



# Biotech Daily

Monday November 19, 2012

*Daily news on ASX-listed biotechnology companies*

- \* **ASX, BIOTECH UP: CELLMID UP 13%, PSIVIDA DOWN 15%**
- \* **CYCLOPHARM ENROLS 1<sup>st</sup> TECHNEGAS PHASE III TRIAL PATIENT**
- \* **BPH: CORTICAL'S 2<sup>nd</sup> CHINESE BRAIN MONITOR PATENT**
- \* **TEVA: 'WORKING WITH MESOBLAST ON PHASE III CARDIAC TRIAL'**
- \* **VIRALYTICS REQUESTS CAPITAL RAISING TRADING HALT**
- \* **CORRECTION: NOVOGEN**
- \* **BIOPROSPECT LOSES PETER MAY, CHARLES PELLEGRINO**

## MARKET REPORT

The Australian stock market was up 0.57 percent on Monday November 19, 2012 with the S&P ASX 200 up 24.6 points to 4,361.4 points.

Thirteen of the Biotech Daily Top 40 stocks were up, 12 fell, seven traded unchanged and eight were untraded. All three Big Caps were up.

Cellmid was the best, up 0.2 cents or 13.3 percent to 1.7 cents with 1.8 million shares traded.

Avita climbed 9.1 percent; Clinuvel and QRX were up more than five percent; Allied Health was up 4.55 percent; Bionomics was up 3.2 percent; Mesoblast rose 2.3 percent; Resmed, Tissue Therapies and Universal Biosensors were up more than one percent; with Cochlear, CSL, GI Dynamics, Heartware, Sirtex and Starpharma up by less than one percent.

Psivida led the falls, down 23 cents or 14.8 percent to \$1.32 with 4,581 shares traded.

Genetic Technologies, Impedimed and Phylogica fell more than four percent; Pharmaxis, Phosphagenics and Sunshine Heart were down more than three percent; Neuren shed 2.9 percent; Anteo and Living Cell were down more than one percent; with Acrux and Alchemia down by less than one percent.

### CYCLOPHARM

Cyclopharm says it has begun its US Food and Drug Administration-approved, 750-patient, phase III clinical trial of its Technegas nuclear medicine imaging system. Cyclopharm said the first patient was enrolled and imaged at the Presbyterian Columbia University Medical Center in New York City, New York and the multi-centre study was expected to take about 18 months to complete (BD: Dec 13, 2011). Cyclopharm was untraded at 17 cents.

### BPH ENERGY, CORTICAL DYNAMICS

BPH says 3.6 percent subsidiary Cortical Dynamics has been granted a second patent relating to its Brain Anaesthesia Response monitor by the People's Republic of China. BPH said the patent was entitled 'EEG Analysis System' and was valid until June 2027. The company said that Cortical had patents awarded in Australia, New Zealand, the US, Japan and China.

BPH said that Cortical had an extensive patent portfolio encapsulating the BAR monitoring unit, providing patent protection across a number of key brain monitoring markets.

BPH and Cortical chairman David Breeze said the Chinese market was "a growing opportunity for Cortical and the grant of this second Chinese patent significantly strengthens both Cortical's [intellectual property] and its commercial strategy".

The company said that Cortical had completed patient recruitment in its first human clinical trial conducted at Melbourne's St Vincent's Hospital.

BPH said the BAR monitor measured brain electrical activity through an electroencephalogram to indicate how deeply anaesthetized a patient was during an operation.

BPH was untraded at two cents.

### MESOBLAST

Teva has said it is "working closely" with Mesoblast on the trial design of the phase III congestive heart failure trial.

In an announcement to the ASX, Mesoblast quoted Teva chief medical officer Dr Jonathan Isaacsohn saying: "We are working closely with Mesoblast on the congestive heart failure trial and are in detailed discussions on a phase III design which will involve an early interim analysis to evaluate evidence of efficacy."

Mesoblast said it published the Teva statement due to "certain statements in the market in regard to its relationship with Teva Pharmaceutical Industries".

Last week, Mesoblast answered an ASX share 21 percent price fall query saying that it and Teva were committed to jointly developing innovative products for major cardiovascular and neurologic markets (BD: Nov 15, 2012).

Today the company said that the lead product in the alliance was for congestive heart failure.

Mesoblast climbed 12 cents or 2.3 percent to \$5.26 with 386,629 shares traded.

### VIRALYTICS

Viralytics has requested a trading halt "pending an announcement regarding a proposed capital raising".

Trading will resume on November 21, 2012 or on an earlier announcement.

Viralytics last traded at 36 cents.

## NOVOGEN

Biotech Daily incorrectly reported on Friday that Novogen had returned to shareholders, six shares of US common stock in MEI Pharma for every 35 Novogen shares held on the record date of November 20, 2012.

In fact the distribution date is November 27, 2012.

The Friday sub-editor was confused by the start of trading of Novogen shares on an 'ex-return of capital basis' date of November 14, 2012.

Given that numbers are not the Friday finance sub-editor's forte, he has decided to take up a less demanding post at an unnamed publication in an undisclosed country.

Novogen fell two cents or 16.7 percent to 10 cents.

## BIOPROSPECT

Bioprospect says that Peter May has resigned as chief executive officer effective immediately and has been appointed as a non-executive director.

The company said that director Charles Pellegrino had also resigned from today.

Bioprospect said that Mr May would continue to provide executive services associated with the company's biotechnology assets and projects.

The company said that director Benjamin Cooper would be responsible for the other executive duties including the ongoing project to source and review appropriate opportunities.

Bioprospect has been involved in biotechnology, initially developing an anti-termite treatment and then collaborating with Solagran for conifer needle extract for horse supplements, but has more recently concentrated on its oil and gas assets.

Mr May was appointed chief executive officer following the appointments of then Solagran executive Charles Pellegrino as managing director, as well as Leo 'The Gun' Khouri and Solagran employee Kamran Shamsi as directors (BD: Aug 28, Sep 24, Nov 10, 27, 2009). Previous chairman Stephen Morrow and non-executive director Peter Landau resigned in 2008, saying they were very pleased with the company's progress in developing the natural termicide, Termilone and early stage development of Solagran's Bioeffectives for use in animal health (BD: Nov 25, 2008).

Had Mr Morrow remained on the board, he would have faced a resolution proposed by 6.64 percent shareholder Solagran, that he be removed at the following day's annual general meeting (BD: October 24, 2008).

With the departure of Mr Morrow and Mr Landau, the company was run by Solagran directors Charles Pellegrino and Peter Stedwell and Snr Sgt Anthony Langdon, who was under investigation by the Victoria Police, but Police later told Biotech Daily that Snr Sgt Langdon was not under investigation.

Today, Bioprospect said that the changes in management would ensure continuity of management of Bioprospect's biotechnology projects, including the Agripro and GI-Guard range of natural plant extracts for the animal health and nutrition markets, the Regen personal care products and Qcide natural insecticide.

Bioprospect was unchanged at 0.1 cents.