



Biotech Daily

Monday October 7, 2013

Daily news on ASX-listed biotechnology companies

- * ASX, BIOTECH DOWN: NEUREN, PRANA UP 5%, BENITEC DOWN 7%**
- * ACRUX AXIRON FIRST EURO APPROVAL; PRODUCTS IN DEVELOPMENT**
- * AUSBIOTECH: MELBOURNE 2016 INTERNATIONAL BIO SYMPOSIUM**
- * CSL SETTLES US ANTI-TRUST SUIT FOR \$68m**

MARKET REPORT

The Australian stock market fell 0.9 percent on Monday October 7, 2013 with the S&P ASX 200 down 46.9 points to 5,161.1 points.

Ten of the Biotech Daily Top 40 stocks were up, 16 fell, 10 traded unchanged and four were untraded. All three Big Caps fell.

Neuren and Prana were equal best, up 4.8 percent to 11 cents and 44 cents, respectively, with 3.2 million shares and 176,140 shares traded, respectively.

Genetic Technologies climbed 3.75 percent; Alchemia, Atcor and Impedimed rose more than two percent; Anteo and Compumedics were up more than one percent; with Clinuvel and Psivida up by less than one percent.

Benitec led the falls, down 2.5 cents or 6.6 percent to 35.5 cents with 114,775 shares traded, followed by Medical Developments down 6.1 percent to \$1.24 with 33,502 shares traded.

Ellex and Patrys lost more than three percent; Allied Health, GI Dynamics and Prima shed more than two percent; Bionomics, CSL, IDT, Mesoblast, Nanosonics, Reva and Tissue Therapies fell more than one percent; with Cochlear, Osprey, Resmed, Sirtex and Starpharma down by less than one percent.

ACRUX

Acrux says Germany is the first European country to approve its Axiron testosterone replacement therapy and the company has spoken of new products in development. Acrux said the German approval was granted for male hypogonadism where testosterone deficiency was confirmed by clinical features and biochemical tests, following a positive recommendation from the European decentralized procedure.

The company said that Germany was the second largest market after the US and Canada and launch plans were in preparation.

Acrux said that Axiron was approved in the US in November 2010 and had become the second largest transdermal product for testosterone replacement therapy in the US.

The company said that Axiron was approved in Canada in April 2012, Australia in May 2012 and Brazil in December 2012.

Acrux chief operating officer Dr Clive Blower told Biotech Daily that the US market for testosterone replacement products was valued at about \$US2.2 billion with the rest of the world estimated at \$US300 million.

"Ten years ago the US was worth \$US300 million, Dr Blower said.

"The out-of-US market is very under-developed," Dr Blower said.

"We believe there is a great opportunity for market penetration outside the US," Dr Blower said.

Acrux executive chairman Ross Dobinson said that approval was "good news for both patients and physicians in Germany".

"We are confident that Axiron will provide doctors with an additional therapy option to successfully treat their patients who are suffering the effects of low testosterone, and we look forward to announcing the launch," Mr Dobinson said.

Dr Blower said that Acrux had three compounds currently under investigation.

Dr Blower said that Acrux had two proof-of-concept stage compounds, one a transdermal drug for cancer being investigated with a leading Melbourne-based cancer centre and the second in "another big market segment".

Dr Blower said a third compound was at the formulation stage and targeting transdermal pain management.

The three products in development were mentioned briefly in an investor presentation in August 2013, with the proof-of-concept compounds described as "low cost".

Acrux climbed 3.8 percent before closing unchanged at \$3.17 with 594,174 shares traded.

AUSBIOTECH

Ausbiotech says the International Biotechnology Symposium would be held in Melbourne in October 2016.

Ausbiotech said that with the Melbourne Convention Bureau it had secured the Symposium for the Melbourne Convention and Exhibition Centre from October 25 to 28, 2016 in conjunction with the Ausbiotech 2016 national conference.

The industry organization said the Symposium's mission was to promote research and development in all aspects of basic and applied biotechnology and the 2016 symposium was expected to attract about 3,000 local and international scientists, engineers, business leaders and government officials.

Ausbiotech will hold its two-day investment conference at the Melbourne Convention Centre on October 28 and 29, 2013 ahead of its major annual conference to be held in Brisbane from October 30 to November 1, 2013 (BD: Jul 24, 2013).

For more information go to: www.ausbiotechinvest.com.

To register for the main conference go to: <http://ausbiotechnc.org/registration>.

CSL

CSL says it will pay \$US64 million (\$A67.95 million) to settle US antitrust class action litigation, filed in 2009 by US and Puerto Rican hospital groups.

CSL said that the plaintiffs were the University of Utah, the Puerto Rico-based Hospital Damas Inc and the California-based Ravi Patel MD Hospital

CSL said the settlement agreement resolved and dismissed all claims and potential claims of class members against CSL in the lawsuit, as well as those against industry trade association, the Plasma Protein Therapeutics Association.

The company said that the settlement, including the payment was subject to approval by the US Federal Court, which was expected to take several months, during which time its involvement in the litigation would be on hold.

CSL chief executive officer Paul Perreault said that the company continued to strongly reject any allegation of wrong doing and the company negotiated a settlement of the litigation "which we believe is in the best interests of the company and our shareholders". "To pursue the case further would have required several more years of management time and focus as well as substantial additional legal costs with no absolute certainty of the outcome," Mr Perreault said.

CSL said that it expected net profit after tax growth in line with the guidance provided at the full year results "subject to today's announcement regarding the settlement of the US antitrust litigation" (BD: Aug 14, 2013).

The company said that if approved, the settlement would be a one-off charge reducing net profit after tax expectations for 2013-'14 by \$US39 million.

CSL fell 93 cents or 1.43 percent to \$64.11 with one million shares traded.