



Biotech Daily

Thursday September 20, 2012

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH DOWN: PATRYS UP 25%, ELLEX DOWN 14%**
- * **GERMAN OK FOR PATRYS PHASE I/IIa PAT-SM6 MULTIPLE MYELOMA TRIAL**
- * **BIOXYNE PREPARES FOR BOARD SPILL EGM**
- * **IMUGENE TARGETS VITAMIN D DEFICIENCY, ERECTILE DYSFUNCTION**
- * **CHINA, JAPAN PATENTS FOR BROADVECTOR HIP FAILURE REPAIR**
- * **LLOYDS & CASSANOVE TAKES 13.5% OF CYCLOPHARM**
- * **MEDICAL DEVELOPMENTS LOSES DR ANTHONY COULEPIS, USHA CHARAN**

MARKET REPORT

The Australian stock market fell 0.48 percent on Thursday September 20, 2012 with the S&P ASX 200 down 21.2 points to 4,397.2 points.

Eleven of the Biotech Daily Top 40 stocks were up, 13 fell, 11 traded unchanged and five were untraded.

Patrys was the best, up half a cent or 25 percent to 2.5 cents with 911,778 shares traded, followed by Prana up as much as 7.5 cents or 34.9 percent to 29 cents on a US stockbroker analyst's report, closing up five cents or 23.3 percent to 26.5 cents with 4.2 million shares traded.

Optiscan climbed 11.8 percent; Living Cell was up 10.2 percent; Reva was up 5.4 percent; both Avita and Neuren were up four percent; Nanosonics and Viralytics were up more than one percent; CSL, QRX and Mesoblast were up by less than one percent.

Ellex led the falls, down three cents or 13.95 percent to 18.5 cents with 42,607 shares traded, followed by Phylogica down 10.3 percent to 2.6 cents with 725,000 shares traded.

Impedimed lost 10 percent; Prima fell 7.7 percent; Clinuvel was down 5.8 percent; Allied Health fell 4.55 percent; Anteo, Bionomics, Sirtex and Starpharma were down more than one percent; with Acrux, Alchemia, Cochlear and Heartware down by less than one percent.

PATRYS

Patrys says Germany's Paul Ehrlich Institut has approved its phase I/IIa trial of PAT-SM6 for multiple myeloma trial at the University Hospital, Würzburg

The Langen-based Paul-Ehrlich-Institut, near Frankfurt, says it is an agency of the German Federal Ministry of Health.

Patrys said the trial would be a 12-patient, open-label, multi-dose, escalation trial in relapsed and multi-resistant patients and begin by the end of this year.

Patrys said the patients would be enrolled in four dosing groups and receive a minimum of two cycles of treatment.

The company said that if a patient showed a partial response to treatment with PAT-SM6 additional cycles of treatment would be offered.

Patrys said that multiple myeloma was a bone marrow cancer arising from plasma cells, for which new therapies were needed to treat patients who were resistant to established chemotherapeutics.

The company said that there were about 200,000 cases of myeloma worldwide with five year survival of 40 percent of patients.

Patrys said the patients in the German trial had typically failed all currently marketed drugs and had a very poor prognosis.

The company said the trial's primary objective was to evaluate the safety and tolerability of escalating doses of PAT-SM6 and the secondary objective was to measure efficacy as determined by a series of laboratory assays.

Patrys said the trial was supported by Würzburg University Hospital's Prof Hermann Einsele and his colleagues in the Department of Haematology and Oncology, as part of an ongoing collaboration with Patrys.

The company said that Prof Einsele's unit had expertise in phase I/IIa clinical trials in multiple myeloma patients and was a leading centre in Europe.

Patrys chief executive officer Dr Marie Roskrow said the approval "marks a major milestone for Patrys".

Dr Roskrow said that the Paul Ehrlich Institut undertook "a very thorough and detailed review of PAT-SM6 and their approval gives us confidence that our development plan will pass the scrutiny of potential licencing partners".

Dr Roskrow said that a multiple myeloma trial could very quickly determine whether the product was working by assessing routine blood counts and bone marrow samples.

Patrys was up half a cent or 25 percent to 2.5 cents.

BIOXYNE

Bioxyne says shareholders will vote on seven resolutions to appoint and remove directors at extraordinary general meeting in October.

