



Biotech Daily

Friday April 19, 2013

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH UP: PHARMAXIS UP 15%, PATRYS DOWN 8%**
- * **ATCOR: SOUTH AFRICAN STUDY BACKS SPHYGMOCOR**
- * **PSIVIDA: 'ALIMERA PRICES ILUVIEN AT \$8-10k PER TREATMENT'**
- * **USPTO GRANTS MERIAL 2nd GENETIC TECHNOLOGIES PATENT EXAM**
- * **NEURODISCOVERY DIRECTOR'S SHARES, OPTIONS, NAME CHANGE EGM**
- * **WEHI APPOINTS CHRISTOPHER THOMAS BOARD PRESIDENT**
- * **NOVOGEN LOSES DIRECTOR JOSIAH AUSTIN**
- * **CFO'S HAINS, VAUGHAN REPLACE IMMURON'S GRAEME STEVENS**

MARKET REPORT

The Australian stock market edged up 0.15 percent on Friday April 19, 2013 with the S&P ASX 200 up 7.5 points to 4,931.9 points.

Twelve of the Biotech Daily Top 40 stocks were up, 10 fell, 11 traded unchanged and seven were untraded.

Pharmaxis was the best, up four cents or 14.55 percent to 31.5 cents with 749,393 shares traded.

Osprey climbed 9.5 percent; Atcor was up 8.5 percent; Cellmid rose 6.45 percent; Impedimed was up five percent; Mesoblast climbed 4.5 percent; Allied Health, Cochlear and Prima were up more than three percent; Acrux, Prana and Sirtex rose more than two percent; with CSL and Medical Developments up by less than one percent.

Patrys led the falls, down 0.2 cents or 7.7 percent to 2.4 cents, with 68,359 shares traded.

Benitec and Universal Biosensors lost more than six percent; Optiscan fell 5.2 percent; Phosphagenics fell four percent; Nanosonics shed 2.2 percent; Alchemia and Viralytics were down more than one percent; with Heartware, Resmed and Starpharma down by less than one percent.

ATCOR MEDICAL

Atcor says that a South African 1,100 patient study using Sphygmocor has endorsed the clinical value of central blood pressure.

Atcor said that the study, entitled 'Aortic, but not brachial blood pressure category enhances the ability to identify target organ changes in normotensives' published in the Journal of Hypertension, showed that using central blood pressure measurement, but not traditional brachial blood pressure, measured using an inflatable cuff on the arm, enhanced clinicians' ability to predict target organ damage in patients with high normal blood pressure (between 120/80 mmHg-139/89mmHg).

"In contrast to normal versus high-normal BP categories which do not clearly distinguish normotensives with from those without organ damage, noninvasively determined aortic BP measurements may refine the ability to detect those with a normal/high-normal BP at risk of BP-related cardiovascular damage," the study concluded.

An abstract is at: <http://www.ncbi.nlm.nih.gov/pubmed/23552129>.

Atcor said that target organ damage measured in the study included kidney disease and heart disease.

The company said that the study concluded that among people having high normal blood pressure that "central aortic blood pressure values clearly identify the presence of target organ changes".

Atcor said the study said that a large proportion of patients identified as having high normal blood pressure were not at risk for blood pressure-related cardiovascular damage, but clinicians using brachial blood pressure measurement would require further medical testing.

The company quoted the study saying that this combined approach would incur considerable costs, necessitate the use of trained technicians and not necessarily identify damage attributed to blood pressure effects as opposed to alternative risk factors.

Atcor said that in contrast, aortic blood pressure measurements were simple, reliable and reproducible, were likely to incur considerably lower costs and reflect the impact of blood pressure rather than alternative risk factors.

Atcor chief executive officer Duncan Ross said the study "shows the importance of measuring central aortic blood pressure to identify patients at risk".

"According to the study, approximately one half of those with high-normal blood pressure considered to be at risk of cardiovascular damage would be excluded from potentially necessary anti-hypertensive therapy if treatment were withheld," Mr Ross said.

"The high-normal or pre-hypertension patient always presents a treat-or-no-treat dilemma for clinicians," Mr Ross said. "Clearly, this dilemma could be avoided if central blood pressure measurement was used."

Atcor was up 0.7 cents or 8.5 percent to 8.9 cents.

PSIVIDA

Psivida says that licensee Alimera Sciences has released the pricing Iluvien for diabetic macular oedema.

Psivida chief executive officer Dr Paul Ashton said in a blog on the company's website that the German pricing of Iluvien was EUR7,975 (\$A10,106) per treatment.

Dr Ashton said that the ultimate sales price would be subject to various discounts, but was consistent with Alimera's statement that the German price would be comparable with the UK price of GBP5,500 pounds (\$A8,156).

Psivida said it was entitled to a royalty of about 15 percent on these sales.

Psivida was untraded at \$2.05.

