Biotech Daily

Monday August 12, 2013

Daily news on ASX-listed biotechnology companies

*** ASX, BIOTECH UP: QRX UP 11%, ATCOR DOWN 7%**

*** UNIQUEST'S DENDRIGHT SIGNS COLLABORATION WITH JANSSEN**

*** REVA RESOLVE2 STENT IMPLANT LIVE TO CONFERENCE**

*** PERPETUAL TAKES 2m OF DR BRUCE GRAY'S 7m SIRTEX SHARES**

*** SIRTEX DIRECTORS' RIGHTS PLAN**

*** PHARMAUST RAISES $2.5m; FOUNDER BRYAN MCLARTY RESIGNS**

MARKET REPORT

The Australian stock market climbed 1.06 percent on Monday August 12, 2013 with the S&P ASX 200 up 53.5 points to 5,108.7 points.

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

QRX was the best, up 11 cents or 11.1 percent to $1.10 with 60,000 shares traded, followed by Allied Health up 8.8 percent to 6.2 cents with 16.7 million shares traded.

Tissue Therapies climbed 5.45 percent; Neuren was up 4.55 percent; Heartware was up 3.05 percent; Ellex rose two percent; Acrux, Bionomics, Prana and Starpharma were up more than one percent; with Cochlear, Mesoblast and Nanosonics up by less than one percent.

Atcor led the falls, down one cent or 7.1 percent to 13 cents with 763,000 shares traded.

Cellmid lost 5.9 percent; both Anteo and Osprey fell 3.6 percent; Alchemia and Living Cell shed two percent or more; CSL, Medical Developments, Prima and Resmed were down more than one percent; with Sirtex down 0.1 percent.

UNIQUEST, DENDRIGHT PTY LTD, JANSSEN BIOTECH

Uniquest's Dendright Pty Ltd says it has signed a research and development collaboration and licence option with Johnson & Johnson's Janssen Biotech for rheumatoid arthritis.

Dendright executive director and Uniquest business development manager Dr Craig Belcher told Biotech Daily that Dendright was a University of Queensland start-up.

A media release from the University of Queensland's main commercialization company, Uniquest, said that the collaboration and licence option agreement with the Philadelphia, Pennsylvania-based Janssen was to develop and commercialize its tolerizing immunotherapy for rheumatoid arthritis.

Dendright said it would receive funding for the preclinical development of the rheumatoid arthritis immunotherapy to phase I clinical trials and the development of companion biomarkers and, in return, Janssen would have an option to the exclusive worldwide rights to develop and commercialize Dendright's rheumatoid arthritis therapy.

The company said it would be responsible for completing the phase I clinical trial in Australia and Janssen would be responsible for all other development, clinical and regulatory filing activities.

Dendright said it would be eligible for development and sales milestones as well as tiered royalties on sales.

Dr Belcher told Biotech Daily that due to confidentiality provisions he was not able to disclose the precise terms of the deal.

Dendright said that rheumatoid arthritis was caused by immune system dysfunction and affected millions of people worldwide and its approach targeted the underlying cause of the disease and was different from existing rheumatoid arthritis therapies which treated the inflammatory symptoms once the disease had developed.

The company said that unlike existing drugs, its tolerizing autoimmune technology resulted in a targeted therapy and allowed suitable patients to be selected based on specific biomarkers prior to treatment, thereby improving response rates.

Dendright said that in January 2012, Uniquest announced a research and development collaboration with Janssen, providing a seed grant to Dendright founder and director Prof Ranjeny Thomas and her team to undertake preclinical development of the platform technology in rheumatoid arthritis.

Dendright said it used its proprietary Curcusome platform technology with disease specific antigens to develop tolerizing autoimmune therapies to stimulate the patient's own immune system to re-educate the cells that caused autoimmune disease.

The company said that the technology induced a state of tolerance or reduced activity to the offending self-antigens resulting in an effective treatment for the long term management of the specific autoimmune disease.

"We are very pleased to be continuing our strategic collaboration with Janssen focusing on the application of our platform technology towards rheumatoid arthritis," Prof Thomas said.

"Our goal is to provide [rheumatoid arthritis] patients with a new, safe therapy for the management of their disease, with possibility of disease prevention in the future," Prof Thomas said

Dendright said its platform technology was also developing new therapies for type 1 diabetes.

Uniquest said that it established Dendright in 2005, assisted by grants from the Queensland Government's Innovation Start-up Scheme and the Australian Government's Biotechnology Innovation Fund and Dendright would remain wholly-owned by Uniquest.

