



# Biotech Daily

Thursday October 27, 2011

*Daily news on ASX-listed biotechnology companies*

- \* **ASX, BIOTECH UP: ANTISENSE UP 11%; COMPUMEDICS DOWN 12%**
- \* **ALCHEMIA'S GENERIC HEPARIN TAKES 10% OF US MARKET**
- \* **GSK Q1 BIOTA RELENZA ROYALTY \$230k**
- \* **FOUNDER DR BRUCE GRAY LEADS SIRTEX AGM DISSENT**
- \* **PRANA CLAIMS 2<sup>nd</sup> NMHRC PBT2 GRANT**
- \* **CONSEGNA AGM FOR 100m PLACEMENT, DIRECTOR OPTIONS**
- \* **ROSLYNN SHAND REPLACES CBIO CO SEC BEN GRAHAM**

## MARKET REPORT

The Australian stock market climbed 2.49 percent on Thursday October 27, 2011, with the S&P ASX 200 up 105.7 points to 4,348.2 points.

Fifteen of the Biotech Daily Top 40 stocks were up, 11 fell, six traded unchanged and eight were untraded.

Antisense was the best, up 0.1 cents or 11.1 percent to one cent with 9.8 million shares traded.

Tissue Therapies and Starpharma climbed seven percent or more; Cellmid, Phosphagenics and Prima were up more than five percent; Viralytics was up 3.4 percent; Acrux, Allied Health, Bionomics, QRX and Universal Biosensors rose more than two percent; with Alchemia, Anteo, Cochlear and Sirtex up more than one percent.

Compumedics led the falls, down 1.1 cents or 12.2 percent to 7.9 cents with 6,000 shares traded.

Benitec lost 5.3 percent; Reva fell 4.8 percent; Genera, Genetic Technologies and Nanosonics were down more than three percent; Circadian shed 2.9 percent; with Biota, Mesoblast, Pharmaxis and Resmed down by more than one percent.

## ALCHEMIA

Alchemia says its generic fondaparinux has taken 10 percent of the total available US market for synthetic heparin worth \$340 million for the year to May 2011.

Alchemia chief executive officer Dr Pete Smith told Biotech Daily the total global market was worth about \$500 million.

Dr Smith said Alchemia's fondaparinux had increased market share from seven percent in September to 10 percent and a US Food and Drug Administration-approved generic typically achieved a market share of about 30 percent when competing with an authorized generic and the branded drug.

The Alchemia drug was approved in the US by the FDA in July 2011 and immediately afterwards Glaxosmithkline announced the release of an authorized generic to compete against it (BD: Jul 13; Aug 4, 9, 2011).

Dr Smith said that Alchemia would file for marketing authorization in Europe following the end of the exclusivity period in March 2012.

Alchemia's manufacturing and marketing partner Dr Reddy's Laboratories said the market share for fondaparinux was about 10 percent and it expected manufacturing volume and market share to increase in the coming months.

"Sales of fondaparinux are tracking according to our expectations and we anticipate further significant sales and market share growth in the coming months," Dr Smith said.

Alchemia said that profits from fondaparinux would start to accrue in the first half of 2012; after Dr Reddy's has recouped certain costs has invested in the development and registration of the drug prior to launch.

Alchemia was up half a cent or 1.8 percent to 28.5 cents.

## BIOTA

Biota said it expects to receive a \$230,000 Glaxosmithkline royalty payment for \$3.3 million in sales of Relenza for the three months to September 30, 2011.

Biota said the payment compared to a royalty of \$1.8 million for \$18 million in Relenza sales for the three months to June 2011 and the record royalty payment of \$32.6 million from Glaxosmithkline for \$462 million in sales in the three months to December 31, 2009. Biota fell one cent or 1.3 percent to 78 cents.

## SIRTEX

Sirtex founder and former chairman Dr Bruce Gray appears to have voted his 9.7 million shares or 17.3 percent of the company against all annual general meeting resolutions.

