



# Biotech Daily

Thursday July 28, 2011

*Daily news on ASX-listed biotechnology companies*

- \* **ASX, BIOTECH DOWN: OPTISCAN UP 28%; QRX DOWN 7%**
- \* **NOVOGEN NV-128 IN VITRO ACTIVE IN RESISTANT CANCER STEM CELLS**
- \* **CORRECTION: DORON BEN-MEIR, COMMERCIALISATION AUSTRALIA**
- \* **IMPEDIMED APPLAUDS AVON LYMPHOEDEMA 'WHITE PAPER'**
- \* **SUNSHINE HEART HAS TWO QUARTERS CASH, \$14m PLACEMENTS**
- \* **ATCOR SALES DOWN 15.2%, LOSS UP MORE THAN 125%**
- \* **THE SUB-EDITOR**

## MARKET REPORT

The Australian stock market fell 1.62 percent on Thursday July 28, 2011 with the S&P ASX 200 down 73.6 points to 4463.8 points.

Six of the Biotech Daily Top 40 stocks were up, 22 fell, six traded unchanged and six were untraded. All three Big Caps fell.

Optiscan was the best for the second day in a row, up 2.2 cents or 28.2 percent to 10 cents with 661,815 shares traded; followed by Antisense up 12.5 percent to 0.9 cents with 135,000 shares traded, Living Cell was up 3.3 percent; with Alchemia and Psivida up more than one percent; and Heartware up 0.55 percent.

QRX led the falls, down 10.5 cents or 6.7 percent to \$1.455 with 256,487 shares traded.

Clinuvel, Genetic Technologies and Sunshine Heart lost five percent or more; Cellmid and Virax fell more than four percent; Anteo, Benitec, Phosphagenics, Prima and Resmed were down more than three percent; LBT, Nanosonics, Phylogica, Starpharma and Tissue Therapies shed more than two percent; with Acrux, Bionomics, Biota, Cochlear, CSL, Mesoblast, Pharmaxis, Sirtex and Viralytics down more than one percent.

## NOVOGEN

Novogen 65 percent subsidiary, Marshall Edwards says a pre-clinical study of NV-128 shows activity in chemotherapy-resistant ovarian cancer stem cells.

Novogen said NV-128 was the pro-drug of its investigational compound and lead mitochondrial inhibitor drug candidate NV-344.

The company said the study showed that NV-128 could specifically target the mitochondria in patient-derived ovarian cancer stem cells to induce cell death in an otherwise chemo-resistant cell population.

Novogen said the publication, entitled 'Targeting the mitochondria activates two independent cell death pathways in the ovarian cancer stem cells' was published by the journal Molecular Cancer Therapeutics and an abstract was available at:

<http://www.ncbi.nlm.nih.gov/pubmed/21677151>.

The senior author, Dr Gil Mor of the Yale University School of Medicine, said that a "major obstacle in the successful treatment of ovarian cancer is disease recurrence due in part to the outgrowth of chemotherapy-resistant ovarian cancer stem cells".

"We believe these encouraging data provide sufficient proof of concept to warrant further study in ovarian cancer patients," Dr Mor said.

Novogen said that previous studies at Yale University showed that NV-128 was able to inhibit tumor growth in an ovarian cancer animal model without inducing significant toxicity, suggesting a sufficient therapeutic window that could allow compounds of this class to be safely administered to patients.

Novogen said that once administered, NV-128 was demethylated in vivo to NV-344, its active metabolite, which pre-clinical studies had shown to be significantly more potent than NV-128.

Novogen said Marshall Edwards planned to complete NV-344 pre-clinical studies to submit an investigational new drug application to the US Food and Drug Administration by April 2012.

Marshall Edwards chief executive officer Dr Daniel Gold said the study "exemplifies the importance of our ongoing collaboration with Dr Mor and his associates at Yale University".

Last night, the Nasdaq fell 2.65 percent, with Marshall Edwards up 135 percent to \$US2.75 on strong volumes and Novogen up 46 percent to \$US1.30 with 2.2 million shares traded. Earlier this week, Novogen received a warning letter from the Nasdaq regarding its share price being below the required \$US1 mark (BD: Jul 26, 2011).

On the ASX today Novogen was up seven cents or 42.4 percent to 23.5 cents.

