL

Bone says recently appointed chief executive officer Peter Young has been promoted to the board as an executive director, effective from April 1, 2011.

Bone said the New York-based Mr Young was appointed chief executive officer on March 1, 2011 and New York private investment bank Gilford Securities was appointed as its financial advisor on March 21, 2011.

The company said the two appointments were "key elements in the implementation of Bone Medical's plan to establish US operations and leadership to advance its pipeline of new products for the treatment of osteoporosis and osteoarthritis, as well as build its visibility and support in the US".

Bone fell 0.1 cents or 2.9 percent to 3.4 cents.

PHYLOGICA

Phylogica says Graeme Boden will return to the company replacing Greg MacMillan as company secretary.

Phylogica said Mr Boden had resigned "due to pressure of his other responsibilities [and] departs after the recent successful capital raise and is leaving the company in good financial health".

The company said Mr Boden had many years' experience as company secretary for private and ASX-listed companies Biotech International (Agenix), Helicon and formerly Phylogica.

Phylogica was unchanged at 6.3 cents.