All resolutions were passed with about 30 million votes in favor and more than 10 million votes against.

Dr Gray has reduced his holding in Sirtex during the past year and his last change of substantial shareholder notice said he held 9,665,047 shares or 17.33 percent of the company (BD: Aug 15, 2011), down from the 16.7 million shares or about 30 percent held in October 2010.

At last year's annual general meeting a change of constitution resolution failed because it required 75 percent support to be passed (BD: Oct 26, 2011).

Today, the resolutions included the adoption of a new constitution which was passed by 75.86 percent of proxy votes to 24.14 percent, the remuneration report, the re-election of director Richard Hill, the issue and exercise of performance rights to and by chief executive officer Gilman Wong,

Sirtex was up five cents or 1.1 percent to \$4.70.

## PRANA BIOTECHNOLOGY

Prana Biotechnology says Prof Kevin Barnham, has been awarded a \$419,925 NHMRC grant to study the benefits of PBT2 and other compounds in preventing excitotoxicity. Prana said Prof Barnham was a principal research fellow at Victoria's Mental Health Research Institute, one of the co-inventors of PBT2 for Alzheimer's and Huntington's diseases and the grant was entitled 'Modulating Cellular Copper Levels To Prevent The Effects Of Excitotoxicity In Neurodegenerative Diseases'.

Last week, Prana said that researcher Dr Paul Adlard had won a \$762,975 National Health and Medical Research Council grant to study PBT2 and other compounds in age-related cognitive impairment (BD: Oct 20, 2011).

Prana executive chairman Geoffrey Kempler said the grant from the National Health and Medical Research Council would fund scientific work to further explain how PBT2 could improve cognition in patients.

"We have evidence to show that excitotoxicity, a destructive phenomenon arising from excessive stimulation of brain cells, is inhibited by PBT2," Mr Kempler said.

"Dr Barnham's work will expand our understanding of the molecular pathways by which PBT2 achieves its neuroprotective effects," Mr Kempler said.

Prana said that excitotoxicity was a common feature of the brains of people affected by a variety of neurological and neurodegenerative conditions, particularly Alzheimer's and Huntington's diseases, resulting from excessive stimulation of receptors in glutamatergic synapses by the neurotransmitter glutamate.

To prevent glutamate excitotoxicity, drugs which inhibit receptor activity have been developed for use in both Alzheimer's and Huntington's diseases, but the drugs were indiscriminate and could have numerous side effects.

Prana said that in contrast, PBT2 was very specific because its interaction with biological metals in the brain, allowed it to provide the metals such as copper that the receptors require for healthy function to allow normal neurotransmission across synapses and healthy cognition.

Prana was unchanged at 15 cents.

## CONSEGNA GROUP (FORMERLY HELICON GROUP)

Consegna shareholders will vote to issue 60,000,000 placement options and 40,000,000 options for three directors.

Consegna's notice of annual general meeting asked shareholders to approve the issue of 60,000,000 placement options to be priced at half a cent per option and exercisable at three cents with three years of issue.

The company asked shareholders to approve the issue of 20,000,000 options to chief executive officer Fabio Pannuti and 10,000,000 options each to directors Rod Tomlinson and Peter Abrahamson.

Consegna said that half of each directors parcel of options would be exercisable at five cents and half at 10 cents, within three years of issue.

The company said shareholders would also vote on the election of Mr Pannuti and Mr Tomlinson.

The meeting will be held at Level 31, RBS Tower, Aurora Place, 88 Phillip Street, Sydney, on November 29, 2011 at 11am (AEDT).

Consegna was untraded at two cents.

## CBIO

CBio has appointed Roslynn Shand as company secretary replacing Ben Graham, effective immediately.

CBio said Ms Shand held a Bachelor of Arts and a Bachelor of Laws degree from the University of Queensland and had been a company secretary for more than 15 years for entities in the financial, agricultural and mining sectors.

CBio was up one cent or 5.3 percent to 20 cents.