



# Biotech Daily

Wednesday May 18, 2011

*Daily news on ASX-listed biotechnology companies*

- \* **ASX, BIOTECH UP: BIONOMICS UP 14%; UNIVERSAL BIO DOWN 8%**
- \* **BIONICHE UROCIDIN DATA: '25% 1-YEAR DISEASE-FREE SURVIVAL'**
- \* **CEPHALON TAKES 77% OF CHEMGENEX; ORBIS ACCEPTS OFFER**
- \* **CENTAURUS TAKES 7.2% OF CELLESTIS WITH DERIVATIVES**
- \* **OBJ, GSK CONSUMER COLLABORATE ON ORAL HEALTH**
- \* **COGSTATE TEST MEASURES SCHIZOPHRENIA COGNITION**
- \* **PHARMAUST, EPICHEM SIGN JAPAN'S AR BROWN AS ASIA DISTRIBUTOR**
- \* **JEFFREY MATHIESEN REPLACES SUNSHINE HEART'S ROWENA HUBBLE**
- \* **SURAJ SANGHANI REPLACES ACTINOGEN'S CFO MARK KILLMIER**
- \* **SOLAGRAN: '4 WEEK ROPREN TREATMENT IMPROVES LIVER, BRAIN'**

## MARKET REPORT

The Australian stock market climbed 0.21 percent on Wednesday May 18, 2011 with the S&P ASX 200 up 9.8 points to 4693.7 points. Nineteen of the Biotech Daily Top 40 stocks were up, 11 fell, six traded unchanged and four were untraded.

Bionomics was best, up nine cents or 13.85 percent to 74 cents with 3.9 million shares traded, followed by Genetic Technologies up 9.3 percent to 23.5 cents with 950,288 shares traded and Compumedics up 6.4 percent to 10 cents with 41,000 shares traded.

Cathrx, Prima and Sunshine Heart climbed more than five percent; Uscom was up four percent; Alchemia, Patrys, QRX and Viralytics were up more than three percent; Acrux rose two percent; with Impedimed, Mesoblast, Nanosonics, Pharmaxis and Starpharma up more than one percent.

Universal Biosensors led the falls, down 10 cents or eight percent to \$1.15 with 132,007 shares traded, followed by Antisense down 7.7 percent to 1.2 cents with 28.3 million shares traded.

Benitec, Phosphagenics and Phylogica lost more than six percent; Prana fell five percent; Genera fell four percent; Heartware was down 3.8 percent; Living Cell shed 2.1 percent; with Biota down 1.7 percent.

### BIONICHE LIFE SCIENCES

Bioniche says early phase III results show Urocidin may be an alternative to cystectomy for bacillus Calmette-Guérin refractory non-muscle invasive bladder cancer patients.

Bioniche said the data on Urocidin or intravesical formulation of mycobacterial cell wall-DNA complex (MCC) was presented with Endo Pharmaceuticals at the American Urological Association meeting in Washington, DC.

The presentation, entitled 'A phase III study to evaluate the efficacy and safety of mycobacterial cell wall-DNA complex in the treatment of patients with non-muscle invasive bladder cancer at high risk of progression and who are refractory to BCG' is available at: <http://www.aua2011.org/abstracts/printpdf.cfm?ID=,1650> and concluded that MCC had "activity in patients with BCG-refractory non-muscle invasive bladder cancer and may provide an alternative to cystectomy in this population".

Bioniche said the preliminary results were generated from an interim analysis in the ongoing phase III trial with Urocidin in the treatment of non-muscle invasive bladder cancer that is refractory to bacillus Calmette-Guérin (BCG) and at high risk of progression. The company said the trial enrolled 129 patients with high grade papillary tumors and/or carcinoma in situ and having failed to respond to one or more courses of BCG.

The presentation said that at entry, 91 (70.5%) patients had carcinoma in situ, either primary or concomitant with papillary tumors, and 38 (29.5%) had only papillary tumors. All papillary tumors were resected prior to start of treatment.

The presentation said the overall one-year disease-free survival rate was 25.0% with a median disease-free survival interval of 177 days, with disease-free survival defined as lack of recurrence or progression to muscle-invasive disease, as confirmed by biopsy.

The one-year disease-free survival rate was 35.1 percent for patients with only papillary tumors and 21.0 percent for patients with carcinoma, with or without papillary tumors.

The preliminary results indicate that intravesical administration of Urocidin was well tolerated and the presentation said that most adverse events were mild to moderate in severity and few lead to discontinuation of treatment.

Bioniche said the trial was actively enrolling eligible.

Bioniche was untraded at \$1.00.

### CHEMGENEX

Cephalon says it has increased acceptances for its Chemgenex takeover bid from 237,357,795 shares (75.70%) to 242,463,072 shares (77.32%).

Cephalon said it had increased Chemgenex listed options acceptances from 9,414,430 options (85.98%) to 9,428,275 options (86.11%).

The bid is conditional on receiving 90 percent of shares and options.

Cephalon can remove conditions at any time.

Separately, Orbis Investment Management ceased its holding in Chemgenex with instructions to custodians to accept the offer for all 41,480,916 shares (13.2%).

Chemgenex was unchanged at 69 cents.

### CELLESTIS

Centaurus Capital says it has increased its interest in Cellectis from 6,221,890 shares (6.47%) to 6,923,342 shares (7.20%).

Centaurus said 2,006,537 shares were held "contracts for difference" acquired at \$3.42 a share on May 2, 2011.

Cellectis was unchanged at \$3.40.

