



Biotech Daily

Wednesday January 22, 2014

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH DOWN: BENITEC UP 12%, PHOSPHAGENICS DOWN 8%**
- * **10-YEAR STUDY BACKS PATRYS PAT-SC1 FOR GASTRIC CANCER**
- * **IMMURON'S UNDERWRITTEN \$10m 11-FOR-6 RIGHTS OFFER**
- * **ANTISENSE ATL1102 STEM CELL MOBILIZATION TRIAL APPROVED**
- * **ONTEX DISTRIBUTES SUDA'S WESTCOAST INCONTINENCE PRODUCTS**
- * **LONZA TO MANUFACTURE REGENEUS' CRYOSHOT CANINE STEM CELLS**
- * **MELBOURNE UNI, SANOFI PASTEUR UNDISCLOSED ALLIANCE**
- * **BIOPROSPECT BACK-TO-BIOTECH EGM**
- * **ISONEA WINS LAS VEGAS CONSUMER ELECTRONICS SHOW GONG**

MARKET REPORT

The Australian stock market fell 0.22 percent on Wednesday January 22, 2014 with the S&P ASX 200 down 11.7 points to 5,319.8 points.

Eight of the Biotech Daily Top 40 stocks were up, 17 fell, 12 traded unchanged and three were untraded.

Benitec was the best, up 8.5 cents or 12.1 percent to 79 cents, with 710,471 shares traded, followed by Patrys up 10.9 percent to 5.1 cents with 57.0 million shares traded.

Prana climbed 9.6 percent; Clinuvel rose 2.6 percent; Optiscan and Resmed were up more than one percent; with Cochlear, Mesoblast, Psivida and Sirtex up by less than one percent.

Phosphagenics led the falls, down one cent or 7.7 percent to 12 cents with 525,718 shares traded.

Impedimed, Neuren and Tissue Therapies fell four percent or more; Acrux, Admedus, Atcor and Oncosil lost more than three percent; Anteo, IDT, Medical Developments, QRX and Starpharma shed more than two percent; Circadian, Ellex, GI Dynamics and Prima were down more than one percent; with CSL down 0.8 percent.

PATRYS

Patrys says a 10 year follow-up of a 51-patient trial shows that PAT-SC1 is effective in killing tumors in patients with gastric cancer who have had gastric resection surgery.

Patrys said the study was conducted between 1997 and 2001.

The company said that a single 20mg dose of PAT-SC1 before surgery induced cell death in gastric tumors, leading to tumor cell regression in more than half of the treated patients.

Patrys said that the new data related to the 10 year follow-up study with survival at 10 years significantly higher for PAT-SC1 treated patients as compared to an historical control group of patients that had gastric resection but were not treated with PAT-SC1.

The company said that PAT-SC1 was well tolerated in all treated patients with no significant side-effects being observed.

The article, entitled 'Ten-year follow-up of a prospective trial for the targeted therapy of gastric cancer with the human monoclonal antibody PAT-SC1', was co-written by Patrys head of research and development Dr Frank Hensel and published in the open access Oncology Reports.

An abstract is at: <http://www.spandidos-publications.com/10.3892/or.2014.2987>.

Patrys said the work was the result of a collaboration between Germany's University of Würzburg and the University of Kiel, and Patrys.

The abstract said that the fully human monoclonal antibody PAT-SC1 was specific for an isoform of CD55 and the antigen was expressed in 80 percent of gastric cancers, with the antibody inducing tumor cell-specific apoptosis in-vitro as well as in-vivo.

The abstract said that patients undergoing treatment for gastric cancer between 1997 and 2001 were tested for CD55PAT-SC1 expression and 51 resectable patients that tested positively received a single administration of 20mg PAT-SC1 48 hours prior to surgery.

"Despite the low-dose of the antibody, 81.6 percent of the patients showed signs of increased apoptosis within the primary tumor and 60 percent showed signs of tumor cell regression," the abstract said.

The abstract said that comparison of the 10-year survival rates patients treated with the PAT-SC1 antibody with a historical collective of patients not treated with PAT-SC1 "indicated a survival benefit in the treated patients".

The abstract said the data suggested that CD55PAT-SC1 antigen expression was an independent predictor of poor survival.

The abstract said that PAT-SC1 "may be a useful additive therapeutic agent" in the treatment of patients with CD55PAT-SC1-expressing gastric cancers.

"In combination with radical standard surgery, PAT-SC1 given as an adjuvant or neo-adjuvant immunotherapeutic agent induces apoptosis in tumor cells which may improve survival of these patients," the abstract said.

The paper's senior author Dr Stephanie Brändlein said that "even after treatment and radical surgery in gastric cancer patients, some cancer cells persist and disseminate throughout the body causing metastasis and recurrences of tumors."

"PAT-SC1 effectively induces killing of these cells through a specific antigen binding mechanism thus improving the patient's prognosis," Dr Brändlein said.

"These results are very exciting as this is the first time that a monoclonal [immunoglobulin-M] antibody like PAT-SC1 has been administered to such patients and the first time that an antibody treatment has resulted in a significant survival benefit," Dr Brändlein said.

Patrys said PAT-SC1 had "a strong potential to be used as an additive therapeutic agent in the treatment of patients with gastric cancers ... [and] in combination with radical standard surgery, PAT-SC1 could induce killing of tumor cells in various stages of growth, resulting in an improved survival of these patients".

Patrys was up half a cent or 10.9 percent to 5.1 cents with 57.0 million shares traded.

IMMURON

Immuron says it will raise \$9.66 million through a fully-underwritten, renounceable 11-for-six rights issue at 0.5 cents a share.

Immuron said that Patersons Securities was the lead manager and underwriter with BBY Limited the broker to the offer.

