



Biotech Daily

Monday October 29, 2012

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH UP: VIRALYTICS UP 11%, ANTISENSE, PSIVIDA DOWN 7%**
- * **AUSBIOTECH OCTOBER CONFERENCE OPENS THIS WEEK**
- * **LYMPHOLOGY ASSOC BACKS IMPEDIMED'S L-DEX LYMPHOEDEMA TEST**
- * **STARPHARMA IMPROVES DOCETAXEL TUMOR DELIVERY IN MICE**
- * **ELLEX, HEALTHLINX FACE 2nd STRIKE AGM SPILL VOTES**
- * **MEDIVAC'S REPUBLICA BACKDOOR LISTING AGM**
- * **EASTLAND NAME CHANGE TO SUDA AGM**
- * **ACTINOGEN HAS LESS THAN ONE QUARTER CASH, FUNDRAISING**
- * **AGENIX 1-FOR-25 CONSOLIDATION TIMETABLE**

MARKET REPORT

The Australian stock market edged up 0.1 percent on Monday October 29, 2012 with the S&P ASX 200 up 4.5 points to 4,476.9 points.

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

Viralytics was the best, up 4.5 cents or 10.7 percent to 46.5 cents with 505,375 shares traded.

Neuren and Starpharma climbed more than nine percent; Prana was up 5.7 percent; Circadian and Prima rose more than four percent; Nanosonics, Patrys, Phosphagenics and Sunshine Heart were up three percent or more; Living Cell and Sirtex rose two percent or more; with Anteo and Reva up more than one percent.

Antisense and Psivida led the falls, both down 6.7 percent to 1.4 cents and \$1.40, respectively, with 18.5 million shares and 100 shares traded, respectively.

Cellmid lost 5.9 percent; Acrux, Bionomics and Resmed fell more than three percent; Biota and Mesoblast shed more than two percent; Pharmaxis was down 1.1 percent; with Alchemia, Cochlear and CSL down by less than one percent.

AUSBIOTECH

Ausbiotech's conference begins in Melbourne on Wednesday October 31, 2012 with keynote speakers including Dr Richard Barker, George Milstein and Dr Alan Robertson. Ausbiotech's professional development courses are underway today and tomorrow, with the Conference formally opened at 1pm on Wednesday, at the Melbourne Convention and Exhibition Centre, by chief executive officer Dr Anna Lavelle and Victoria's Minister for Technology Gordon Rich-Phillips.

The industry organization said its first plenary session on 'Commercialisation of Medical Innovation' would be chaired by the director of the Oxford University Centre for Accelerating Medical Innovations Dr Richard Barker, with the second plenary 'Current Perspectives on Global Life Science Investment' chaired by the New York-based Cowen Investment Bank managing director and co-head of healthcare investment George Milstein.

Ausbiotech said that Pharmaxis chief executive officer Dr Alan Robertson would deliver the Nancy Millis oration on November 1. Prof Millis died last month (BD: Oct 3, 2012). The Australasian Life Sciences and Investment Summit will be held on Friday November 2, from 8am until 5.30pm.

A separate and unrelated, day-long, life sciences conference for professional and sophisticated investors has being organized by Bell Potter Securities at its Collins Street, Melbourne offices on November 1, 2012.

The Ausbiotech Conference program is at <http://ausbiotechnc.org/program>.

IMPEDIMED

Impedimed has welcomed the Australasian Lymphology Association endorsement of the use of bioimpedance spectroscopy for of breast cancer-related lymphoedema

The Australasian Lymphology Association said that it endorsed "the need to monitor for the early detection of lymphoedema following breast cancer treatment".

"The early detection and management of sub-clinical lymphoedema may reduce the long term physical, functional and psychological effects caused by a later diagnosis and delayed management of the condition," the Association said.

"The ALA endorses the use of bio-impedance spectroscopy as a validated and reliable tool to enable early detection of breast cancer related lymphoedema of the arm," the Association said.