GENETIC TECHNOLOGIES

Genetic Technologies says the US Patent and Trademark Office has granted a request from Merial LLC for a second ex-parte re-examination of its main non-coding DNA patent. In March, Genetic Technologies said the US Patent and Trademark Office had reaffirmed the validity of 24 claims in patent 5,612,179 on non-coding DNA based on a submission by the Duluth, Georgia-based Merial LLC (BD: Jul 9, 2012; Mar 15, 2013).

Genetic Technologies said that in 2012 it received notification from the USPTO that it had granted a request for ex parte re-examination and Merial was a defendant in an action it had originally brought in Colorado for infringement of the patent and that action was pending in Delaware Federal District Court.

The company said in March that in its formal notification the USPTO stated that "claims 1-18 and 26-32 of the '179 patent are confirmed and claims 19-25 and 33-36 are not reexamined".

Today, Genetic Technologies said that Merial remained a defendant in an action originally brought by the company in Colorado and pending in the Delaware Federal District Court. The company said the USPTO had received a further request from Merial for a second ex-parte re-examination of the patent and the request had been granted.

Genetic Technologies said that as with the previous reexamination, the re-examination would focus on claims 1-18 and 26-32 of the '179 patent, whilst claims 19-25 and 33-36 would not be re-examined and requesting re-examination was a common strategy employed by defendants in patent infringement proceedings.

The company said that "as evidenced by the successful outcome of the previous re-examination, the '179 patent is quite robust".

"In addition, the '179 patent has prevailed in numerous litigation filings in the USA, resulting in positive outcomes in all instances," Genetic Technologies said.

The company said that the re-examination was adjudicated by the USPTO and was not a matter for the courts, but the US infringement actions might be delayed should the court(s) decide to stay matters until the re-examination process was resolved.

Genetic Technologies was unchanged at 8.5 cents.

NEURODISCOVERY

Neurodiscovery investors will vote to issue 10,000,000 shares and 19,000,000 options to director Martin Rogers and change the company's name to Oncosil Medical.

Neurodiscovery said shareholders would also vote on the election of Mr Rogers as a director.

The company said Mr Rogers was appointed as a director on April 3, 2013 on a salary of \$80,000 a year plus superannuation (BD: Apr 3, 2013).

At that time, the company said that subject to shareholder approval it would place 10,000,000 shares to Mr Rogers at 2.5 cents a share to raise \$250,000 for working capital.

The meeting will be held at 338 Hay Street, Subiaco, Western Australia, on May 22, 2013 at 9:30am (AWST).

Neurodiscovery fell 0.2 cents or 5.7 percent to 3.3 cents with 1.25 million shares traded.

THE WALTER AND ELIZA HALL INSTITUTE FOR MEDICAL RESEARCH

The Walter and Eliza Hall Institute says that incoming board president Christopher Thomas will use his position to champion medical research.

The Institute said that Mr Thomas had been a board member for more than 12 years and was appointed board president in February 2013.

The Institute said that Mr Thomas was a senior adviser and former managing partner of executive search firm Egon Zehnder.

Mr Thomas said he was committed to helping the Institute increase awareness about the benefits of medical research and encouraged the Australian community to invest in its future by supporting scientists through donations to research.

"As we approach our centenary in 2015, the challenges facing medical research, its translation and its funding will continue to be uppermost in our minds," Mr Thomas said.

WEHI said Mr Thomas was a previous chairman of the Heide Museum of Modern Art and of the Victorian Community Foundation, president of the Melbourne Business School Alumni, was a board member of Victoria's Corps of Commissionaires and a council member of the Australian Film, Television and Radio School.

Institute director Prof Doug Hilton said Mr Thomas had "a wealth of experience and will provide excellent leadership and guidance to the institute, ensuring that we continue to deliver excellence in research and supporting our commitment to translate institute discoveries into better health outcomes for Australians".

Prof Hilton thanked outgoing board president Leon Davis saying that under his guidance, "we delivered a state-of-the-art \$190 million building redevelopment on time and under budget, against the background of significant financial turbulence in the world economy".

"We will name our public lecture theatre the Davis Auditorium, in acknowledgement of Leon's commitment and significant contribution to the institute over the past 12 years, 10 of those as board president," Prof Hilton said.

NOVOGEN

Novogen director and major shareholder Josiah Austin has resignation as a non-executive director.

Novogen said Mr Austin was the largest shareholder and had been a director for four years, but cited "practical difficulties of being US-based and having to attend monthly board meetings in Australia" as the reason for his resignation.

Novogen chief executive officer Dr Graham Kelly said Mr Austin intended "to maintain his significant shareholding position".

Novogen fell one cent or 5.1 percent to 18.5 cents.

IMMURON

Immuron says that Phillip Hains and Peter Vaughan have been appointed joint company secretaries replacing Graeme Stevens.

Mr Hains and Mr Vaughan are both employed by the Armadale, Victoria-based CFO Solutions.

Immuron was untraded at 0.2 cents.