## CORRECTION: DORON BEN-MEIR, COMMERCIALISATION AUSTRALIA

In the July 22, 2011 edition, an article on Commercialisation Australia grants said the largest biotechnology grant was to a company related to chief executive officer Mr Doron Ben-Meir.

Biotech Daily subsequently received information from an officer of the Department of Innovation, Industry, Science and Research that the grant recipient was not related in any way to Mr Ben Meir.

Biotech Daily had obtained a document under a Freedom of Information application that said Mr Ben-Meir had declared a conflict of interest in respect of the grant application.

Biotech Daily accepts that conflict of interest was not because the grant recipient was related to Mr Ben-Meir.

Biotech Daily unreservedly retracts the statement and apologizes to Mr Ben-Meir for any offence it has caused him.

## IMPEDIMED

Impedimed says the Avon Foundation for Women has announced the publication of a US 'white paper' addressing lymphoedema in breast cancer patients.

Impedimed said that in April 2011, the Foundation, in partnership with the National Lymphedema Network and the Lymphatic Research Foundation, held an expert panel meeting to discuss developments in breast cancer related lymphoedema.

The company said the white paper, or discussion paper, was written by nationally recognized lymphoedema experts, physicians and advocates.

Impedimed said that early detection and intervention of sub-clinical lymphoedema played an important role in the panel's recommendations and call-to-action.

Impedimed chief executive officer Greg Brown said the Avon Foundation for Women was "an outspoken national advocate of issues affecting women, particularly breast cancer".

"We applaud their leadership in addressing lymphoedema management as a vital quality-of-life issue affecting so many breast cancer patients," Mr Brown said.

"As a leading breast cancer advocacy organization within the United States, we appreciate their support and recognition of new technologies such as L-Dex," Mr Brown said.

Impedimed said the white paper, a summary and the Foundation's call-to-action are at:

<http://www.avonfoundation.org/programs-and-events/lymphedema-information.html>.

Impedimed said the white paper was important as it was the first US national breast cancer advocate group putting lymphoedema and its preemptive management on the US healthcare agenda.

Impedimed said its U400 L-Dex device aided in the clinical assessment of lymphoedema in women through the measurement of extracellular fluid differences of the arms.

The company said that extracellular fluid differences in the arms were recognized as the earliest marker of change within the pathophysiology of lymphoedema.

Impedimed was unchanged at 68 cents.

## ATCOR MEDICAL

Atcor says its unaudited sales for the 12 months to June 30, 2011 fell 15.2 percent to \$7.8 million and loss up more than 125 percent to between \$2.7 million and \$2.9 million.

Atcor said the fall in sales was 4.7 percent "on a constant currency basis" allowing for foreign exchange rates.

The company said that in the year to June 30 2010 it had a loss of \$1.2 million and of the total 2011 loss more than \$900,000 was "attributed to foreign exchange losses and reduced grant income".

Atcor said sales grew in the first six months of the financial year, but during the second half, a greater proportion of pharmaceutical customers selected leasing or "pay as you go" payment systems in preference to outright purchase and some orders were deferred until after June 30, 2011.

The company said 55 percent more units were placed in trials than in the previous year, a trend "expected to continue and the changing contract terms will provide a more predictable revenue stream".

Atcor said that after a strong first half year, sales in the US declined 4.6 percent for the year, reflecting the changing dynamics of pharmaceutical contracting.

The company said European sales improved 55 percent in the six months to June 30, 2011, while sales in the Asia-Pacific region was up 10 percent, compared to prior year.

Atcor said it had \$1.7 million cash at 30 June, 2011, compared to \$1.6 million at 30 June 2010.

Atcor was untraded at 11.5 cents.

### SUNSHINE HEART

Sunshine Heart says its net operating cash burn for the three months to June 30, 2011 was \$3,893,000 with cash at the end of the quarter of \$6,020,000.

Sunshine Heart raised \$4.6 million in a placement earlier this week and expects to raise a further \$9.1 million (BD: Jul 25, 2011).

Sunshine Heart fell 0.2 cents or five percent to 3.8 cents.

### THE SUB-EDITOR

The recently appointed sub-editor has not performed to the highest levels required by this publication and has made errors.

He has been summarily dismissed and was last seen herding moose in Sweden.

Following a global search, a highly recommended new sub-editor, or vice-president of grammar, spelling, punctuation, précis and headline-writing, has been appointed.