Impedimed said the Association's statement, entitled 'Monitoring for the Early Detection of Breast Cancer Related Lymphoedema' represented additional clinical guidelines in support of longitudinal care models for patients at risk of lymphoedema and was developed to provide an Australasian perspective and to promote consistency in the monitoring for early detection of breast cancer related lymphoedema.

The ALA statement is at: <http://www.lymphoedema.org.au>.

Impedimed welcomed the Association's independent recognition of the company's L-Dex U400 device using bio-impedance spectroscopy and its role in aiding in the clinical assessment of unilateral lymphoedema of the arm in female breast cancer patients.

The company said its L-Dex U400 device was developed in a collaboration between the University of Queensland's Dr Leigh Ward and Queensland University of Technology's Dr Bruce Cornish.

Impedimed said the device had regulatory marketing clearance in the US, Europe and Australia and access to a current procedural terminology code in the US, which could be used by medical providers in billing for the procedure.

Impedimed was untraded at 14.5 cents.

STARPHARMA

Starpharma says mouse studies show significant tumor-targeting results with its proprietary dendrimer-docetaxel formulation.

Starpharma said that the animal studies, in a collaboration with Monash Institute of Pharmaceutical Science, showed that its docetaxel formulation resulted in levels of the cancer drug docetaxel in tumor tissue more than 40 times greater than levels seen with the conventional formulation of docetaxel (Taxotere).

The company said that the far greater accumulation of the drug in the tumor tissue compared to the current Taxotere formulation was "evidence of the significant tumor-targeting effect of [its] dendrimer formulation".

Starpharma said that docetaxel was a leading chemotherapy drug used to treat a wide range of tumors including breast, lung and prostate tumors.

The company said that the original formulation was registered as Taxotere, marketed by Sanofi Aventis, with sales of more than \$US1 billion in 2011.

Starpharma said that its dendrimer formulation improved tumor targeting; significantly improved efficacy in a breast cancer model; extended half-life; and was a water-soluble formulation, removing the need for certain toxic excipients or carriers.

The company said that its dendrimer-docetaxel formulation showed a 60-fold increase in the plasma half-life compared to Taxotere and a lengthened half-life enabled sustained exposure of the chemotherapy drug to the tumor tissue, helping to fight the cancer more effectively.

Starpharma chief executive officer Dr Jackie Fairley said the results "showing such significant tumor-targeting with Starpharma's proprietary formulation are really impressive".

"This tumor-targeting finding is relevant not only to Starpharma's docetaxel product, but also more broadly to the potential application of the delivery technology for anticancer agents in general," Dr Fairley said.

"In July we announced that Starpharma's dendrimer-docetaxel formulation demonstrated significantly extended plasma circulation," Dr Fairley said.

"When combined with the recent findings of targeted delivery and greater accumulation in cancer tissue, these features make for a powerful combination and viable explanation for the significantly improved efficacy we reported in February 2012," Dr Fairley said.

Starpharma said that further studies were underway with the dendrimer-docetaxel formulation including investigation of efficacy in various cancer types and together with production scale-up and additional investigations of pharmacological parameters would support preparations for the phase I human clinical study, planned for 2013.

The company said that many cancer drugs were compatible with dendrimer technology and the potential benefits for other anti-cancer drugs included increased half-life, solubility enhancement, reduced toxicity, and enhanced efficacy.

Starpharma said it had formulated dendrimers with several other chemotherapeutic agents including gemcitabine, platinum, paclitaxel and doxorubicin, as well as various proprietary drugs from its partners.

"Dendrimers loaded with chemotherapeutic drugs can also be conjugated to therapeutic antibodies, thus opening up the potential of the very exciting field of antibody-drug conjugates," Dr Fairley said.

Starpharma said that antibody-drug conjugates enabled additional targeting to specific cancer cell populations in organs and metastases with potential improved efficacy and reduced toxicity.

Starpharma was up 14.5 cents or 9.8 percent to \$1.63 with 912,541 shares traded.

