



Biotech Daily

Friday March 23, 2012

Daily news on ASX-listed biotechnology companies

- * **ASX FLAT, BIOTECH DOWN: PRANA UP 7%, ANTISENSE DOWN 13%**
- * **BIONOMICS PHASE I/II BNC105 OVARIAN CANCER TRIAL APPROVED**
- * **ANTISENSE \$6.5m PLACEMENT, SHARE PLAN**
- * **VICTORIA, VESKI BRING THREE 'OUTSTANDING' SCIENTISTS HOME**
- * **BIONICHE TO DISTRIBUTE ANIMAL PRODUCTS IN AUSTRALIA**
- * **MASS MUTUAL RELATED TO 11% IN NOVOGEN, 15.5% IN TYRIAN**

MARKET REPORT

The Australian stock market slipped 0.08 percent on Friday March 23, 2012, with the S&P ASX 200 down 3.3 points to 4270.4 points.

Eight of the Biotech Daily Top 40 stocks were up, 17 fell, nine traded unchanged and six were untraded. All three Big Caps were up.

Prana was the best, up one cent or 6.7 percent to 16 cents, with 164,991 shares traded.

Nanosonics climbed 5.6 percent; Prima was up 4.2 percent; Avita rose 2.3 percent; CSL, Pharmaxis and Tissue Therapies were up more than one percent; with Cochlear, Impedimed, Resmed and Sirtex up by less than one percent.

Antisense led the falls, down 0.3 cents or 13.0 percent to two cents with 8.3 million shares traded.

Ellex lost 9.5 percent; Benitec and Genera were down five percent or more; Genetic Technologies and Living Cell fell four percent or more; Alchemia, Allied Health and Optiscan lost more than three percent; Bionomics shed 2.2 percent; Anteo, Mesoblast, QRX and Reva were down more than one percent; with Acrux, Biota and Clinuvel down by less than one percent.

BIONOMICS

Bionomics says it has approval for a 122-patient phase I/II US and Australia clinical trial of BNC105 in women with ovarian cancer.

Bionomics chief executive officer Dr Deborah Rathjen told Biotech Daily that her company had an investigational new drug application approved by the US Food and Drug Administration in 2007 and the formal approval for the trial came from the institutional review board.

Dr Rathjen said she expected to enroll up to 122 women in the trial.

In a media release, Bionomics said that preparations for the trial were well advanced and the ovarian cancer trial would evaluate BNC105 in combination with carboplatin and gemcitabine in a multi-centre trial in Australia and the US.

"Bionomics anticipates that the trial will be initiated next quarter," Dr Rathjen said.

"The trial design is based on robust preclinical data which demonstrates synergy between BNC105 and platinum-based therapies in improving survival rates of animals bearing solid tumors," Dr Rathjen said.

The company said that "despite modest improvements in patient outcomes as a result of surgery or platinum-based chemotherapy, the majority of ovarian cancer patients relapse and die of their disease" and there was a clear unmet medical need for more effective systemic therapy.

Bionomics said that ovarian cancer was the seventh leading cause of cancer-related death among Australian women and was often diagnosed at an advanced stage after the cancer had spread beyond the ovary.

The company said that in 2008 in Australia 1,272 ovarian cancer cases were diagnosed and the number of ovarian cancer cases in Australia increased by 47 percent between 1982 and 2006.

Bionomics said that in 2010 there were an estimated 21,880 new cases and 13,850 deaths from ovarian cancer in the US and about \$2.2 billion was spent in the US each year on treating ovarian cancer, with drugs for ovarian cancer having reported sales of more than \$US2 billion in 2011.

The company said that BNC105 was a vascular disruption agent, shutting down existing and new tumor blood vessels with no effect on normal blood vessels.

Bionomics said that preclinical data indicated that all solid tumor types, including breast, prostate and lung cancers, were susceptible to BNC105 and that BNC105 was also a potent inhibitor of the growth of a broad range of cancer cells in culture.

The company said that along with the planned phase I/II ovarian cancer trial, BNC105 was under evaluation, in combination with the mTOR inhibitor everolimus (marketed by Novartis as Afinitor) in a US multi-centre phase II clinical trial in patients with metastatic renal cell carcinoma, a form of kidney cancer.

Bionomics said that more than 21 US-based clinical trial sites had been activated to date and the combination of BNC105 and Afinitor had been shown to be safe and well tolerated, with enrolment in the renal cell carcinoma trial due for completion this year.

The company said that the renal cell carcinoma and ovarian clinical trials were aligned with its phase II partnership strategy for BNC105.

Bionomics said that data from the renal cell carcinoma trial and the ovarian cancer trial might enable consideration by the FDA of fast-track designation for BNC105 "adding substantial value to the BNC105 licencing package".