## OBJ, GLAXOSMITHKLINE

OBJ says it will collaborate with Glaxosmithkline Consumer Healthcare to develop oral health consumer products.

OBJ quoted Glaxosmithkline saying that "OBJ and GSK have agreed to work exclusively together with the objective of developing new products which make use of OBJ's proprietary enhanced transdermal polymer (ETP) and field-in-motion (FIM) technologies in the field of oral healthcare".

"The objective of the collaboration is to develop and commercially release oral healthcare products utilising OBJ's proprietary technologies, subject to the achievement of certain performance criteria to be agreed between the parties," OBJ quoted Glaxosmithkline. OBJ has previously focused on developing an electro-magnetic transdermal technology but today said that its magnetic micro-array drug patch and applicator technologies interacted with drug molecules and biological barriers through physical rather than chemical actions (BD: Oct 1, 2009).

The company said its technologies were "well-suited to environments such as the mouth region where normal oral secretions interact with traditional compounds".

OBJ said it had developed "a platform of physical enhancement technologies based on low-cost magnetic micro-arrays that influence the movement and penetration of drugs, active ingredients and formulations at the molecular level".

The company said it could provide its technologies in traditional patch formats as well as brushes, wipes and applicators.

OBJ said the collaboration was funded by Glaxosmithkline and involved separate evaluation and product development phases and a first-in-man clinical evaluation would determine the in-mouth performance of Glaxosmithkline oral health technology with OBJ's enhancement technology and the results would determine whether to proceed.

The company said it had collaborated with Glaxosmithkline on enhanced oral healthcare developments on similar bases resulting in statistically and commercially significant levels of enhancement, reported last year (BD: Oct 25, 2010)

OBJ was unchanged at 2.4 cents with 13.15 million shares traded.

## COGSTATE

Cogstate says its tests have been used as the primary endpoint to determine the effectiveness of Envivo's EVP-6124 on cognitive function in schizophrenia patients.

Cogstate says its computerized cognition tests used with Envivo Pharmaceuticals followed a previous announcement that Targacept used its tests to determine the effectiveness of their drug TC-5619 to improve cognition in patients suffering from schizophrenia.

Cogstate chief executive officer Brad O'Connor said the results released by both Envivo and Targacept "further validate the effectiveness of the Cogstate technology in assessing cognitive change in schizophrenia".

The company said that Envivo had announced positive top-line results of its randomized, placebo-controlled phase IIb clinical trial of EVP-6124, an orally bio-available and selective alpha-7 agonist, in patients with schizophrenia.

Cogstate said the data showed that EVP-6124 had a clinically meaningful and statistically significant impact on patients' overall cognition when taken in combination with second-generation anti-psychotics compared to placebo and as measured by the full Cogstate overall cognitive index ( $p=0.05$ ).

Cogstate said schizophrenia affected about 2.4 million Americans, or about one percent of the adult population and was usually diagnosed between the ages of 15 and 35 years.

Cogstate was untraded at 20 cents.

### SUNSHINE HEART

Sunshine Heart says Rowena Hubble has resigned as chief financial officer and company secretary to be replaced by Jeffrey Mathiesen effective from June 30, 2011.

Sunshine Heart chairman Nick Callinan said Mr Mathiesen had significant experience overseeing the growth of a number of public and private technology companies with more than 10 years as chief financial officer.

The company said Mr Mathiesen was previously chief financial officer at Zareba Systems and Delphax Technologies and held a Bachelor of Science in Accounting degree from the University of South Dakota and would be based at the US headquarters in Minnesota.

Sunshine Heart was up 0.3 cents or 5.9 percent to 5.4 cents.

### ACTINOGEN

Actinogen has appointed Suraj Sanghani as company secretary, replacing chief financial officer Mark Killmier with effect from 13 May 2011.

Actinogen said Mr Sanghani was a chartered accountant with more than five years experience, including roles with Ernst & Young and ASX-listed exploration companies.

The company said Mr Sanghani held a Bachelor of Commerce degree from the University of Western Australia.

Actinogen was untraded at six cents.

### SOLAGRAN

Solagran says a four week trial of its conifer needle extract Ropren has shown reduced liver function test levels and improved neuropathy.

Solagran said the Ropren data would be reported by the head of the chair of gastroenterology and chief gastroenterologist of the Administrative Department for the President of the Russian Federation Prof Oleg Minushkin at the International Slavic-Baltic Scientific Forum in St Petersburg on May 19, 2011.

Solagran said Prof Minushkin had provided a written opinion saying: "The Ropren preparation stabilizes the cell membrane of hepatocytes and restores the sensitivity of the receptor apparatus of the cell".

"Ropren has the capability to influence not only the cells of the liver, but also the cells of nervous tissue of the central as well as peripheral nervous systems," Prof Minushkin said.

"Liver protectors with such mechanism of action do not exist today," Prof Minushkin said.

Solagran said Prof Minushkin's report entitled 'Experience of Application of Ropren preparation in the treatment of liver alcohol cirrhosis' said that 30 patients with an average age of 48 years were treated with Ropren for four weeks.

The company said the trial showed an improvement of the biochemical indicators of cytotoxicity (AST, ALT) and cholestasis (alkaline phosphatase, GGT); lowering of the fibrosis index; lowering of the manifestations of encephalopathy (by test of connections of numbers); achievement of a positive dynamic of neuropathy symptoms (according to the neurologist and the Young scale's data); improvement in the psychological, emotional and physical condition of patients as well as a rise in role functioning capacity and activity in the patients' lives; and no observed negative side-effects from Ropren, in any patient.

Solagran was up half a cent or 3.85 percent to 13.5 cents.