The company said the funds were for a phase IIb non-alcoholic steato-hepatitis trial, to continue the commercialization of Travelan, repay the existing Paladin debt, for general working capital purposes and to fund the development and commercialization of other products.

Immuron said that the record date would be February 3, the offer opened on February 7 and closed on February 21, 2014.

Immuron chief executive officer Amos Meltzer said the capital raising was “an important milestone for Immuron”.

“It is the first time in a long time that funds have been raised for growth, rather than survival,” Mr Meltzer said.

Mr Meltzer said that non-alcoholic steato-hepatitis was “a very large unmet medical need with relatively few companies developing a product for it”.

Mr Meltzer said that the Nasdaq-listed Intercept Pharmaceuticals announced positive phase IIb results on January 9, 2014 and saw its market value rise from \$US1.5 billion to more than \$US8 billion.

Immuron fell 0.4 cents or 36.4 percent to 0.7 cents.

ANTISENSE THERAPEUTICS

Antisense says it has approval for an Australian phase I proof-of-concept trial of ATL1102 for stem cell mobilization expected to begin by April 2014.

Antisense said that the mobilization of stem cells from the bone marrow into the blood was a medical procedure used to improve outcomes for patients undergoing chemotherapy to treat certain cancers.

The company said that Nucleus Network would conduct the randomized, open-label study at its clinical trial unit at Melbourne’s Alfred Hospital and would assess safety, tolerability, pharmacokinetics and pharmacodynamics, including effects on the release of haematopoietic stem cells, of ATL1102 dosed over five days, alone or in combination with granulocyte colony-stimulating factor (G-CSF), in 10 healthy volunteers.

Antisense said it hoped to have the trial results “by the middle of 2014”.

The company said that the development of ATL1102 for the stem cell mobilization application would be a relatively inexpensive and quick clinical program given it was to be an acute treatment of one week drug administration and the company expected to recover 45 percent of the costs through the Federal Government R&D tax incentive.

Antisense managing-director Mark Diamond said the potential of ATL1102 for stem cell mobilization trial was “another key project value inflection point, along with those for ATL1103 for acromegaly and ATL1102 for multiple sclerosis, anticipated by the company within the next six months”.

Antisense was unchanged at 14.5 cents.

SUDA

Suda says its wholly-owned subsidiary Westcoast Surgical and Medical Supplies has signed a continence management products distribution deal with Ontex Healthcare.

Suda was unchanged at 7.5 cents.

REGENEUS

Regeneus says that the Basel, Switzerland-based Lonza, will manufacture its off-the-shelf stem cell therapy Cryoshot Canine, for US canine musculoskeletal conditions registration. Regeneus' head of veterinary health Dr Duncan Thomson said the contract was "the start of a long-term relationship in which Lonza will manufacture Cryoshot for the world-wide canine market" at Lonza's Walkersville, Maryland facility.

Regeneus said that Cryoshot Canine was an off-the-shelf allogeneic cell therapy produced from adipose or fat tissue from a donor animal, processed and cultured to isolate and increase the regenerative cells before being cryogenically frozen and stored in liquid nitrogen and thawed for injection by the treating veterinarian.

Regeneus was up two cents or 4.1 percent to 51 cents with 1.1 million shares traded.

THE UNIVERSITY OF MELBOURNE

The University of Melbourne says it has signed a strategic alliance with France's Sanofi Pasteur to develop human vaccines

The University did not disclose the nature of the vaccines or the value of the collaboration.

The University of Melbourne said that Sanofi Pasteur would co-fund yet-to-be-identified, proof-of-concept studies of technologies to be used by the Sanofi Pasteur to develop immune-boosting substances and vaccines against infectious diseases.

The University said Sanofi would provide support to University researchers in developing technologies and would have the first right-of-refusal to acquire exclusive, worldwide licenses to develop and commercialize the technology.

University of Melbourne research deputy vice-chancellor Prof James McCluskey said the University was "excited" to continue the alliance with Sanofi Pasteur to work towards developing the next generation of vaccines to protect against infectious diseases.

The University said Sanofi Pasteur had collaborated on projects including an investigative vaccine to treat gingivitis and a new adjuvant for a vaccine to boost the immune response.

BIOPROSPECT

Bioprospect will hold an extraordinary general meeting to acquire a cardiac monitoring test for depression and other mental illnesses and return to biotechnology.

Originally developing a termite treatment, Bioprospect was involved with Solagran in developing its pine needle extract cure-all for horse supplements before attempting to become an oil and gas company (BD: Dec 3, 2013).

Resolutions include a change to the scale of activities, ratify the issue of 25,000,000 Heartlink option fee shares, approve the issue of 125,000,000 shares to Heartlink, approve 150,000,000 Invatec option shares and elect Dr Stephen Addis as a director.

Bioprospect said that it had the option to acquire up to 80 percent of Invatec, a company with a project for the diagnosis of depression and other mental health disorders.

The company said that Heartlink was an Australian company holding the patents to the Invatec technology developed by its research director Dr Addis and Invatec chief executive officer Claude Solitario.

Bioprospect said Dr Addis graduated in medicine from Belfast's Queens University in 1982 and became a member of the UK Royal College of Psychiatrists in 1987.

The meeting will be held at the Westin Hotel, 1 Martin Place, Sydney on February 19, 2014 at 10.30am (ADST).

Bioprospect was unchanged at 0.3 cents with 3.7 million shares traded.

ISONEA

Isona says its Airsona wheeze monitor and Asthmasense Prime mobile telephone application have won a Las Vegas Consumer Electronics Show digital technology award. Isona said the devices were selected from “among hundreds of thousands of products at the world’s largest international consumer technology event” and the award was issued by Tech Podcast Network and recognized innovation in the digital health field. Isona fell 0.2 cents or 5.2 percent to 36.5 cents.