



Biotech Daily

Friday June 29, 2012

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH UP: PRIMA UP 15%, ELLEX DOWN 12%**
- * **PSIVIDA BEGINS UVEITIS INSERTER STUDY**
- * **ANTISENSE IN ATL1103 LICENCING TALKS**
- * **MERCHANT FUNDS TAKES 19% OF CALZADA**
- * **GM VANESSA WADDELL REPLACES HEALTHLINX MD NICK GATSIOS**
- * **PHOSPHAGENICS LAUNCHES, DEVELOPS TPM HORSE FEED**
- * **NOVOGEN'S MARSHALL EDWARDS CHANGES NAME, NASDAQ CODE**
- * **WESTPAC, ASSOCIATES REDUCE BELOW 5% IN QRX**

MARKET REPORT

The Australian stock market climbed 1.23 percent on Friday June 29, 2012 with the S&P ASX 200 up 49.8 points to 4,094.6 points.

Fifteen of the Biotech Daily Top 40 stocks were up, 10 fell, 12 traded unchanged and three were untraded.

Prima was the best, up 1.5 cents or 15 percent to 11.5 cents with 11.2 million shares traded, followed by Cellmid up 14.3 percent to 1.6 cents with 2.4 million shares traded, Bioniche and Universal Biosensors both up 12.5 percent to 40.5 cents and 63 cents, respectively, and Patrys up 10 percent to 2.2 cents.

Bionomics climbed 7.1 percent; Impedimed was up 6.1 percent; Allied Health and Tissue Therapies were up more than five percent; Compumedics, Mesoblast, Phosphagenics and Viralytics were up more than three percent; Cochlear and Genera rose more than two percent; Circadian and Resmed were up one percent or more.

Ellex led the falls, down 1.5 cents or 11.5 percent to 11.5 cents with 23,198 shares traded.

Living Cell lost 7.4 percent; Genetic Technologies fell four percent; Biota and QRX shed more than two percent; Anteo and Clinuvel were down more than one percent; with Acrux, CSL, Pharmaxis and Starpharma down by less than one percent.

PSIVIDA

Psivida says it has enrolled the first patient in a procedure study ahead of a planned phase III trial of its Medidur injectable sustained release device in posterior uveitis. Psivida's head of investor relations Brian Leedman told Biotech Daily that the study was to try out the procedure with a new delivery inserter in a small number of patients.

"Medidur is expected to be marketed in Europe by our licencing partner Alimera Sciences as Iluvien by early 2013," Mr Leedman said.

Earlier this month, Psivida was issued a US patent entitled 'Ocular Trocar Assembly' for the new inserter (BD: Jun 7, 2012).

Psivida chief executive officer Dr Paul Ashton said at that time that the company had designed the inserter for drug delivery devices, such as the Medidur implant for back of eye diseases, through a far smaller needle than was previously possible.

Today Dr Ashton said the US investigator-sponsored trial would "study the use of injectable micro-inserts to treat posterior uveitis, a frequently blinding disease".

"These same inserts have recently been approved in several EU countries for the treatment of chronic diabetic macular oedema and will be marketed there by our partner Alimera Sciences," Dr Ashton said. "We are now independently developing the same devices for use in posterior uveitis."

Psivida said the insert was a tube about the size of an eyelash containing the steroid fluocinolone acetonide that was released at a consistent rate over a period of about 36 months.

The company said that the micro-insert was placed in the back of the eye during an office visit through the use of a fine gauge needle.

Psivida said that posterior uveitis was an inflammatory disease of one of the layers of the eye and was estimated to be the third largest cause of blindness in the US affecting about 175,000 people of whom about 30,000 were blind.

Psivida was untraded at \$2.20.

ANTISENSE THERAPEUTICS

Antisense says it has a non-binding licencing proposal from a pharmaceutical company conducting due diligence on growth hormone receptor targeting drug ATL1103.

Antisense said it would begin licencing negotiations with the unnamed pharmaceutical company.

The company said the discussions would be dependent on the progress of commercial negotiations and on what the company considered to be in the best interests of shareholders and the ongoing development of ATL1103.

Antisense said that further development of ATL1103 was "on-track".

The company said it expected to finalize the clinical trial protocol and submit its application for the planned European phase II trial of ATL1103 in acromegalic patients by July 31, 2012.