Following the failure of HI-165OV to meet its chronic obstructive pulmonary disease phase IIb trial endpoints, major shareholder Octa Phillips and later Phillip Comans called for the replacement of directors (BD: Jun 28, Aug 27, 31, 2012)

The resolutions call for the removal of chairman Ian Mutton and chief executive officer David Radford along with Octa Phillips' director Dr Jeremy Curnock Cook and directors Dr Douglas Wilson and Glenn Crisp.

The resolutions further call for the appointment as directors of Octa Phillips' Dr Stewart Washer and the Mr Comans-proposed Anthony Ho.

The meeting will be held at the Institute of Chartered Accountants, Burke & Wills Room, Level 9, 33 Erskine Street, Sydney on October 30, 2012 at 12pm (AEST).

Bioxyne was untraded at 2.5 cents.

IMUGENE

Imugene has specific five drug targets from vitamin D deficiency to erectile dysfunction for the Linguet drug delivery technology it acquired from Consegna (BD: Aug 1, 2012).

Imugene said that the initial product development would be for vitamin D deficiency.

The company said that US vitamin D sales had grown from \$141.1 million in 2005 to \$366.3 million in 2009 and the vitamin D deficiency had been linked to pre-diabetes or metabolic syndrome, osteoporosis, cardiovascular health, Alzheimer's disease and the rate of progress of low-risk prostate cancer under active surveillance.

Imugene said the other target indications were Parkinson's disease, pain, erectile dysfunction and status epilepticus.

The company said the Linguet technology could more effectively deliver many drugs that were usually poorly absorbed or tolerated by oral administration and could be more precisely controlled.

Imugene consulting scientist Dr Nicholas Ede said that each new drug formulation was chosen "to provide a solution to a current market opportunity and uses well characterized molecules that have known and proven regulatory routes".

"We are targeting pharmaceutical products that do not need significant clinical investment to gain regulatory approval," Dr Ede said. "This ensures the most cost effective and most rapid path to market."

Imugene executive chairman Fabio Pannuti said the Imugene plan was to bring our products to pharmacy shelves for sale as early as 2014 and the company would be negotiating with distributors in 2013.

"Speed to market is our main focus," Mr Pannuti said.

"The Linguet technology affords the user the speed to remedy almost instantaneously whatsoever situation they wish the active ingredient to treat, without side effects associated with oral medications," Mr Pannuti said.

"Curiously, when our scientists focused on speeding up the results that erectile dysfunction drugs could deliver on, compared to current offerings, it was clear that we would have no shortage of trial participants," Mr Pannuti said.

Imugene was up 0.2 cents or 11.8 percent to 1.9 cents with 1.2 million shares traded.

BROADVECTOR

Broadvector says it has been granted Japanese and Chinese patents protect its prosthetic joint repair therapy.

Broadvector chief executive officer Dr Andrew Bray told Biotech Daily that the patents, entitled 'Enzyme-prodrug therapy for prosthetic joint repair', protected the company's hip replacement repair technology and complemented European and US patents that were granted in 2011 and Indian and Canadian patents that were pending.

Broadvector said that the patent family provided protection in key markets to 2025.

Broadvector said it jointly owned the prosthetic joint repair portfolio with its development partner, Leiden University Medical Center in the Netherlands.

Dr Bray said that securing patent protection in key markets was "crucial to Broadvector's partnering program".

Broadvector said the new patents protected the use of nitro-reductase-based enzyme prodrug therapies in the treatment of aseptic loosening of orthopaedic implants, including hips, knees and other joints.

The company said that aseptic prosthetic loosening was the most common cause of hip implant failure.

Broadvector is a public unlisted company.

CYCLOPHARM

Lloyds & Cassanove Investment Partners has increased its substantial shareholding in Cyclopharm from 23,542,876 shares (10.5%) to 6,045,974 shares (13.5%).

The London-based Lloyds & Cassanove said the share number reduction followed the five-to-one consolidation (BD: Jun 8, 2012).

Lloyds & Cassanove said it acquired shares between Feb 28 and Sep 3, 2012 with the single largest and most recent purchase 940,000 shares for \$188,000 or 20 cents a share. Cyclopharm fell half a cent or 2.4 percent to 20 cents.

MEDICAL DEVELOPMENTS INTERNATIONAL

Medical Developments says that director Dr Anthony Coulepis will resign, with effect from the conclusion of the annual general meeting on October 24, 2012.

Medical Developments chairman David Williams said Dr Coulepis had been a director of the company for seven years.

Medical Developments said that company secretary Usha Charan would leave the company on October 15, 2012 and it would appoint a chief financial officer and company secretary.

Medical Developments fell two cents or 1.7 percent to \$1.13.