Biotech Daily

Wednesday June 4, 2014

Daily news on ASX-listed biotechnology companies

*** ASX, BIOTECH DOWN: ATCOR, AVITA, ONCOSIL UP 5%, ANTEO DOWN 11%**

*** DIMERIX IPO TO RAISE $9m FOR DMX200 FOR KIDNEY DISEASE**

*** US PATENT FOR NEUREN'S NNZ-2591**

*** COURT ORDERS CBIO OFFICERS TO PAY INVION $1m**

*** BPH, MOLECULAR DISCOVERY SUSPEND EARLY PROGRAMS**

*** AGENIX COMPLETES TYRIAN LICENCE**

*** ANALYTICA CHAIRMAN DR MICHAEL MONSOUR BUYS 17m SHARES**

*** SPINIFEX APPOINTS DR RONALD MARCUS CHIEF MEDICAL OFFICER**

MARKET REPORT

The Australian stock market fell 0.64 percent on Wednesday June 4, 2014 with the S&P ASX 200 down 34.9 points to 5,444.8 points.

Ten of the Biotech Daily Top 40 stocks were up, 17 fell, 10 traded unchanged and three were untraded.

Atcor, Avita and Oncosil were all up 0.5 cents or 4.76 percent to 11 cents with 137,000 shares, 30,000, shares and 682,536 shares traded, respectively, followed by GI Dynamics up 4.6 percent to 57 cents with 430,930 shares traded and Cellmid up four percent to 2.6 cents with 1.4 million shares traded.

Biotron climbed 3.2 percent; Circadian, Clinuvel, Living Cell and Prima rose more than two percent; with Resmed up 0.4 percent.

Anteo led the falls, down 2.5 cents or 10.9 percent to 20.5 cents with 9.6 million shares traded, followed by Universal Biosensors down 10 percent to 18 cents with 545,899 shares traded.

Acrux and Genetic Technologies lost more than nine percent; Uscom fell 7.7 percent; Optiscan was down 6.25 percent; both Impedimed and Prana shed 5.1 percent; Analytica, Mesoblast, Phosphagenics and Tissue Therapies fell more than four percent; Osprey and Pharmaxis were down more than three percent;, Benitec and Starpharma shed more than two percent; with Cochlear, CSL and Sirtex down less than one percent.

DIMERIX BIOSCIENCE

Dimerix hopes to raise up to $9 million in an initial public offer of 45,000,000 shares at 20 cents each and list on the ASX to develop its DMX200 for chronic kidney disease.

Dimerix said that Yuuwa Capital founder Dr James Williams had been appointed executive chairman to assist with the transition to the new management structure.

Dr Williams told Biotech Daily that the prospectus had been filed with the Australian Securities and Investments Commission today and was available on the company's website at: http://dimerix.com/investors.

In March, Dimerix raised $1.5 million in a pre-initial public offer to take DMX200 to phase II clinical studies for chronic kidney disease and said at that time that it was a private company in transition to a public unlisted company (BD: Mar 24, 2014).

Dimerix said that DMX200 was a combination of drugs that individually had extensive human data and the phase II trials were expected to begin by October 2104 and be completed within 36 months.

The company said that it had contracts with two pharmaceutical companies to use its proprietary core platform technology, Receptor-HIT, which enabled interrogation and understanding of the signalling pathways triggered when drugs act at complexes of receptors, rather than receptors signalling in isolation.

Dimerix said it had completed pre-clinical studies for DMX200, demonstrating a reduction of proteinuria in chronic kidney disease.

The company said that it had a further pipeline of research and pre-clinical programs including a broader range of drug combinations covered by its existing pending patent, as well as programs for ocular diseases including diabetic retinopathy, alternative drug combinations for multiple sclerosis and cancer fatigue.

The company said that Dr Sonia Poli had been appointed as managing director.

Dimerix said that Dr Poli was most recently a senior executive at Addex Therapeutics and previously was with Hoffman la Roche, both based in Switzerland.