Antisense was unchanged at 1.8 cents with 18.8 million shares traded.

CALZADA

Merchant Funds Management has increased its substantial share-holding in Calzada from 59,713,219 shares (18.08%) to 66,804,095 shares (19.28%).

The Perth, Western Australia-based Merchant Capital said the shares were acquired between June 21 and 28, 2012 at prices ranging from 5.0 to 5.9 cents.

Calzada was unchanged at six cents.

HEALTHLINX

Healthlinx says Vanessa Waddell has been appointed general manager replacing managing director Nick Gatsios, effective from July 1, 2012.

Healthlinx said that Ms Waddell had been a consultant to the company on business development and regulatory strategy and had role more than 15 years of industry experience including seven years at executive management level.

The company said Ms Waddell had expertise in immunology sector, including ovarian cancer therapeutics.

Healthlinx said Ms Waddell was formerly business development and intellectual property manager at Prima Biomed and chief executive officer of Velacor Therapeutics.

The company said that Ms Waddell held a Bachelor of Science degree in Biochemistry from the University of Sydney and a Master in Business Administration from Deakin University for which she was awarded the Brookes Scholar Medal for academic excellence in 2006.

Healthlinx said Mr Gatsios would continue as a director.

Healthlinx was unchanged at 0.3 cents with 5.2 million shares traded.

PHOSPHAGENICS

Phosphagenics says three horse feed products have been launched using its tocopheryl phosphate mixture and it will develop supplements with Equine Nutrition Australia.

Phosphagenics investor relations manager David Segal told Biotech Daily that the products, Broodmare, Weanling Prep and Yearling Mix, were launched this week to improve horse nutrient absorption.

Phosphagenics said the agreement with the horse feed manufacturer Equine Nutrition was to trial and develop a supplement combining "the essential trace mineral selenium" with its TPM technology to provide superior absorption and the second TPM supplement was designed to boost red blood cell count for greater stamina.

Phosphagenics said the trials would be on Victorian farms and involve up to 76 horses.

The company said that early studies indicated that TPM-formulated selenium would boost absorption of the mineral and the planned trials would help quantify the improvement and enable Equine Nutrition to make future claims.

Phosphagenics chief executive officer Dr Esra Ogru said the agreement demonstrated the versatility and efficacy of the company's platform technology.

Dr Ogru said the collaboration was a substantial market opportunity, with the partner company already distributing its range of feeds to more than 3,500 shops in Australia.

Phosphagenics was up half a cent or 3.45 percent to 15 cents.

NOVOGEN

Novogen's 63.5 percent subsidiary Marshall Edwards will change its name to MEI Pharma and its Nasdaq ticker symbol to MEIP when the Nasdaq opens on July 2, 2012.

Marshall Edwards chief executive officer Dr Daniel Gold said that during the past two years "we have successfully relocated our headquarters to the US, acquired a robust intellectual property portfolio, assembled world-class drug development expertise and advanced our two most promising oncology candidates into clinical trials".

"Now, with our drug candidates poised for the next phase of clinical development and our company in a position for growth, it is time for a name that reflects our identity and more effectively conveys our purpose," Dr Gold said.

Novogen was up 0.3 cents or four percent to 7.8 cents.

QRX PHARMA

Westpac Banking Corp and associates say they have ceased their substantial holding in QRX.

Westpac said shares were bought and sold between January 27, 2012 and June 27, 2012 by BT Funds Management, BT Investment Management for HSBC Custody Nominees, the National Australia Bank and UBS Wealth Management.

Westpac and its associates said that on December 28, 2011 they increased their substantial shareholding and were diluted in QRX from 7,584,436 shares (7.44%) to 7,869,990 shares (5.45%) (BD: Jan 22, 2012).

According to the substantial shareholder notice, the largest numbers of shares were sold on June 27, the day QRX announced the US Food and Drug Administration rejection of the Moxduo dual-opioid pain relief drug and its share price fell as much as 70.6 percent (BD: Jun 27, 2012).

The substantial shareholder notice said the shares were sold-off on June 27 by HSBC, UBS and NAB, but not by BT Funds.

QRX fell 1.5 cents or 2.5 percent to 58.5 cents with 1.3 million shares traded.