



Biotech Daily

Friday November 23, 2012

Daily news on ASX-listed biotechnology companies

- * **ASX FLAT, BIOTECH DOWN: PRANA UP 7%, ANTISENSE DOWN 15%**
- * **ELLEX 2RT LASER TRIAL FOR AGE-RELATED MACULAR DEGENERATION**
- * **ANTISENSE, PHARMA TALKS ON ATL1103 SUSPENDED FOR TRIAL**
- * **US SEPSIS BIOMARKER PATENT FOR IMMUNEXPRESS**
- * **M&G GROUP BUYS 3m MORE STARPHARMA SHARES, AND AGAIN**
- * **VIRALYTICS \$2m SHARE PLAN**
- * **NEW SOUTH WALES CANCER SYMPOSIUM**
- * **EASTLAND CHAIRMAN PETER JOOSTE RETIRES**

MARKET REPORT

The Australian stock market was effectively unchanged on Friday November 23, 2012 with the S&P ASX 200 down 0.1 points to 4,413.0 points, on lower than usual volumes, following the US Thanksgiving Day holiday.

Six of the Biotech Daily Top 40 stocks were up, 14 fell, 13 traded unchanged and seven were untraded. All three Big Caps fell.

Prana was the best, up 1.5 cents or 7.1 percent to 22.5 cents with 228,648 shares traded.

Patrys and QRX climbed more than five percent; Phosphagenics was up 3.7 percent; Starpharma rose 2.55 percent; with Nanosonics up one percent.

Antisense led the falls, down 0.2 cents or 15.4 percent to 1.1 cents with 34.6 million shares traded, followed by Viralytics down 11.1 percent to 32 cents with 341,980 shares traded.

Compumedics lost 9.1 percent; Allied Health and Bionomics were down more than eight percent; Avita fell 7.4 percent; Cellmid was down 6.25 percent; Neuren was down 5.1 percent; Impedimed fell 4.55 percent; Genetic Technologies shed 2.2 percent; Acrux, Anteo, Clinuvel and Tissue Therapies were down more than one percent; with Cochlear, CSL and Resmed down by less than one percent.

ELLEX MEDICAL LASERS

Ellex says patient recruitment has begun in a clinical trial to validate the efficacy of its retinal rejuvenation therapy (2RT) for early age-related macular degeneration.

Ellex said the multi-centre clinical trial was being conducted by the Centre for Eye Research Australia at the Royal Victoria Eye and Ear Hospital, led by the Centre's head of macular research Prof Robyn Guymer.

The company said that age-related macular degeneration (AMD) was a progressive disease affecting the central region of the retina called the macula and was the leading cause of blindness in the developed world, affecting one in seven Australians over the age of 50 years.

Prof Guymer said that the Centre was "looking for people who have gone along for routine eye checks, or those who have had an eye check because of a family history of AMD and been told by their ophthalmologist or optometrist that they have the start of AMD".

Prof Guymer said the treatment was not suitable for people who had already developed the advanced form of age-related macular degeneration, either the dry or the wet types, which would have already threatened vision.

Ellex said the trial followed successful pilot clinical studies, which demonstrated the ability of Ellex 2RT to halt and reverse the degenerative processes caused by the disease.

The company said that the multi-centre trial was a significant milestone for the Ellex 2RT and followed the July announcement that it had Conformité Européenne (CE) mark approval for the 2RT for the treatment of diabetic macular oedema (BD: Jul 18, 2012).

Ellex said that the clinical operation of the Centre for Eye Research site of the trial was supported by funding from the National Health and Research Centre and in partnership with the BUPA Foundation, with the company providing equipment and technical support. Ellex was unchanged at 21 cents.

ANTISENSE THERAPEUTICS

Antisense says that licencing discussions with an unnamed pharmaceutical company for ATL1103 will not proceed before a phase II trial of drug for acromegaly.

Antisense managing director Mark Diamond told Biotech Daily that: "Talks are off for now but may be picked up again after the trial".

In June Antisense said it had a non-binding proposal from the company to conduct due diligence on growth hormone receptor targeting drug ATL1103. (BD: Jun 29, 2012).

Antisense said at that time that 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.

Today, Antisense said that "further discussions with the international pharmaceutical company on licensing of the ATL1103 will not proceed ahead of the phase II clinical trial".

The company said that the phase II trial of ATL1103 in acromegaly patients was "on track" with applications for approval to conduct the trial filed in the UK, France and Spain.

Antisense said that the relevant ethics committee and regulatory approvals had been received in the UK, the main location for recruiting patients into the trial and one final step for UK trial approval was expected by early December, which would allow patient recruitment to begin before the end of the year, as per previous guidance.

The company said that assuming that the recruitment of patients proceeded as forecast, it expected results of ATL1103's effects on serum insulin-like growth factor I (IGF-I) levels to be available by the end of 2013, with the statistical analysis of the trial safety database and drafting of the final report to be completed by April 2014.

Antisense fell 0.2 cents or 15.4 percent to 1.1 cents with 34.6 million shares traded.