The company said that the combination therapies used in the trials of BNC105 were used to treat many solid tumor types including breast, prostate, pancreatic, gastric and lung cancers as well as mesothelioma.

Bionomics fell one cent or 2.2 percent to 45 cents with 1.5 million shares traded.

ANTISENSE THERAPEUTICS

Antisense says it has raised \$6.5 million through a \$4.5 million placement at 1.8 cents a share and an underwritten \$2 million share purchase plan.

Antisense said that a US investor had joined the register in the placement led by Patersons Securities in Australia and Roth Capital Partners in the US.

The company said that Patersons had underwritten the share purchase plan which would allow shareholders at the record date of March 22, 2012 to apply for up to \$15,000 in new shares at 1.8 cents each.

Antisense said the placement would be conducted in two tranches, with the second tranche, the share plan and underwriting, subject to shareholder approval.

One Antisense option, exercisable at 1.1 cents by July 31, 2012 would come with each parcel of five placement shares.

Antisense chief executive officer Mark Diamond told Biotech Daily that the funds were for phase II trials of ATL1103 for acromegaly and would provide operating funds into 2014.

Antisense fell 0.3 cents or 13.0 percent to two cents with 8.3 million shares traded.

VICTORIA GOVERNMENT

Dr Seth Masters, Prof Cameron Simmons and Prof Tiffany Walsh have won Victorian Endowment for Science, Knowledge and Innovation fellowships, worth \$450,000 each.

Victoria's Minister for Innovation Louise Asher says the three "outstanding" scientists working overseas have won the fellowships worth \$450,000 over three years.

A Victoria Government media release said the Victorian Endowment for Science, Knowledge and Innovation fellowships were a State Government initiative to return successful Australian expatriates with outstanding skills in the fields of science, innovative technology and design.

The media release said the fellowships comprised a \$150,000 contribution from the Victoria Government, a \$150,000 contribution from the host organization and \$150,000 worth of in-kind support from the host organization.

Ms Asher said the fellowships helped Victoria counter the brain drain.

"We encourage our scientists to gain valuable experience overseas," Ms Asher said.

"When they return home to Victoria they bring new knowledge and insights, expertise and collaborations because of their time overseas," Ms Asher said.

"They boost our capacity to be innovative," Ms Asher said.

The media release said that Dr Masters had returned to continue research at the Walter & Eliza Hall Institute on inflammation and the immune system, specifically the body's natural defence mechanisms against disease.

The Government said that Prof Simmons would return from the Oxford University Clinical Research Unit, Hospital for Tropical Diseases, Ho Chi Minh City, Vietnam to study dengue fever, a serious virus infection carried by mosquitoes in tropical countries, at the Nossal Institute for Global Health at the University of Melbourne.

The media release said that Prof Walsh had returned from Warwick University, UK, to pursue research at Deakin University's Institute for Technology Research and Innovation at Waurin Ponds, Geelong.

The Government media release said that Prof Walsh was an expert in the field of computational materials science, particularly bio-nano materials modeling and would take advantage of the Victorian Life Sciences Computational Initiative.

BIONICHE LIFE SCIENCES

Bioniche says it has a distribution agreement with an unnamed US-based veterinary pharmaceutical company to sell its products in Australia.

Bioniche said the supplier was providing it with exclusive distribution rights for four registered injectable animal health products in Australia.

The company said that the products were the respiratory stimulant Respiram for dogs, cats and horses, used during and after anaesthesia or for neonatal dogs and cats following dystocia or difficult labor or caesarian section; Cepetor, a sedative and analgesic for dogs and cats; Revertor for the reversal of the clinical effects of medetomidine in dogs and cats; and Cepesedan for use as a sedative and analgesic to facilitate minor surgical and diagnostic procedures in horses.

An internet search found that the Miami, Florida-based Modern Veterinary Therapeutics produced all four products.

Bioniche Animal Health president Andrew Grant said the products were “important additions to our product portfolio in Australia, where we are already strong in equine products and are increasing our focus on the companion animal space”.

“We estimate the Australian market for products of this type to be up to \$11 million and, given that these products are already registered, we expect to start to see revenues within a few months,” Mr Grant said.

Bioniche was unchanged at 60 cents.

TYRIAN DIAGNOSTICS

Massachusetts Mutual is a new entity in Oppenheimer Funds group and has become a substantial shareholder in Novogen and Tyrian.

The initial substantial shareholder notice filed by the Sydney office of law firm, DLA Piper, for the Massachusetts-based MM Asset Management said the company was a new entity joining the Oppenheimer International Growth Fund and other related companies, which already held shares in Novogen and Tyrian.

The notice said that MM was a related party to 11,552,712 Novogen shares or (11.31%) and 157,879,432 Tyrian shares (15.46%).

Novogen was untraded at 10.5 cents.

Tyrian was untraded at 0.1 cents.