REVA MEDICAL

Reva says the first Resolve2 bioresorbable stent to be implanted in Australia was in a procedure at Brisbane's Prince Charles Hospital.
Reva said the procedure was performed earlier this month by the Hospital's executive director Prof Darren Walters
The company said that the Rezolve2 bioresorbable scaffold was featured in a live case session at the Australia and New Zealand Endovascular Therapies meeting last week at the Gold Coast Convention and Exhibition Centre, south of Brisbane.
Reva said that the stenting procedure was transmitted from the Prince Charles Hospital and was performed by a team of three interventional cardiologists Dr Scott Harding, Dr Dougal McClean and Dr Karl Poon.
The company said that the scaffold was implanted in a patient that had a "70 percent blockage of the left anterior descending artery of the heart".
Reva said that the Rezolve2 scaffold was easily delivered to the location of the blockage and expanded to restore blood flow.
Dr Harding said that positioning the Reva scaffold and assessing the final implant result was aided by "the excellent visibility of the scaffold under x-ray".
"The visibility of the entire Rezolve2 scaffold is unique among polymer scaffolds, which are otherwise invisible," Dr Harding said.
Dr McClean said the scaffold was able to be expanded directly to the desired implant size with a single inflation.
"This allows us to implant the device without increasing the overall procedure time for the patient," Dr McClean said.
Reva clinical and regulatory affairs vice-president Jeff Anderson said that Australia was "playing a major role in Reva's clinical trial program".
Reva said that the Prince Charles Hospital was one of the centers participating in its clinical trial evaluating the safety and performance of the Rezolve2 stent in up to 125 patients of Conformité Européenne (CE) mark and Australian Therapeutic Goods Administration approval.
"Bioresorbable scaffold technology represents the new wave of development in coronary intervention," Prof Walters said.
"The ability to treat coronary artery disease and then have the scaffold resorb from the body when it is no longer needed is a very compelling feature of this technology," Prof Walters said.
Reva was untraded at 62 cents.

SIRTEX MEDICAL

Perpetual and its subsidiaries have increased their substantial shareholding in Sirtex from 4,460,503 shares (7.96%) to 6,325,066 shares (11.28%).
Perpetual said it bought and sold shares between July 16 and August 8 for prices ranging from $11.77 to $13.01, with 2,000,000 shares acquired for $24 million or $12 a share on August 8, the day after founder and former chief executive officer Dr Bruce Gray sold most of his holding, 7,271,714 shares, in the company at the same price (BD: Aug 7, 2013).
Last month, Perpetual and its subsidiaries reduced their Sirtex holding by 634,539 shares at prices ranging from $9.70 to $12.30 a share (BD: Jul 12, 2013).
Sirtex fell one cent or 0.1 percent to $13.00 with 125,154 shares traded.

SIRTEX MEDICAL

Sirtex says it has established a share rights plan for non-executive directors valued at $24,000 for the chair, $15,000 rights to the deputy-chair and $12,000 for other directors.
Sirtex said that the payment would be divided by the 10-day volume weighted average price for the three months preceding the grant and the resulting rights would vest one year after the grant, provided the non-executive director continued with the company.
The company said that as an example if shares were trading at $10 the grants would be 2,400 rights for the chair, 1,500 rights for the deputy chair and 1,200 rights for other non-executive directors.
In June, Sirtex proposed the increases to executive and director pay and called for shareholder input (BD: Jun 5, 2013).
Sirtex said at that time that "P75 positioning" was mid-way between the middle and top of market remuneration practice for a role and "achieved an appropriate balance between remuneration necessary to retain key staff and our responsibility to shareholders to manage costs".
Sirtex said its policy was to set the fixed remuneration component of a package at the mid-point of market practice and use incentives to achieve the P75 level, placing an emphasis on performance.

PHARMAUST

Pharmaust has raised $2.5 million for the back-door listing of Pitney Pharmaceuticals with three cancer therapeutic platforms and executive chairman Bryant Mclarty has resigned.
Earlier this month Pharmaust said that corporate adviser Peloton Capital had commitments for the $2.5 million capital raising (BD: Apr 30, Jul 5, Aug 1, 2013).
Today, Pharmaust said that Mr Mclarty had resigned as a director effective from the close of business on August 12, 2013.
Pharmaust said that Mr Mclarty was a founding director of the company and had made "an invaluable contribution … as a director and has provided dedicated leadership as chairman of the company".
The company said it acknowledged Mr Mclarty's "significant contribution to Pharmaust".
Pharmaust said that Prof David Morris and Dr Roger Aston had been appointed as directors.
Pharmaust fell 0.1 cents or 8.3 percent to 1.1 cents with 2.45 million shares traded.