



# Biotech Daily

Monday April 7, 2014

*Daily news on ASX-listed biotechnology companies*

- \* **ASX, BIOTECH DOWN: REVA UP 24%, ANTEO DOWN 10%**
- \* **STARPHARMA, ASTRAZENECA EXPAND DENDRIMER ONCOLOGY WORK**
- \* **BROAD US PATENT FOR ANTISENSE ATL1102 FOR MULTIPLE SCLEROSIS**
- \* **WOOLCOCK, PHARMAXIS DEVELOP ORBITAL INHALER**
- \* **ISRAEL'S CLALIT REIMBURSES GI DYNAMICS ENDOBARRIER**
- \* **CRYOSITE FOUNDING DIRECTOR GORDON MILLIKEN RESIGNS**

## MARKET REPORT

The Australian stock market slipped 0.17 percent on Monday April 7, 2014 with the S&P ASX 200 down 9.1 points to 5,413.7 points.

Twelve of the Biotech Daily Top 40 stocks were up, 21 fell, five traded unchanged and two were untraded.

Reva was the best, recovering 3.5 cents or 24.2 percent to 18 cents with 231,282 shares traded, following last week's 62.8 percent fall (BD: Mar 28, 31, 2014).

Genetic Technologies climbed 9.8 percent; Clinuvel was up 8.75 percent; Medical Developments rose 6.8 percent; Atcor and Avita were up more than four percent; Admedus, Ellex and QRX were up more than three percent; GI Dynamics was up 1.9 percent; with Acrux and Alchemia up by less than one percent.

Anteo led the falls, down 2.5 cents or 10.4 percent to 21.5 cents with 5.6 million shares traded.

Mesoblast lost 9.4 percent; IDT and Oncosil fell eight percent or more; Patrys was down 7.1 percent; Cellmid, Prana and Tissue Therapies were down six percent or more; Impedimed and Osprey fell more than five percent; Living Cell and Viralytics fell more than four percent; Benitec, Phosphagenics and Universal Biosensors were down more than three percent; Neuren shed 2.2 percent; Nanosonics and Pharmaxis were down more than one percent; with Bionomics, Cochlear, CSL, Psivida and Sirtex down by less than one percent.

## STARPHARMA

Starpharma says it has a second, expanded agreement with Astrazeneca using its dendrimer drug delivery technology for a cancer drug.

Starpharma said that Astrazeneca began an evaluation of the technology in 2012 and the new agreement will see the application of the dendrimer technology to an Astrazeneca oncology drug (BD: Sep 6, 2012).

The company said that under the new agreement, Astrazeneca would provide funding for a joint pre-clinical stage cancer research program.

Starpharma said that dendrimer-enhanced versions of drugs had been found to be superior to the unmodified drugs in pre-clinical studies, often having improved efficacy and fewer side effects or toxicities.

Starpharma was unchanged at 75 cents.

## ANTISENSE THERAPEUTICS

Antisense says that the US Patent Office has allowed a patent entitled 'Methods for treating multiple sclerosis using antisense oligonucleotides'.

Antisense said the patent covered the use of ATL1102 to reduce brain lesions in relapsing-remitting multiple sclerosis and progressive forms of multiple sclerosis including secondary progressive multiple sclerosis and primary progressive multiple sclerosis and at the desired doses until June 23, 2029, with potential for an extension of up to five years.

The company said that the patent formed part of its portfolio of intellectual property protecting ATL1102 and its uses in multiple sclerosis, including a granted US patent, an Australian patent and corresponding applications in Europe, Japan and Canada, covering the use of ATL1102 in the treatment of the most common form of the disease, relapsing-remitting multiple sclerosis.

Antisense said that annual sales for drugs treating relapsing-remitting multiple sclerosis in 2013 were about \$US14 billion.

The company said that a recent publication showed that reduction in brain lesions with Tysabri a monoclonal antibody drug to the VLA-4 receptor, the same target as ATL1102, could benefit patients with progressive forms of multiple sclerosis.

