



Biotech Daily

Thursday July 25, 2013

Daily news on ASX-listed biotechnology companies

- * **ASX EVEN, BIOTECH UP: PATRYS UP 11%, ANTISENSE DOWN 10.5%**
- * **ACRUX AXIRON H1 SALES UP 148% TO \$91m, ON-TRACK FOR \$25m**
- * **UK NICE APPROVES SIRTEX SIR-SPHERES**
- * **PSIVIDA: 'FRENCH REIMBURSEMENT FOR ILUVIEN'**
- * **PHYLOGICA, CUBIST COLLABORATE ON ANTIMICROBIAL PHYLOMERS**
- * **BIOTA TO MEET AUSTRALIAN INVESTORS**
- * **DR DAVID THURIN, DALIT TAKE 6% OF BENITEC**

MARKET REPORT

The Australian stock market was effectively flat, up 0.01 percent on Thursday July 25, 2013 with the S&P ASX 200 up half a point to 5,035.6 points.

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

Patrys was the best, up 0.3 cents or 11.1 percent to three cents with one million shares traded.

Allied Health, Medical Developments and Prima climbed eight percent or more; Atcor, Bionomics, Living Cell, Phylogica and Viralytics were up five percent or more; Neuren rose 2.1 percent; Clinuvel, CSL, Prana and Sirtex were up more than one percent; with Nanosonics up 0.7 percent.

Antisense led the falls, down 0.2 cents or 10.5 percent to 1.7 cents with 14 million shares traded.

Cellmid and Pharmaxis lost more than five percent; Phosphagenics fell 4.35 percent; Acrux, Benitec, Mesoblast, Osprey, Reva, Starpharma and Universal Biosensors shed one percent or more; with Cochlear and Resmed down by less than one percent.

ACRUX

Eli Lilly says sales of Acrux's Axiron were \$US84.2 million (\$A91.2 million) for the six months to June 30, 2013, 147.6 percent more than the previous corresponding period. Acrux chief financial officer Jon Pilcher has previously told Biotech Daily that the company was confident that the \$US25 million royalty figure for reaching \$US100 million in sales in a calendar year would be achieved in 2013.

Eli Lilly said that Axiron sales for the three months to June 30 increased 26.95 percent to \$US47.1 million (\$A51.1 million) compared to the three months to March 31, 2013.

Eli Lilly's second quarter results showed that sales for the three months to June 30 was 63.7 percent of the total \$US73.9 million for 2012 and up 166.1 percent compared to \$US17.7 million for the previous corresponding period.

Eli Lilly posted its first non-US sales, with \$US400,000 described as 'international' sales. Mr Pilcher told Biotech Daily today that the royalty rate was on an increasing scale and Acrux was entitled to 11 percent of current sales.

Mr Pilcher said the scale was based on calendar year sales and he expected it would rise above 11 percent at the end of 2013, but declined to specify the trigger or the next rate. Acrux slipped six cents or 1.7 percent to \$3.44 with 1.5 million shares traded.

SIRTEX MEDICAL

The UK National Institute for Health and Care Excellence has effectively approved Sirtex SIR-Spheres for primary hepatocellular carcinoma and primary cholangiocarcinoma.

The guidance was published last night by the National Institute for Health and Care Excellence and said that "current evidence on the efficacy and safety of selective internal radiation therapy for primary hepatocellular carcinoma is adequate for use with normal arrangements for clinical governance, consent and audit".

Sirtex chief financial officer Darren Smith told Biotech Daily that the publishing of the guidelines by the NICE committee was "good news for Sirtex" which was one of only two companies with selective internal radiation therapy products.

Mr Smith said that typically the UK cancer trusts followed the NICE Guidance with approvals for the use of approved treatments.

"Uncertainties remain about its comparative effectiveness and clinicians are encouraged to enter eligible patients into trials comparing the procedure against other forms of treatment," The NICE Guidance said.

The Guidance on the Institute's website said that patients with primary hepatocellular carcinoma should be selected for treatment by selective internal radiation therapy or for entry into trials by a multidisciplinary hepatobiliary cancer team.

The Institute said that two pieces of guidance would be produced following consideration of the overview for selective internal radiation therapy for primary hepatocellular carcinoma and primary cholangiocarcinoma.

The Institute said that hepatocellular carcinoma was a cancer that began in the liver and cholangiocarcinoma or bile duct cancer was a rare type of primary liver cancer.

The Institute's Guidance said that bile ducts carried bile from the liver to the small bowel to help digestion by breaking down fat in food.

The Institute said that selective internal radiation therapy, known as SIRT, aimed to kill cancer cells, causing as little damage to the surrounding tissues as possible, with radioactive beads injected into branches of the hepatic artery that supplied blood to the liver and becoming trapped in the small blood vessels supplying the cancer, releasing radiation directly into the cancer cells and killing them.

Sirtex was up 16 cents or 1.3 percent to \$12.25.

PSIVIDA

Psivida says France will reimburse Iluvien for chronic diabetic macular oedema insufficiently responsive to available therapies and despite best management of diabetes. Psivida said the Commission de la Transparence (Transparency Commission) of the Haute Autorite de Sante (National Health Authority) issued a favorable opinion for the reimbursement and hospital listing by the French National Health Insurance. The company said that in France patients would be reimbursed for 100 percent of the cost of Iluvien under Affection de Longue Duree, a program for severe chronic disease. Psivida said that licensee Alimera would determine the price and any reimbursement conditions with the Comité Economique des Produits de Sante and the Commission de la Transparence opinion would help it in its discussions with the Comité's pricing committee. Psivida was untraded at \$3.56.

PHYLOGICA

Phylogica says it will collaborate with Cubist Pharmaceuticals to evaluate antimicrobial Phylomers for multi-drug resistant bacterial infections. Phylogica chief scientific officer Dr Paul Watt said his company hoped its antimicrobial Phylomers would support the Lexington Massachusetts-based Cubist's work to discover and develop antibiotics "to address the growing global health threat of antibiotic resistance". "In Phylogica's own assays, these antimicrobials have shown activity against multi-resistant isolates of gram-negative organisms, which are a major cause of deaths from hospital acquired infections of burn wounds," Dr Watt said. Phylogica was up 0.1 cents or five percent to 2.1 cents.

BIOTA PHARMACEUTICALS

Biota says that chief executive officer Russell Plumb and executives will present a company update to Australian shareholders and other interested parties. Biota said that Mr Plumb would address Melbourne investors on July 30 2013, at the Wheat Room, Lower Ground Floor, Rialto Building, 495 Collins Street, Melbourne at 11am and Sydney investors on August 1, 2013, at the Marra Room, Level Two, Grace Hotel, 77 York Street, Sydney. Last night on the Nasdaq, Biota was unchanged at \$US3.60 (\$A3.93), equivalent to 49.1 cents prior to the merger consolidation and dilution.

BENITEC BIOPHARMA

The Toorak, Melbourne-based Dalit Pty Ltd has become a substantial shareholder in Benitec with the acquisition of 4,545,455 shares or 6.17 percent of the company. The substantial shareholder notice, signed by director Dr David Thurin, said the shares were acquired for \$1,250,000 or 27.5 cents a share. Benitec is completing a placement and consolidation at that price (BD: Jul 24, 2013). Dr David Thurin is the owner of property development company Tigcorp and is a director of Baker IDI and the Melbourne Football Club. Benitec fell 0.5 cents or 1.5 percent to 32 cents.

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