



Biotech Daily

Wednesday March 20, 2013

Daily news on ASX-listed biotechnology companies

- * **ASX DOWN, BIOTECH UP: IMPEDIMED UP 10%, CELLMID DOWN 10%**
- * **PATRY'S: 'PAT-SM6 ENHANCES CHEMO-COMBINATIONS IN-VITRO'**
- * **ALLAN GRAY RESUMES BUYING IN ACRUX TO 5%**
- * **\$5m EURO GRANT FOR PRIMA CVAC DEVELOPMENT**
- * **CONSEGNA REDUCES CONSOLIDATION FROM 25 TO 5-TO-ONE**
- * **NZBIO VOTES LIVING CELL 'COMPANY OF THE YEAR'**

MARKET REPORT

The Australian stock market fell 0.40 percent on Wednesday March 20, 2013 with the S&P ASX 200 down 20.1 points to 4,967.3 points.

Fifteen of the Biotech Daily Top 40 stocks were up, 12 fell, nine traded unchanged and four were untraded.

Impedimed was the best, up 0.8 cents or 10 percent to 8.8 cents, with 134,892 shares traded.

Living Cell climbed 8.5 percent; Uscom was up 5.3 percent; Prima and Starpharma were up more than four percent; Neuren and Viralytics were up more than three percent; Patrys and QRX rose more than two percent; Bionomics, Circadian, GI Dynamics and Psivida were up more than one percent; with Acrux, Resmed and Sirtex up less than one percent.

Cellmid led the falls, down 0.4 cents or 9.5 percent to 3.8 cents with 15.9 million shares traded.

Benitec and Phylogica lost more than eight percent; Clinuvel and Tissue Therapies fell more than five percent; Phosphagenics was down 3.85 percent; Mesoblast and Reva shed more than two percent; Anteo, Cochlear, Genetic Technologies, Pharmaxis and Universal Biosensors were down more than one percent; with CSL and Pharmaxis down by less than one percent.

PATRYs

Patrys says that further preclinical data “strongly supports” the clinical development of PAT-SM6 in multiple myeloma.

Patrys said that the majority of cancer patients treated with chemotherapy usually received various combinations of drugs with different mechanisms-of-action, ideally working synergistically to enhance each others anti-tumor effects.

The company said that using a variety of well-established multiple myeloma cell lines, PAT-SM6 was tested either alone as a monotherapy or in double or triple combinations with leading multiple myeloma therapies, Revlimid (lenalidomide), Velcade (bortezomib) or dexamethasone.

Patrys said that all the double combinations tested showed a significant synergistic effect on the growth of the multiple myeloma cells, as compared to PAT-SM6 alone, with the combination of PAT-SM6 and Revlimid the most effective.

The company said that all the triple drug combinations tested were highly synergistic, with PAT-SM6 with both Revlimid and dexamethasone the most effective at inhibiting the growth of the multiple myeloma cells.

Patrys said the data showed for the first time that PAT-SM6 worked in combination with already marketed multiple myeloma drugs and that such double or triple combinations worked significantly better than when the drugs were used as monotherapies.

The company said that PAT-SM6 as a monotherapy was also shown to be highly effective in a mouse model of multiple myeloma.

Patrys said that both tumor burden in the bone-marrow and serum paraprotein levels (M protein) were able to be measured and mice with established multiple myeloma were treated with six to eight doses (0.1-30mg/kg) of PAT-SM6 over a four week period.

The company said that compared to the controls, mice treated with >10mg/kg of PAT-SM6 showed a statistically significant reduction in both tumor load of up to 54 percent and serum paraprotein levels, with up to a 48 percent reduction).

Patrys said that there was no toxicity observed in the PAT-SM6 treated mice.

Patrys chief executive officer Dr Marie Roskrow said the preclinical data added to the existing database that continued to support the PAT-SM6 clinical program.