ELLEX MEDICAL LASERS, HEALTHLINX

Ellex and Healthlinx say they will face potential annual general meeting spill resolutions, following more than 25 percent opposition to remuneration reports, last year.

Last year, Ellex lost the remuneration report vote with 6,042,041 proxy votes (62.64%) against and 2,195,804 proxy votes (37.36%) in favor, with more than 84.9 million shares on offer (BD: Nov 24, 2011).

Healthlinx voters defeated the remuneration report with 39,003,259 proxy votes (78.3%) against to 10,810,702 proxy votes (21.7%) in favor, along with the issue of 5,600,000 options to then managing director Nick Gatsios by a narrower margin (BD: Nov 2, 2011). Healthlinx had 219,686,094 shares on issue at that time.

Apart from the potential spill resolutions, the companies' shareholders will also vote on the respective remuneration reports and the election of directors.

The Ellex meeting will be held at Level 1, 82 Gilbert Street Adelaide, South Australia on November 29, 2102 at 2pm (ACDT).

The Healthlinx meeting will be held at 576 Swan Street, Richmond, Victoria on Wednesday November 28, 2012 at 2pm (AEDT).

Ellex was unchanged at 20 cents.

Healthlinx was up 0.1 cents or 50 percent to 0.3 cents with 19.5 million shares traded.

MEDIVAC

Medivac shareholders will vote to acquire 100 percent of Republica Capital and change the company's nature and scale of activities (BD: Sep 28, 2012).

Medivac had been attempting to commercialize its Metamizer hospital waste crushing system and Sunnywipes cleaners.

Republica's website said it made "strategic investments in businesses with the aim of restructuring, recapitalizing and/or amalgamating to add value for all parties".

Republica executive Tim Alford told Biotech Daily that the company would focus on commercializing the Metamizer technology.

Medivac shareholder will also vote on the remuneration report; the re-election of Rodger Johnston and the election of Kieran Honour as directors; the ratification of the prior issue of shares; approval for First State Pty Ltd, Suzanne Neil, Somerset House Holdings and Timothy Alford to increase their interests in the company; and the issue of up to \$2,000,000 in shares.

The meeting will be held in the Sydney Room, City Tattersalls Club, 194 Pitt Street, Sydney on November 27, 2012 at 11am (AEDT).

Medivac fell 0.1 cents or 14.3 percent to 0.6 cents with 1.95 million shares traded.

EASTLAND MEDICAL SYSTEMS

Eastland shareholders will vote to change the company's name to Suda Limited.

Eastland has been developing the Artimist sub-lingual drug for paediatric malaria in Africa.

The company said that shareholders would vote on the issue of 150,000 convertible notes and 6,000,000 options to related party Kamala Holdings whose non executive director os Michael Stewart; the ratification of the allotment of 610,000 convertible notes and 24,400,000 options; the re-election of Peter Jooste as a director; and the remuneration report.

The meeting will be held at the Boulevard Centre, 99 The Boulevard, Floreat, Perth, Western Australia on November 30, 2012 at 9am (AWST).

Eastland was up 0.1 cents or 3.1 percent to 3.3 cents.

ACTINOGEN

Actinogen says its net operating cash burn for the three months to September 30, 2012 was \$199,000, with cash at the end of the quarter of \$24,000.

Actinogen company secretary Shoshanna Zohar told Biotech Daily that the company was undertaking further fundraising activities.

In July, Actinogen was expecting a further \$900,000 from rights issue shortfall applications, but they did not materialize (BD: May 16, Jul 27, 2012).

Actinogen was untraded at 2.5 cents.

AGENIX

Agenix says its one-for-25 share consolidation will reduce the number of shares on issue from 869 million shares to 35 million shares.

Agenix said that on November 2, 2012, its shares would trade on a post-consolidation deferred settlement basis under the ASX code AGXDA until November 16, 2012, when the code would return to AGX.

Agenix fell 0.1 cents or 25 percent to 0.3 cents.