



Biotech Daily

Thursday March 28, 2013

Daily news on ASX-listed biotechnology companies

- * **ASX DOWN, BIOTECH EVEN: BENITEC UP 8%, CELLMID DOWN 6%**
- * **CSL RAISES \$479m**
- * **PRANA PLACEMENT, SHARE PLAN RAISE \$7m**
- * **SPINIFEX EARNS \$1.5m FEDERAL R&D TAX REFUND**
- * **CALZADA, POLYNOVO COMPLETE PRESSURE SORE TREATMENT**
- * **ITL PAYS 1st DIVIDEND SINCE 2008**
- * **INVION SHARE PLAN FOR UP TO \$5m**
- * **BENITEC ALLOWED US, UK, SOUTH KOREA, CHINA PATENTS**
- * **CONSEGNA BACKS CONSOLIDATION, OPTION, SHARE ISSUES**
- * **AUSBIOTECH APPOINTS LAWRENCE GOZLAN DIRECTOR**

MARKET REPORT

The Australian stock market fell 0.57 percent on Thursday March 28, 2013 with the S&P ASX 200 down 28.5 points to 4,966.5 points.

Twelve of the Biotech Daily Top 40 stocks were up, 12 fell, 10 traded unchanged and six were untraded.

Benitec was the best, up 0.1 cents or 8.3 percent to 1.3 cents with 1.3 million shares traded.

Sirtex and Universal Biosensors climbed more than six percent; Avita and Clinuvel were up more than four percent; Allied Health and Reva were up more than three percent; Nanosonics, Osprey and QRX rose more than two percent; Pharmaxis was up 1.5 percent; with CSL, Psivida and Resmed up by less than one percent.

Cellmid led the falls, down 0.2 cents or 5.6 percent to 3.4 cents with 7.9 million shares traded.

Prana fell 4.4 percent; Atcor, Starpharma, Tissue Therapies and Viralytics were down more than three percent; Ellex, Neuren and Prima shed more than two percent; Anteo was down 1.7 percent; with Acrux, Cochlear and Mesoblast down by less than one percent.

CSL

CSL says it has raised the \$US500 million (\$A478,543,000) foreshadowed at its recent media and investor half-year teleconference (BD: Feb 13, 2013).

CSL said that the proceeds from the placement would be used to fund the group's capital management plan, including on-market buybacks and for general corporate purposes.

CSL was up 23 cents or 0.4 percent to \$59.23 with 2.65 million shares traded.

PRANA BIOTECHNOLOGY

Prana says it expects to raise \$7,000,500 through the issue of 35.9 million shares at 19.5 cents a share in a placement and underwritten share plan.

Prana said the placement of about \$5 million was to Australian institutions and high net worth investors and the company would offer an underwritten share purchase plan to raise a further \$2 million.

The company said that the placement was managed by Melbourne's JM Financial Group, which would underwrite the share plan.

Prana said that eligible shareholders at the record date of March 26, 2013 could apply for parcels of shares up to \$15,000 and the maximum that could be raised in the plan was \$4 million.

The company said the offer would open on April 11 and close on April 26, 2013.

Prana said the funds would be used "to accelerate the regulatory pathway of ... PBT2, now in two concurrent phase II clinical trials in Huntington disease and Alzheimer's disease".

Prana fell one cent or 4.4 percent to 21.5 cents.

SPINIFEX PHARMACEUTICALS

Spinifex says it has received \$1.5 million from the Australian Tax Office under the Federal Government Research and Development Tax Incentive program.

Spinifex said that \$1.5 million related to research and development expenditure on its lead candidate EMA401 for the treatment of chronic pain, including neuropathic pain.

Spinifex is a private company (BD: Dec 11, 2012).

CALZADA

Calzada says the final patient has been treated in wholly-owned subsidiary Polynovo's topical negative pressure clinical trial.

The treatment, previously described as "vacuum assisted closure of pressure sores using Novosorb dressings for topical negative pressure" was conducted by the Royal Adelaide Hospital's adult burns unit director Prof John Greenwood and Polynovo, through their joint venture Novowound.(BD: Feb 6, Mar 19, 2012).

Today Calzada said that statistical analysis of the data was in progress, with results expected by the end of April 2013.

The company said that positive results would support Polynovo's application for US marketing approval through a 510(k) market clearance application which it hoped to file by October 2013.

Calzada fell 0.2 cents or 3.85 percent to five cents.

ITL

ITL says it will pay its first dividend of half a cent a share since 2008.

ITL said the fully-franked interim dividend was for the half year to December 31, 2012, with a record date of April 10, to be paid on April 17, 2013.