Antisense said that Novantrone was the only US-approved compound for use in secondary, or chronic, progressive multiple sclerosis which could only be used for two to three years because of safety limitations.

The company said that the new US patent also claimed all desired doses of ATL1102 for use in treatments including those described in the pharmaco-metric modeling for dosing in the its planned six month phase IIb clinical trial.

Antisense said it planned to meet with the US Food and Drug Administration by October 2014 for a pre-investigational new drug application meeting regarding the study design for a phase IIb multiple sclerosis trial, in parallel with potential pharmaceutical partner talks.

Antisense managing director Mark Diamond said more than \$30 million "has been spent on the development work undertaken to date by the company and its previous commercialization partner in progressing ATL1102 in the [multiple sclerosis] indication towards moving the compound into a phase IIb trial".

"We are delighted that the recent findings from the toxicology study provide the opportunity for us to capitalize on this investment and this together with our US patents will underpin our partnering and commercialization plans," Mr Diamond said.

Antisense was unchanged at 16.5 cents.

## THE WOOLCOCK INSTITUTE OF MEDICAL RESEARCH, PHARMAXIS

The Woolcock Institute of Medical Research says it is working with Pharmaxis to develop the Orbital inhaler to deliver higher doses of drugs.

A media release from the Woolcock Institute said the Orbital inhaler was “in the prototype stage” but had the potential to change the way people with lung infections and conditions like cystic fibrosis administered treatment.

Woolcock's head of respiratory technology Dr Paul Young said that currently people with cystic fibrosis needed to repeatedly load, prime, inhale and then emptying their devices.

“This is obviously difficult for patients, particularly children ... and it's likely to discourage them from taking their medication at all,” Dr Young said.

“Orbital reduces treatment times to just seconds, with patients simply clicking the button and taking several breaths in, until the device is empty,” Dr Young said.

“The inhaler is discarded, so no cleaning or maintenance is required,” Dr Young said.

Dr Young said that once commercialized, the inhaler could be used to treat a range of other common lung diseases, like tuberculosis and pneumonia.

Pharmaxis fell 0.1 cents or 1.1 percent to 9.1 cents.

## GI DYNAMICS

GI Dynamics says that Israel's Clalit Health Services will reimburse its Endobarrier duodenal inserted treatment for obesity and type 2 diabetes.

GI Dynamics said the coverage entitled participating hospitals in Israel to negotiate with Clalit Health Services on the total charge for Endobarrier treatment.

The company said that patients with type 2 diabetes and obesity insured by Clalit and enrolled in the Mushlam supplementary insurance plan were eligible for at least 50 percent reimbursement of the agreed charge for Endobarrier therapy.

GI Dynamics said that about 2.7 million people were enrolled in Clalit Mushlam, the most comprehensive supplementary health plan in Israel and there were an estimated 600,000 Israeli adults with diabetes, with about one-third were undiagnosed.

GI Dynamics chief executive officer Stuart Randle said Israeli reimbursement followed a preliminary reimbursement code in the Netherlands and a designation in Germany.

GI Dynamics Israel distributor Medison' chief executive officer Meir Jacobsohn said the Endobarrier was “a highly effective, less invasive procedure to lower blood sugar and reduce weight”.

“We have already seen a significant demand for Endobarrier therapy among Israeli men and women with these conditions,” Mr Jacobsohn said.

GI Dynamics was up one cent or 1.9 percent to 53 cents.

## CRYOSITE

Cryosite says that managing director Gordon Milliken will resign from the company effective from April 9, 2014.

Cryosite said that Mr Milliken was a founding director and was appointed managing director prior to listing on the ASX in May 2002.

The company said that executive director Graeme Moore would be the acting chief executive officer from Mr Milliken's retirement.

Cryosite fell one cent or 2.2 percent to 45 cents.