“Showing that our antibody works in synergy with marketed multiple myeloma drugs is important and such information will help us in the design of future clinical trials in which PAT-SM6 will be tested with other multiple myeloma drugs,” Dr Roskrow said.

“There is no doubt that prospective partners for this program will be looking for such data,” Dr Roskrow said.

“Additionally being able to show that PAT-SM6 works effectively in an animal model with an aggressive type of multiple myeloma is also exciting,” Dr Roskrow said.

Patrys said that PAT-SM6 was in a phase I/IIa clinical trial in patients with refractory or relapsed multiple myeloma at the University Hospital of Wurzburg, Germany.

Patrys was up 0.1 cents or 2.9 percent to 3.6 cents.

ACRUX

Allan Gray Australia (formerly Orbis Investment Management) has returned to its substantial holding in Acrux increasing to 8,566,799 shares or 5.14 percent.

Allan Gray said that it acquired 579,345 shares for \$2,317,380 or \$4.00 a share.

In February Allan Gray reduced its holding in Acrux below the five percent substantial level selling shares at prices around \$3.86, having acquired shares in December 2012 at about \$2.70 each (BD: Dec 19, 2012; Feb 14, 2013).

Acrux was up three cents or 0.8 percent to \$3.95 with 1.3 million shares traded.

PRIMA BIOMED

Prima says the Sächsische Aufbaubank (Saxony Development Bank) in Dresden, Germany has approved a EUR3.8 million (\$A4.7 million) grant for CVac development. Prima said the grant was funded by the European Union and the German Federal State of Saxony and would be used for phase II trials of CVac in three new cancer indications. The company said that the grant also co-funded several manufacturing optimization programs to support efforts to improve the efficiency of production and prepare for commercial scale-up of CVac, as well as the expansion of immune monitoring assays. Prima said that with the Fraunhofer Institute of Cell Therapy and Immunology it submitted a joint proposal and each would be reimbursed for eligible costs incurred on the projects. Prima said the grant was in addition to a grant awarded by the Sächsische Aufbaubank in August 2011 of EUR4.1 million to support European manufacturing costs and parts of the Canvas clinical trial.

Prima chief executive officer Matthew Lehman said that the grant “allows Prima to move forward with pilot trials of CVac in new indications in addition to ovarian cancer and potentially broaden the clinical utility and commercial attractiveness of CVac”.

“Given that mucin 1 is over-expressed on a number of cancer types and our data indicate that CVac induces a mucin 1 specific T cell response, exploring new indications with our established platform is a sensible progression in the development of our CVac franchise,” Mr Lehman said.

Prima said it was finalizing protocols for the new trials and expected to announce details by July 2013.

Prima was up half a cent or 4.8 percent to 11 cents with 2.4 million shares traded.

CONSEGNA GROUP

Consegna says that it will dilute its consolidation from 25-to-one to five-to-one, following consultations with shareholders.

Consegna said it was “listening carefully to feedback from shareholders on a number of issues, including the consolidation of capital”.

The company said that if the consolidation was approved by shareholders the number of shares on offer would be reduced from 1,571,047,555 shares to 314,209,511 shares.

Consegna said the change would affect the current options rights offer, with new options being issued at 0.4 cents (instead of two cents) exercisable at six cents (instead of 30 cents) per option by April 30, 2017, to raise about \$419,000 (BD: Mar 13, 2013).

Consegna was up 0.3 cents or 50 percent to 0.9 cents with 19.0 million shares traded.

LIVING CELL TECHNOLOGIES

Living Cell says it has been awarded the 2013 Janssen Company of the year award at the New Zealand Biotechnology Industry Organization conference.

Living Cell said that the panel recognized its research, pipeline and portfolio as well as business development in partnering with pharmaceutical and venture capital industries.

Living Cell managing director Dr Andrea Grant said it was “a great honor” to be commended by industry peers as an outstanding company.

Living Cell was up 0.4 cents or 8.5 percent to 5.1 cents.