



# Biotech Daily

Friday November 2, 2012

*Daily news on ASX-listed biotechnology companies*

- \* **ASX FLAT, BIOTECH UP: ELLEX UP 8%, ALLIED HEALTH DOWN 8%**
- \* **UNIVERSITY OF QUEENSLAND TO PRODUCE CHEAP VACCINES QUICKLY**
- \* **AUSBIOTECH CLOSES WITH INVESTMENT SUMMIT**
- \* **PATERSONS CUTS BIODIEM \$2.55m RIGHTS ISSUE UNDERWRITING**
- \* **HEALTHLINX FINAL OVPLEX DATA 'VALIDATES TEST'**
- \* **M&G GROUP TAKES 12% OF GI DYNAMICS**
- \* **EUCO TAKES 5% OF NUSEP**
- \* **AVEXA REQUESTS INVESTMENT TRADING HALT**
- \* **OBJ PLEADS SCHULTZ TO ASX 33% QUERY**
- \* **ANTISENSE DIRECTOR PROF GEORGE WERTHER RETIRES**

## MARKET REPORT

The Australian stock market edged up 0.06 percent on Friday November 2, 2012 with the S&P ASX 200 up 2.5 points to 4,457.6 points.

Twenty-one of the Biotech Daily Top 40 stocks were up, six fell, nine traded unchanged and four were untraded.

Ellex was the best, up 1.5 cents or 7.9 percent to 20.5 cents with 70,000 shares traded, followed by Antisense up 7.1 percent to 1.5 cents with 1.5 million shares traded.

Compumedics, Psivida and Tissue Therapies climbed five percent or more; Avita, Living Cell, Phylogica and Viralytics were up four percent or more; Anteo, Genera, Phosphagenics, Prana, Starpharma and Universal Biosensors were up more than three percent; Mesoblast, Patrys and Resmed rose more than two percent; Pharmaxis and Sirtex were up more than one percent; with Acrux, Alchemia and Cochlear up by less than one percent.

Allied Health led the falls, down 0.2 cents or eight percent to 2.3 cents with 188,512 shares traded. Benitec and Reva lost six percent or more; Genetic Technologies fell 4.35 percent; Heartware was down 1.3 percent; with CSL and Nanosonics down by less than one percent.

## UNIVERSITY OF QUEENSLAND

The University of Queensland says it is developing vaccines that can be changed and manufactured for the entire Australian population within days of a new virus appearing. The University said that its Australian Institute for Bioengineering and Nanotechnology's Prof Anton Middelberg was using molecular and bio-processing tools to design rapidly produced and inexpensive vaccines to immunize people and prevent large-scale spread of infectious disease.

Prof Middelberg said the Institute built virus-like particles that resembled viruses but were not infectious.

"However, being a safe mimic of the dangerous virus, they raise an excellent immune response," Prof Middelberg said.

He said that the virus-like particles could be manipulated within reactors to change composition and target the new disease-causing agent.

The University said that influenza vaccines were made using egg-based technologies developed in the 1930s and if surprised by a sudden change, as with the H1N1 'swine flu' in 2009, people died while waiting for the vaccine composition to catch up.

"This issue of speed is also critical for other new and emerging viruses that may invade from overseas, or even locally," Prof Middelberg said. "Such radical re-engineering of the system we use to make and deliver new vaccines will have a huge impact on how we can prevent disease, particularly in developing countries."

## AUSBIOTECH

Ausbiotech's annual conference concluded today with its well-attended Australasian Life Sciences and Investment Summit.

Ausbiotech said that there were a 1,280 participants in the whole conference including its Foodtech symposium, Bio-Pro courses, the Investment Summit and the main sessions.

The Industry organization said that there were 280 delegates at the Investment Summit with about 200 investors, 50 company representatives and 30 sponsors.

Ausbiotech said that 60 of the 200 investors were from outside Australia.

## BIODIEM

Biodiem says Patersons Securities has reduced by 77 percent its underwriting of its \$2.55 million one-for-two renounceable rights issue at five cents a share. (BD: Sep 28, 2012).

Biodiem issued a replacement prospectus today saying that instead of the original \$2 million underwriting, Patersons would underwrite the offer to \$463,856.

In September, the company said its three largest shareholders, Brezzo Enterprises, David Li and Hugh Morgan had indicated they would take up their rights in full.

Today, Biodiem said Mr Li, Brezzo Nominees and First Charnock were no longer sub-underwriting the rights issue;

The company said the offer would close on November 27, 2012.

Biodiem said the shares would come with one attaching option for every two new shares, exercisable at eight cents by December 31, 2014.

Biodiem said that at the date of the replacement prospectus no application monies and no acceptances of entitlements or applications for shortfall shares and options had been received by the company or the share registry.

