



Biotech Daily

Friday March 7, 2014

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH UP: ANTEO UP 17%, PSIVIDA DOWN 7%**
- * **GENETIC TECHNOLOGIES BREVAGEN BREAST CANCER TEST VALUE**
- * **S&P ASX 300 PROMOTES BIONOMICS, DEMOTES PRIMA**
- * **AMA REFUSES RESONANCE FERRISCAN INSURANCE CODE CHANGE**
- * **ISONEA CLAIMS 'ELECTRONIC STETHOSCOPE' ON JOURNAL ARTICLE**
- * **ACRUX PLEADS SCHULTZ TO ASX 10% FALL QUERY**
- * **BLACKROCK TAKES 5% OF COCHLEAR, AGAIN**
- * **DR DAVID THURIN, DALIT INCREASE, DILUTED AT 6% OF BENITEC**
- * **MEDIVAC APPOINTS PETER ELLIOTT, ADDS PROPERTY TO PORTFOLIO**

MARKET REPORT

The Australian stock market was up 0.3 percent on Friday March 7, 2014 with the S&P ASX 200 up 16.4 points to 5,462.3 points.

Eighteen of the Biotech Daily Top 40 stocks were up, eight fell, eight were unchanged and six were untraded. All three Big Caps were up.

Anteo was the best, up three cents or 16.7 percent to 21 cents with 12.3 million shares traded, followed by Reva up 14.3 percent to 40 cents with 176,784 shares traded.

Neuren climbed 8.7 percent; GI Dynamics was up 7.7 percent; Bionomics and Genetic Technologies were up five percent or more; Avita and Prima were up more than four percent; Acrux, Atcor, Benitec and Oncosil were up more than three percent; Impedimed and Tissue Therapies rose more than two percent; Admedus, Alchemia, Mesoblast and Phosphagenics were up more than one percent; with Cochlear, CSL and Resmed up by less than one percent.

Psivida led the falls, down 33 cents or 6.6 percent to \$4.66 with 2,200 shares traded.

Prana fell 4.55 percent; Cellmid, Living Cell and Universal Biosensors lost more than two percent; with Clinuvel, Sirtex and Starpharma down by less than one percent.

GENETIC TECHNOLOGIES

Genetic Technologies says a study has shown the cost effectiveness of its Brevagen test for breast cancer at particular risk levels.

Genetic Technologies said that the collaborative project with the San Francisco, California-based healthcare modeling and analytics organization Archimedes examined the cost-effectiveness of Brevagen to direct tamoxifen chemoprevention and found the test was most cost-effective when given to patients at an intermediate risk of developing breast cancer, those with a 1.2 percent to 1.66 percent 5-year risk.

The company said the results demonstrated that adding information about breast cancer susceptibility loci to decision models for breast cancer chemoprevention improved clinical outcomes, with an average of 15 breast cancer cases prevented per 1,000 women and was cost-effective, with an incremental cost-effectiveness ratio below the benchmark number used by US payers of \$50,000 per quality-adjusted life year saved.

Genetic Technologies said that the study 'Economic Evaluation of Using a Genetic Test to Direct Breast Cancer Chemoprevention in White Women With a Previous Breast Biopsy' was published online in the journal Applied Health Economics and Health Policy.

An abstract is at: <http://link.springer.com/article/10.1007/s40258-014-0089-6>.

The company said that in a virtual clinical trial, the study simulated a population of white women aged 40 to 69 years, who were at elevated risk for breast cancer due to a history of benign breast biopsy.

Genetic Technologies said that women were assessed for risk of developing breast cancer using the Brevagen test to determine eligibility for five years of tamoxifen therapy.

The company said that the Brevagen test was most cost-effective when given to patients at an intermediate risk and adding information about breast cancer susceptibility improved clinical outcomes and was cost-effective.

Genetic Technologies chief executive officer Alison Mew said that the company was "pleased to see a predicted improvement in clinical outcomes based on the use of Brevagen and the identification of the risk profile group of women for which it is optimally cost-effective".

"To have our risk test featured in such a prominent and respected publication in the field of health economics is encouraging and demonstrative that Brevagen offers many benefits to patients and providers alike, to prevent potential cancer occurrence and to lower associated costs along the way," Ms Mew said.

Genetic Technologies said that Brevagen was available in all 50 states of the US.

Genetic Technologies was up 0.3 cents or five percent to 6.3 cents.

STANDARD & POOR'S FINANCIAL SERVICES DOW JONES INDICES

Standard & Poor's has promoted Bionomics into, and removed Prima from, the S&P ASX300 index.

Standard & Poor's promoted Anteo, Admedus, GI Dynamics, Isona, Neuren and Prana into the All Ordinaries Index and removed Medical Developments, Pharmaxis, Prima and Universal Biosensors.

S&P Dow Jones Indices index manager Douglas Beem told Biotech Daily that the All Ordinaries index included the top 500 companies by market capitalization over a six month average.

Bionomics was up four cents or 5.7 percent to 74 cents with 1.2 million shares traded.

Prima was up 0.2 cents or 4.4 percent to 4.7 cents with 3.96 million shares traded.

RESONANCE HEALTH

Resonance the American Medical Association has rejected a request for a category 1 code for its Ferriscan detection of liver iron concentration.

