



Biotech Daily

Thursday July 11, 2013*

Daily news on ASX-listed biotechnology companies

- * **ASX UP, BIOTECH DOWN: ELLEX UP 14%, USCOM DOWN 14%**
- * **OFF-US-PATENT ALLOWS ELLEX TO EXPAND SLT FOR GLAUCOMA**
- * **M&G GROUP TAKES 15% OF GI DYNAMICS**
- * **GRIFFITH UNI SOLUBLE BDM-I EXPANDS BODIEM TARGETS**
- * **STARPHARMA, MIPS \$548k ARC GRANT**
- * **PRIMA PLEADS SCHULTZ TO ASX 55% QUERY**

MARKET REPORT

The Australian stock market was up 1.31 percent on Thursday July 11, 2013 with the S&P ASX 200 up 64.3 points to 4,965.7 points.

Nine of the Biotech Daily Top 40 stocks were up, 13 fell, 12 traded unchanged and six were untraded.

Ellex was the best, up three cents or 13.6 percent to 25 cents with 116,130 shares traded.

Cellmid climbed 7.4 percent; Pharmaxis and Prima were up more than six percent; Acrux, Avita and GI Dynamics were up more than three percent; Mesoblast rose 2.3 percent; QRX was up 1.9 percent; with Cochlear and Resmed up by less than one percent.

Uscom led the falls, down three cents or 14.3 percent to 18 cents with 50,000 shares traded.

Tissue Therapies lost 7.1 percent; Bionomics fell 4.2 percent; Anteo, Patrys and Viralytics were down more than three percent; Alchemia, Allied Health, Heartware, Psivida and Universal Biosensors were down more than one percent; with CSL, Sirtex and Starpharma down by less than one percent.

ELLEX MEDICAL LASERS

Ellex says it has launched its selective laser trabeculoplasty technology for glaucoma, in the United States.

Ellex said that the launch followed the expiration of a patent held by Massachusetts General Hospital and sublicensed to Lumenis, which prevented Ellex from selling the technology in the US.

The company said that selective laser trabeculoplasty was a non-invasive and non-thermal advanced laser therapy which stimulated a natural healing response in the eye to treat glaucoma.

Ellex said that glaucoma was the second leading cause of blindness worldwide and was estimated to affect more than 60 million people.

The company said that since its 2001 approval by the US Food and Drug Administration, SLT had become the therapy of choice for glaucoma.

Ellex said that selective laser trabeculoplasty was a highly effective approach for first-line treatment and could be used as an adjunct therapy with glaucoma medications and as alternative therapy when medications or surgery fail.

The company described selective laser trabeculoplasty as “a breakthrough approach in the treatment of glaucoma” compared to the use of glaucoma medications, which were expensive and required the patient to take daily doses of medication for the rest of their lives.

Ellex chief executive officer Tom Spurling said that selective laser trabeculoplasty had been proven highly effective in more than 250 published clinical papers, with “an excellent safety profile”.

“It also overcomes the compliance issues and side effects of medications, which have long plagued physicians and patients alike,” Mr Spurling said.

“Today, SLT is seen as the therapy of choice for glaucoma,” Mr Spurling said.

Ellex said it planned to begin US distribution of the technology immediately, showcasing the Tango SLT/YAG combination laser and Solo SLT laser product portfolio at the World Glaucoma Congress in Vancouver July 17 to 20, 2013.

“With the patent barrier removed we can now begin the roll-out of our SLT technology, which we expect to deliver an immediate, positive impact on revenue during the first quarter of the 2014 financial year,” Mr Spurling said.

“This patent did not preclude us from selling our SLT lasers outside of the US and we now hold a 40-percent market share on an international basis,” Mr Spurling said.

“We are confident that, with the support of our in-place US direct sales subsidiary, we will progressively build market share in the US,” Mr Spurling said.

Ellex was up three cents or 13.6 percent to 25 cents with 116,130 shares traded.

GI DYNAMICS

M&G Investment Funds says it has increased its substantial holding in GI Dynamics from 37,523,174 Chess depository interests (13.08%) to 53,066,996 CDIs (14.77%).