ITL was unchanged at 24 cents.

INVION

Invion hopes to raise up to \$5 million through the issue of shares at the lower of 4.8 cents or 90 percent of the five-day volume weighted average price to April 24, 2013.

Invion company secretary Melanie Farris told Biotech Daily that under the ASX Listing Rules, the company could raise "up to 30 percent of the current issued capital and that is up to about \$5 million".

The company said that RBS Morgans would be the lead manager for the offer.

Invion said that eligible shareholders at the record date of March 27, 2013 could apply for parcels of shares up to \$15,000.

The company said the offer would open on April 4 and close on April 24, 2013.

Invion said the funds would be used for "general working capital, and will be applied to the ongoing development ... INV102 (nadolol) and INV103 (ala-Cpn10), including two phase II clinical trials".

Invion fell half a cent or 10 percent to 4.5 cents.

BENITEC BIOPHARMA

Benitec says the US Patent and Trademark Office has allowed its Graham family patent application, entitled 'Methods and means for obtaining modified phenotypes'

Benitec said the patent was significant as it included claims to DNA constructs targeting multiple genes with a broader range of length limitations on the sequence than in earlier patents, which couldn't be used in a broad range of cells and tissues, potentially including stem cells.

The company said that South Korea had allowed a patent application entitled 'Multiple promoter expression cassettes for simultaneous delivery of RNAi agents', relating to lead program TT-034 for hepatitis C, with patents for this construct granted in the US, Europe, China and Japan.

Benitec said that the UK Graham patent had been re-published by the United Kingdom Intellectual Property Office following the withdrawal of an application for revocation, bringing to an end the UK revocation process, resulting in clarified and strengthened patent claims.

The company said that a Patent Cooperation Treaty application had been filed relating to its "breakthrough, single treatment to overcome currently untreatable and intractable chronic pain, particularly when associated with cancer".

Benitec said that the University of New South Wales was collaborating with its non-small cell lung cancer program and had been allowed a Chinese patent, entitled 'Methods for detecting and modulating the sensitivity of tumour cells to anti-mitotic agents'.

The company said the patent included claims for using RNA interference for sensitizing resistant lung cancer cells to chemotherapy agents.

Benitec chief executive officer Dr Peter French said the strengthened the company's "dominant patent position in gene silencing using expressed RNA interference, including short hairpin RNA embodiments, for a broad range of human diseases".

Benitec was up 0.1 cents or 8.3 percent to 1.3 cents with 1.3 million shares traded.

CONSEGNA GROUP

Consegna investors have overwhelmingly voted for 12 of 13 resolutions to issue 320,000,000 options to directors, approve the issue of more than 300,000,000 shares and consolidate shares by five-to-one (BD: Feb 26, 2013).

Consegna said the consolidation was passed with 290,290,593 votes in favor and not a single vote opposed.

Nine resolutions were supported by more than 300 million votes to 252,780 votes, Michael Johnson was elected as a director with more than 300 million votes to 210,000 votes and the issue of 80,000,000 options to Cunningham Peterson Sharbanee Securities was supported by 194,052,254 votes and opposed by 252,780 votes.

The greatest dissent was on a resolution to issue 50,000,000 options to director Simon Reading which was supported by 305,693,046 votes (95.2%) and opposed by 15,356,987 votes (4.8%).

Consegna's last Appendix 3B announcement said the company had 1,411,347,555 shares on issue, meaning that the greatest dissent was from 1.1 percent of shareholders and not sufficient to requisition meetings.

Consegna was unchanged at 0.7 cents with 12 million shares traded.

AUSBIOTECH

Ausbiotech says it has appointed Lawrence Gozlan as a non-executive director.

Ausbiotech said that Mr Gozlan was the chief investment officer and founder of the Melbourne-based Scientia Capital.

The industry organization said that Scientia was an investment fund focused on life sciences and managed investments for institutional investors, family offices and high net worth individuals.

Ausbiotech said that prior to Scientia, Mr Gozlan was responsible for the largest biotechnology investment portfolio in Australia as the institutional biotechnology analyst at Queensland Investment Corporation, an investment fund with more than \$60 billion under management and previously was the senior biotechnology analyst at Foster Stockbroking and advised life sciences companies in corporate finance at Deloitte.

Mr Gozlan is a director of Prana and is also associated with Bori Liberman's Jagen Nominees which owns 4.57 percent of Alchemia (BD: Mar 22, 2013).

In 2009, Mr Gozlan was a director of Avexa for six months (BD: Nov 18, 2009).

Mr Gozlan holds a Bachelor of Science degree from the University of Melbourne.