IMMUNEXPRESS (FORMERLY ATHLOMICS)

Immunexpress says it has been granted a US patent for one of its core biomarkers. Immunexpress said the patent entitled “microarray-mediated diagnosis of herpes virus infection by monitoring host’s differential gene expression upon treatment” covered host response molecules and assays for the diagnosis of herpes virus infection, as well as the detection of specific immune responses to an infection or the re-activation of the herpes virus, which could occur in sepsis patients and contribute to increases in sepsis severity. The company said that published literature supported the concept that reactivation of latent viruses such as cytomegalovirus and other herpes viruses in critically ill patients could increase severity of sepsis, lengthen the stay of patients in intensive care units and hospitals, as well as increase patient mortality rates.

Immunexpress said it was exploring novel biomarker panels of the patient’s immune response to identify the reactivation of viruses, such as herpes, in the absence of clinical signs.

The company said that the early detection could enable better treatment and management decisions for sepsis patients and immuno-compromised patients at risk of sepsis.

Immunexpress chief executive officer Dr Roslyn Brandon said that the securing the US patent was “a critical step in realizing Immunexpress’s commitment to improving sepsis patient outcomes worldwide through readily available clinical diagnostics that physicians can easily use”.

“It is our expectation that the results of our unique research and approach will one day save lives, improve patient outcomes, and contribute to the better use of antimicrobials for what is, today, one of the world’s most devastating health issues,” Dr Brandon said.

In July 2010, and then known as Athlomics, the company launched Septicyte with Brisbane’s Mater Pathology as “the world’s first immune system gene expression test for the diagnosis of severe infections” or sepsis and in the same month Commercialisation Australia awarded Athlomics \$250,000 for Septicyte which was described as “a molecular biomarker-based sepsis diagnostic test ... faster [less than three hours] and more accurate (85 to 95% performance) than all competitors” (BD: Jul 14, 20, 2010).

Athlomics said at that time that sepsis was the leading cause of death in non-coronary intensive care unit patients and caused more than 25,000 deaths a year in Australia and globally there were 18 million diagnosed cases of sepsis each year.

Immunexpress is a private company.

STARPHARMA

M&G Investment Funds has increased its substantial shareholding in Starpharma from 25,310,817 shares (9.01%) to 28,534,809 shares (10.06%).

The London-based M&G companies first acquired 18,604,651 shares (6.70%) shares in November 2011 month for \$19,999,999 or \$1.075 a share (BD: Nov 24, Dec 13, 2011). Today the M&G Group said it bought 3,223,992 shares between July 2, and November 21, with the most recent trade also the largest parcel of 312,413 shares for \$485,238 or \$1.55 a share

In July, the M&G Group said it bought 2,816,419 shares between March 21, 2012 and June 29, 2012, with the largest parcel 429,506 shares for \$693,162 or \$1.614 a share (BD: Jul 3, 2012).

In March, the M&G Group said it bought and sold shares between December 12, 2011 and March 20, 2012, increasing its holding by 3,004,321 shares, with the largest parcel 471,384 shares for \$654,054 or an average price of \$1.3875 a share (BD: Mar 22, 2012). Starpharma was up four cents or 2.55 percent to \$1.61.

VIRALYTICS

Viralytics says it hopes to raise up to \$2 million through an underwritten share purchase plan offering shares at 30 cents each.

Viralytics said the share plan price was a 16.5 percent discount to the five-day volume weighted average market price to and including the last trading day prior to the announcement of the plan, November 16, 2012.

The company said that Patersons Securities was the lead manager to the offer and had underwritten the plan for "up to \$2 million or such lesser amount permitted under ASX Listing Rules".

Viralytics said that shareholders at the record date of November 21, 2012 could apply for parcels of shares from \$600 to \$15,000.

The plan opens on December 3 and closes December 14, 2012.

The company said the funds were for its intravenous cancer trial, for continuation of clinical research and development of Cavatak and general working capital purposes.

Viralytics fell four cents or 11.1 percent to 32 cents.

NEW SOUTH WALES GOVERNMENT

New South Wales Health Minister Jillian Skinner has opened the inaugural "Crown Princess Mary Cancer Centre Symposium" at Sydney's Westmead Hospital.

In a media release Ms Skinner said the symposium showcased "the internationally-recognized research and clinical practice being conducted in western Sydney" and promotes collaborations between the Crown Princess Mary Cancer Centre and Australian and Danish clinicians and researchers.

The media release said that keynote speakers included the director of Cancer Prevention and Documentation at the Danish Cancer Society Dr Hans Henrik Storm and Aarhus University Hospital, Denmark's Prof Cai Grau, along with Sydney West Cancer Networks Dr Eric Lee, Prof David Gottlieb and Prof Rick Kefford.

EASTLAND MEDICAL SYSTEMS

Eastland says that chairman Peter Jooste will not be seeking re-election to the board when he retires by rotation at the November 30, 2012 annual general meeting.

Eastland said it was with regret that the board accepted that Mr Jooste's term of office would expire effective from the close of the meeting.

The company said that Mr Jooste was appointed a director in July 2006 and was appointed chairman in December of that year and thanked him for "his commitment and for the effort that he has contributed to the company over the past six years".

Eastland was up 0.1 cents or 3.45 percent to three cents.