The London-based M&G group said it acquired the shares between December 3, 2012 and July 9, 2013, with the single largest, and most recent, acquisition of 12,580,460 shares for \$6,667,644 or 53 cents a share.

Last week, GI Dynamics said it raised \$57.5 million in a placement at 53 cents a share (BD: Jul 3, 2013).

GI Dynamics was up two cents or 3.6 percent to 57 cents.

[BODIEM](#)

Biodiem says it has completed a year-long partnership with Griffith University to expand the range of variants of its broad spectrum antimicrobial compound BDM-I.

Biodiem chief executive officer Julie Phillips said the Griffith University research led to enhanced versions of BDM-I, designed to be more soluble, while retaining the activity against microorganisms, increasing the possible commercial applications of the drug.

"This is valuable work that has been completed," Ms Phillips said. "We have an array of projects underway to assess the broad spectrum activity of our novel antimicrobial BDM-I against serious infectious diseases and these findings have the potential to expand the pharmaceutical applications and thus commercial opportunities."

Biodiem said that increased solubility of BDM-I could enhance the potential for the antimicrobial to be delivered via a wider variety of administration routes such as injections, creams, ointments, gels, topical sprays, eye drops and inhalation, allowing BDM-I to target more diseases in different parts of the body.

Biodiem said that the research was lead by Griffith University's Institute for Glycomics director Prof Mark von Itzstein.

The company said that Prof von Itzstein contributed to the design and synthesis of the anti-influenza drug Relenza, licenced by Biota to Glaxosmithkline.

"Through the application of our expertise in carbohydrate chemistry and drug design, we have designed and synthesized a suite of new compounds with a view to improving the solubility of BDM-I," Prof von Itzstein said.

"Here at the Institute for Glycomics, we are very focused on translating our discovery science and know-how into real health benefits for the community," Prof von Itzstein said. Biodiem was unchanged at 3.6 cents.

[STARPHARMA, MONASH INSTITUTE OF PHARMACEUTICAL SCIENCES](#)

Starpharma says it has secured a \$548,000 Australian Research Council Linkage grant for its dendrimer technology for drug delivery, including antibody-drug conjugates.

Starpharma said the research with the Monash Institute of Pharmaceutical Sciences would include work on antibody-drug conjugates.

Starpharma chief executive officer Jackie Fairley said the Linkage grant would support "further important research into the use of dendrimers for targeted drug delivery".

"Targeted drug delivery using nanoparticles including [antibody-drug conjugates] is an area of much excitement within the oncology community and significant focus in the pharmaceutical industry," Dr Fairley said.

"Research to date indicates Starpharma's dendrimers can play an important role in this field and dendrimers have a number of important advantages in [antibody-drug conjugates]," Dr Fairley said. "We look forward to advancing this program alongside our established docetaxel program and our multiple drug delivery partnerships with global pharmaceutical companies."

Starpharma said that the market for nano-medicine-based oncology drugs was projected to grow from \$5.5 billion in 2011 to \$12.7 billion in 2016.

The company said that advantages of using dendrimers in targeted delivery such as antibody-drug conjugates included the ability to add a higher ratio of drug to antibody molecule in a well-controlled process, providing improved efficacy, the opportunity to use a wider range of oncology drugs, simplify regulatory approval and reduced cost of goods. Starpharma said that clinical trials of its dendrimer-docetaxel nanoparticle formulation for cancer were expected to begin later this year (BD: Jul 4, 2013).

Starpharma fell half a cent or 0.55 percent to 91 cents.

PRIMA BIOMED

Prima 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 54.9 percent from 7.1 cents on July 4 to 11 cents today, July 11, 2013, and noted an increase in trading volume, today.

Prima was up 0.6 cents or 6.1 percent to 10.5 cents with 16.5 million shares traded.

* The Essendon-supporting editor of Biotech Daily, David Langsam, (Would you like some AOD9604 with that, Sir?) observed his 60th orbit of the Sun today and is allowing minor artistic licence with the masthead. No sub-editors, nor moose, will be shot today.

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