The company said that any application monies, acceptances or applications received before the prospectus was dispatched would be returned in full without interest.

Biodiem was untraded at 4.8 cents.

## HEALTHLINX

Healthlinx says it achieved the primary objective of its second clinical study to validate the diagnostic performance of Ovplex for ovarian cancer in the target patient population.

Healthlinx said that the statistical validation was achieved using the industry standard statistical test for multi-marker diagnostics; the McNemar's test, and demonstrated that Ovplex was superior to CA125 testing in symptomatic women.

The Ovplex test contains five biomarkers including CA125.

In September Healthlinx shareholders vote in favor of selling its major assets including the Ovplex intellectual property to the US-based Mane Cancer Diagnostics primarily in exchange for shares in Mane (BD: Aug 28, Sep 27, 2012).

Today, Healthlinx said that the study recruited 1007 participants of which 256 were normal controls and the remaining 751 patients were women presenting to their doctor with symptoms that were considered possibly related to ovarian cancer and later diagnosed as having benign conditions, borderline disease or malignant ovarian cancer.

The company said that full clinical evaluation of the patients was undertaken and all 1007 participants received an Ovplex test and a CA125 test as a part of their disease diagnosis. Healthlinx said that CA125 was used as a minimally invasive blood based diagnostic tool to provide an indication of the likelihood of ovarian cancer in symptomatic women, but CA125 levels could be elevated by a variety of other gynecological conditions and had a high false positive rate.

The company said that independent analysis by Emphron Informatics found that Ovplex was statistically significantly better ( $p = 0.027$ ) than CA125 in overall diagnostic performance in 1007 patients.

Healthlinx said Ovplex correctly diagnosed 862 of the trial participants compared to CA125 that correctly diagnosed 839 and Ovplex was found to have statistically significantly better specificity than CA125 alone ( $p = 0.006$ ), thus, indicating Ovplex was more accurate at identifying patients without ovarian cancer.

The company said that of the 630 patients found to not have ovarian cancer, including controls and benign patients, Ovplex incorrectly diagnosed 53 of these as compared to 68 incorrectly diagnosed with CA125.

Healthlinx said that information could assist clinicians to make more informed decisions regarding the management of women found to have benign conditions.

The company said the results confirmed announced last year (BD: Dec 16, 2011).

Healthlinx chairman Dr Greg Rice said the findings on the full data set "provide Healthlinx with the final confirmation that Ovplex has the potential to offer significant benefits when utilised as a tool to assist in diagnosing women with symptoms indicative of ovarian cancer".

"Healthlinx ... has entered into heads of agreement to sell the Ovplex assets to Mane Cancer Diagnostics, who now with this compelling final study data will be in a position to design and seek [US] Food and Drug Administration approval to conduct trials in the USA to secure product registration in the USA," Dr Rice said.

The company said the study was Healthlinx's second multi-centre, multi-national study recruiting patients in Australia, the UK and Singapore.

Healthlinx said that all five biomarkers were found to be statistically significantly elevated in all malignant and borderline patients when compared to benign and control patients, thus demonstrating the importance of the additional markers in the panel.

The company said it was the combined effect of five markers that offers the advantage in terms of diagnostic efficiency over CA125 alone.

Healthlinx was up 0.1 cents or 50 percent to 0.3 cents with 4.6 million shares traded.

### GI DYNAMICS

M&G Investment Funds says it has increased its substantial holding in GI Dynamics from 30,884,805 Chess depositary interests (10.98%) to 34,450,520 CDIs (12.01%).

The London-based M&G group said it acquired the shares between March 28 and October 30, 2012.

GI was unchanged at 59 cents.

### NUSEP

The Singapore-based Euco Investments has become a substantial shareholder with 6,000,000 shares or 5.1 percent of the company.

Euco said it acquired the shares for \$420,000 or seven cents a share.

Nusep was untraded at 8.7 cents.

### AVEXA

Avexa has requested a trading halt pending the "pending an announcement to the market in connection with a possible significant investment".

Trading will resume on November 6, 2012 or on an earlier announcement.

Avexa last traded at 3.2 cents.

### OBJ

OBJ has told the ASX that it is not aware of any information it has not announced which, if known, could explain recent trading in its securities.

The ASX said the company's share price rose from 1.2 cents at the opening on to 1.6 cents a 33.3 percent increase on November 1, 2012 and noted an increase in trading volume.

OBJ fell 0.1 cents or 6.7 percent to 1.4 cents with 20.1 million shares traded.

### ANTISENSE THERAPEUTICS

Antisense says that director Prof George Werther will retire at the conclusion of today's annual general meeting.

Antisense said that Prof Werther would continue his association with the company as the chairman of the company's scientific advisory group advising on the clinical development of ATL1103.

Antisense was up 0.1 cents or 7.1 percent to 1.5 cents with 1.5 million shares traded.