The company said that Dr Poli would spend time between Switzerland and Australia prior to being based in Melbourne, from January 2015.

In 2010, Dimerix was awarded a $450,000 Commercialisation Australia grant for its diabetic nephropathy treatment to halt kidney failure (BD: Oct 15, 2010).

Dimerix said at that time that through the use of G-protein-coupled receptor assay technology, a novel therapy was being developed to halt the progression of the disease and it hoped to finalize a proof-of-concept supporting plans to licence the intellectual property to a pharmaceutical company for advanced clinical development.

The company's directors include INC Research head of clinical development and former Arana Therapeutics chief medical officer Dr David Fuller, Entrust Funds managing director and former Calzada chairman David Franklyn and Uniquest's senior director of commercial engagement Dr Mark Ashton.

Dimerix said the chief scientific adviser was University of Western Australia head of molecular endocrinology and pharmacology Prof Kevin Pfelger.

The company said the chief operating officer was former Amrad, Cytopia and Phosphagenics executive Kathy Harrison and the business development officer was Yuuwa co-founder and the investment director Elizabeth McCall.

The Sydney-based Peloton is the lead manager for the Dimerix offer.

The Dimerix prospectus said that one free attaching option exercisable at 30 cents by June 30, 2016, would be issues for every three shares bought in the offer.

The prospectus said that with a $9 million raising the company would have an indicative market capitalization of $25,220,600.

The offer opens on June 10 and closes on July 8, 2014.

NEUREN PHARMACEUTICALS

Neuren says the US Patent and Trademark Office has allowed a new patent covering its second drug candidate, NNZ-2591.
Neuren said that the patent, entitled 'Cyclic Glycyl-2-Allyl Proline improves cognitive performance in impaired animals' and was expected to expire in 2031.
The company said it was the fourth US patent to be issued covering NNZ-2591, with expected expiries between 2027 and 2031.
Neuren said it was testing NNZ-2591 in a mouse model of multiple sclerosis, with results expected by the end of 2014.
The company said that NNZ-2591 had shown efficacy in pre-clinical models of Parkinson's disease, stroke, traumatic brain injury, peripheral neuropathy, Fragile X syndrome and memory impairment.
Neuren said that the first claim of the new patent described "A method for relieving or alleviating a symptom of cognitive impairment caused by a disease, injury, or condition in a mammal in need thereof, comprising: administering a pharmaceutically effective amount of cyclic Glycyl-2-Allyl Proline (cG-2-AllylP) to said mammal thereby providing relief from the symptom, where said disease is selected from the group consisting of Alzheimer's disease, Huntington's disease, Lewy Body disease, Dementia, cerebral atrophy, fronto-temporal lobar degeneration, Pick's disease, multi-infarct dementia, HIV infection, and Down's syndrome, said injury is selected from the group consisting of neuro-toxic injury, cerebral hypoxia/ischemia, traumatic brain injury, coronary artery bypass surgery, where said condition is normal aging, age-related memory loss, memory impairment, cholinergic hypo-function, vascular narrowing or blockage in the brain, neuro-inflammation, mild cognitive impairment, and loss of synaptic plasticity".
Neuren was unchanged at 6.7 cents with 5.1 million shares traded.

INVION (FORMERLY CBIO)

Invion says that the Supreme Court of Queensland has ordered former officers of the then CBio to repay the sum of $1,071,482.
Invion said that the Court also dismissed the counterclaim by the defendants in which they sought damages from Invion for allegedly breaching an agreement pursuant to which bonus payments should have been paid after their resignations.
The company said it previously received final orders against the defendants for $67,000 for costs of interlocutory matters.
Invion said it intended to use all avenues available to it to recover the judgment debt.
Last year, Invion said that one unnamed defendant in the legal action to recover about $1.2 million, agreed to repay his termination pay (BD: May 21, 2013).
Queensland Supreme Court documents named former executive chairman Stephen Jones, former chief executive officer Jason Yates, former chief financial officer James Greig and former company secretary Benjamin Graham as the defendants in the matter.
The company said that the proceedings related to the resignations in October 2011 of the officers and payments made to the officers.
Invion sought orders requiring the repayment of termination payments.
Invion alleged that the termination payments were in breach of the defendants fiduciary duties to the Company, and contravened the statutory duties imposed on them by sections 180, 181 and 182 of the Commonwealth Corporations Act 2001.
Invion fell 0.1 cents or 1.5 percent to 6.4 cents.