Resonance said that the AMA said that existing codes were adequate and the American College of Radiology was also concerned that the request was vendor specific.

The company said that the College suggested that a Healthcare Common Procedure Coding System (HCPCS) code for reimbursement of magnetic resonance imaging post-processing for measurement of liver iron concentration might be more appropriate.

Resonance said that the clinician applicants for the new code could submit a formal request to the Current Procedural Terminology (CPT) editorial committee to reconsider its decision or take alternative options such as an application for a HCPCS code.

The company said that the ruling was “frustrating for [it] ... and for the considerable number of clinicians who strongly supported the need for this code”.

Resonance said that several US payers valued Ferriscan and were reimbursing the cost of the service for claims that used existing CPT codes and it would continue to work with clinicians and payers to gain further coverage via these codes.

Resonance said that the number of US Ferriscans was up 33 percent in 2012-‘13 and demand continued to grow with Ferriscan the only approved product for the measurement of liver iron concentration and while the US was about 20 percent of its Ferriscan income growth had been driven by Middle East and Asia.

Resonance fell 1.2 cents or 15.2 percent to 6.7 cents with 8.2 million shares traded.

ISONEA

Isona says its asthma sensor and mobile telephone application Airsona is “an electronic stethoscope” and a journal article supports the use of such devices.

Previous executives at Isona have told Biotech Daily that the technology developed by the Haifa, Israel-based Dr Noam Gavrieli at Karmelsonix was capable of detecting breath sounds other than asthma wheezes, including crackles or rales, to assist the diagnosis of chest infections and heart failure, but so far the system had been developed solely for wheeze detection.

Isona said the journal article commented that there was an opportunity for “the development of robust acoustic devices for use at the bedside - as exemplified by electronic stethoscopes paired with small convenient recorders and perhaps in the form of a smartphone with an [application]”.

The article, entitled ‘Fundamentals of Lung Auscultation’ by the Jerusalem-based Shaare Zedek Medical Centre by Dr Abraham Bohadana and colleagues was published in the New England Journal of Medicine.

A preview of the article is at: <http://www.nejm.org/doi/full/10.1056/NEJMra1302901>.

Isona quoted the article concluding that electronic stethoscopes could provide “the long-awaited portable objective means to record, analyze, and store lung sounds just as any other clinical information is measured and stored ... [which] will make sound tracking possible, further enhancing the usefulness of auscultation.”

Isona managing director Stephen Tunnell said that “our Airsona device is an electronic stethoscope and paired with a smartphone and our Asthmasense app will help patients, families and their physicians monitor and record wheeze rate data”.

Devices and descriptions shown to Biotech Daily by former Isona and Karmelsonix executives have not included the ability to detect sounds other than wheeze, although those executives have said the technology could be adapted to all chest sounds.

Isona fell half a cent or 2.1 percent to 23.5 cents.

ACRUX

Acrux 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 fell 10.0 percent from \$2.09 on March 5, to \$1.88 on March 6, 2014, and noted an increase in trading volume.

Acrux was up seven cents or 3.7 percent to \$1.98 with 2.4 million shares traded.

COCHLEAR

Blackrock Investment Management has become a substantial shareholder, again, in Cochlear with a holding of 2,873,128 shares or 5.03 percent.

Blackrock said that the share were acquired at a range of prices

In 2009, the multi-national Blackrock first became a substantial shareholder in Cochlear with 2,993,832 shares or 5.3 percent and ceased its substantial holding in February 2010 (BD: Dec 15, 2009).

The substantial shareholder notice was signed by William Stockl.

Cochlear was up 15 cents or 0.3 percent to \$57.25 with 187,601 shares traded.

BENITEC BIOPHARMA

Dalit Pty Ltd has increased its substantial shareholding in Benitec from 4,545,455 shares to 5,780,497 and been diluted from 6.17 percent to 5.78 percent of the company.

The substantial shareholder notice, signed by director Dr David Thurin, said that Dalit acquired 362,150 shares and Tigcorp Nominees acquired 373,832 shares on February 28, 2014 for \$1.07 a share, in the \$31.5 million placement (BD: Feb 28, 2014).

The Toorak, Melbourne-based Dalit and Dr Thurin became substantial in Benitec in last year's placement at 27.5 cents (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 was up seven cents or 3.8 percent to \$1.92.

MEDIVAC

Medivac has appointed Peter Elliott as a non-executive director and will acquire a property at Tuggerah, New South Wales as the first step in building a property fund.

Medivac said that Mr Elliott held a Bachelor of Laws from the University of Auckland and was a barrister and solicitor, with more than 30 years of commercial experience.

The company said the \$780,000 payment for the property would be \$505,000 in cash and \$275,000 in shares at one cent a share.

Medivac said the property had a gross rental of \$70,000 a year and was leased to "a major international corporate", with a property fund manager to be established as a separate division of Medivac.

In January, Medivac said it hoped to raise funds, finalize its annual report and change its name to Woolwich Capital to better reflect its activities (BD: Jan 31, 2104).

Medivac was commercializing the Metamizer technology to reduce HOSPITAL waste to landfill by sterilizing and shredding, as well as its Sunnywipes surface wipes and gels.

Medivac was untraded at 0.3 cents.