BPH ENERGY

BPH says Molecular Discovery Systems has temporarily suspended its early stage drug discovery program effective from July 2014.

Last year BPH said that 20 percent investee company Molecular Discovery Systems had an extensive patent portfolio for HLS5 which encapsulated the gene both as a potential cancer therapeutic target and also underpinning its involvement in a variety of other diseases (BD: Jul 24, 2013) .

Today, BPH said that using its In-Cell analyzer Molecular Discovery Systems had continued to develop a number of high content drug discovery screens, which had identified several compounds which had been shown to interfere with a number of cancer associated signalling pathways.

BPH said that the identified compounds would need to undergo further optimization before pre-clinical studies could be initiated.

The company said that the program was planned to be suspended indefinitely, pending market conditions.

BPH said that Molecular Discovery Systems was continuing its work with the Harry Perkins Institute of Medical Research on HLS5 to develop and validate the molecule as a tumor suppressor.

The company said that research on HLS5 was focused on ascertaining its role in cancer associated signalling pathways and its role in liver cancer development and progression.

BPH was untraded at 0.9 cents.

AGENIX

Agenix says it has paid 2,356,725 shares to Tyrian Diagnostics as the final instalment to licence its rapid point-of-care human diagnostic technology.

Agenix said it had an exclusive, world-wide, royalty-free licence to all human health applications for Tyrian's proprietary Diagnostiq rapid point-of-care test platform and reader.

In 2012, the company said the licence would be by the issue of $500,000 in shares over two years (BD: Oct 25, Nov 22, 2012).

Agenix was up 0.2 cents or 16.7 percent to 1.4 cents.

Tyrian was up 0.1 cents or 100 percent to 0.2 cents.

ANALYTICA

Analytica chairman Dr Michael Monsour has increased his shareholding in the company from 85,434,934 shares (12.4%) to 102,529,666 shares (12.57%).

Dr Monsour said that he bought 921,000 shares for $23,046 or 2.5 cents a share in March and a further 16,173,732 shares for $388,170 or 2.4 cents a share on May 22, 2014.

In May, Analytica completed a $3 million capital raising with a $1.8 million placement and a one-for-15, $1.2 million rights offer at 2.4 cents a share (BD: Apr 22, May 20, 2014).

Analytica said at that time that a shortfall of $368,940 would be placed by underwriter Patersons Securities of which $250,000 would be taken up by Dr Monsour.

Analytica fell 0.2 cents or 4.1 percent to 4.7 cents with 3.2 million shares traded.

SPINIFEX PHARMACEUTICALS

Spinifex says it has appointed Dr Ronald Marcus as chief medical officer to drive the development of lead candidate EMA401 and the company's pre-clinical pipeline.

Spinifex said that Dr Marcus had more than 20 years pharmaceutical clinical development experience and previously held senior executive positions in Bristol-Myers Squibb's neuroscience division, including as early development team leader for neuropathic pain, schizophrenia and migraine compounds and life-cycle management team leader for Abilify.

The company said that Dr Marcus led the development of the anti-depressant Serzone.

Spinifex said that Dr Marcus held a Bachelor of Arts degree in psychology from the University of Virginia and a Doctor of Medicine degree from the State University of New York Buffalo.

Spinifex said that Dr Marcus had authored more than 80 peer-reviewed publications.

The company said that EMA401 was a novel angiotensin II type 2 receptor antagonist being developed as a potential first-in-class oral treatment for chronic pain without central nervous system side-effects.

Spinifex is a private company