Biotech Daily

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Daily news on ASX-listed biotechnology companies

*** ASX UP, BIOTECH DOWN: CLINUVEL UP 10%, COMPUMEDICS DOWN 6%**

*** PATRYS PAT-SM6 MULTIPLE MYELOMA STUDY, CSIRO CELL LINES**

*** ADMEDUS HAS 66% OF VACCINE COMPANY (FORMERLY CORIDON)**

*** UNIVERSAL BIO H1 REVENUE DOWN 75% TO $3m, LOSS DOWN 9.5%**

MARKET REPORT

The Australian stock market was up 0.2 percent on Thursday July 24, 2014 with the S&P ASX 200 up 11.1 points to 5,587.8 points.

Twelve of the Biotech Daily Top 40 stocks were up, 14 fell, eight traded unchanged and six were untraded.

Clinuvel was the best, up 15.5 cents or 10.1 percent to $1.685 with 855 shares traded.

Oncosil climbed 8.3 percent; Avita was up 4.55 percent; Acrux, Patrys and Phosphagenics were up more than three percent; Alchemia rose 2.5 percent; IDT, Nanosonics and Viralytics were up more than one percent; with Benitec, CSL, Osprey and Resmed up by less than one percent.

Compumedics led the falls, down one cent or 6.45 percent to 14.5 cents with 46,002 shares traded.

Anteo lost 5.6 percent; Admedus, Antisense, Biotron, Pharmaxis and Starpharma were down more than three percent; Analytica, Bionomics and Prana shed two percent or more; Ellex and Living Cell were down more than one percent; with Cochlear, Mesoblast and Sirtex down by less than one percent.

PATRYS

Patrys says it is conducting a pre-clinical program investigating the anti-myeloma activity of PAT-SM6 in combination with the carfilzomib, bortezomib and lenalidomide.

Patrys said the work was to support the planned combination study of PAT-SM6 and carfilzomib and preliminary results show that PAT-SM6 works in combination with the marketed drugs in a synergistic manner resulting in a higher level of killing of multiple myeloma cells than the drugs used as single agents (BD: May 28, 2014).

The company said that the pre-clinical data suggested that PAT-SM6 has the ability to convert multiple myeloma cells from being resistant to the proteasome inhibitors bortezomib and carfilzomib to being sensitive to those drugs.

Patrys said that experiments were being conducted in collaboration with the France-based Myelomax.

The company said that it had entered into collaboration with the Commonwealth Scientific and Industrial Research Organisation to explore the production of immunoglobulin M (IgM) antibodies in Chinese hamster ovary cells.

The company said that it had been manufacturing IgM antibodies using the PER.C6 human cell line, which was highly reliable in producing a high yield of material for clinical trials, but many pharmaceutical and biotechnology companies, with expertise in anti-cancer antibodies used Chinese hamster ovary cells, so to enhance the attractiveness of Patrys IgM antibodies to future potential partners, it was exploring the Chinese hamster ovary method with CSIRO

Patrys said that CSIRO had expressed the pentameric form of the PAT-SM6 antibody in Chinese hamster ovary cells and further experiments optimizing and improving the yield of PAT-SM6 were currently ongoing.

The company said it expected detailed information on the project in the next four months.

Patrys said it had an ongoing collaboration with Sydney's Macquarie University to combine Macquarie's super-dot, nanocrystal fluorescent technology with PAT-SM6 to produce a highly sensitive diagnostic tool that could be used to detect multiple myeloma cells in patients' blood.

The company said that the research group was developing reliable and strong labelling techniques that could be used to attach the super dot nanoparticles to PAT-SM6.

Patrys said that developing PAT-SM6 as both a therapeutic and as a diagnostic tool for multiple myeloma would "enhance the attractiveness of the product to potential future partners".

Patrys said it had a collaboration with the Monash Institute investigating four early-stage anti-cancer IgM antibodies and their cellular targets.

The company said that if successful, the project would enable it to progress the four IgMs into pre-clinical development and to file intellectual property around both the antibodies and the novel anti-cancer targets.

Patrys said it had begun a collaboration with an unnamed biotechnology company to genetically engineer T-cells through the introduction of a chimeric antigen receptor so that the T-cells could produce a more targeted and potent attack against cancer cells.

The company said that many companies were engaged in chimeric antigen receptor research and numerous clinical trials using the modified T-cells were underway.

Patrys said that although early data from the trials was promising, engineered T-cells directed against novel anti-cancer targets were required and all of its IgM antibodies in clinical and pre-clinical development were directed against novel anti-cancer targets.

The company said that in its project, parts of the IgM antibodies would be used to generate the T-cells to attack and kill cancer cells expressing the novel target.

Patrys was up 0.1 cents or 3.6 percent to 2.9 cents with 5.3 million shares traded.

ADMEDUS

Admedus says it has increased its ownership of Admedus Vaccines, formerly Coridon and led by Gardasil inventor Prof Ian Frazer, from 50.1 percent to 66.3 percent.

Admedus chief executive officer Lee Rodne said that the increase reflected "the ongoing positive progress being made by Prof Ian Frazer and the therapeutic vaccines development team".

In February, Admedus said that Coridon reported that a 20-patient phase I trial showed that its therapeutic vaccine for herpes simplex virus-2 (HSV-2) was safe and generated a T-cell response (BD: Feb 3, 2014).

Today, Admedus said that it was scheduled to report additional data by October 2014, once confirmatory assays had been completed.

The company said that the investment, ahead of the results, was designated to fund the planned phase II HSV-2 study, due to be initiated by the end of 2014.

"The progress being made by Prof Frazer and the team is extremely positive and adds to the growth potential of Admedus," Mr Rodne said.

"We are dedicated to the continued development of these programs as they have the potential to provide a therapy for millions of people affected by a range of diseases," Mr Rodne said.

Admedus said it was continuing pre-clinical work on its human papillomavirus (HPV) therapeutic vaccines and the HSV-2 phase I study provided "a level of validation to the technology which can be applied to a number of viral, bacterial and oncological targets".

Admedus fell half a cent or 3.85 percent to 12.5 cents with 2.5 million shares traded.

UNIVERSAL BIOSENSORS

Universal Biosensors says revenue for the six months to June 30, 2014 fell 75.2 percent to $2,865,932 with net loss after tax reduced 9.5 percent to $6,952,647.

Universal Biosensors said that the decline in revenue was "primarily due to the transfer of glucose strip manufacturing to [Johnson & Johnson's] Lifescan".

Earlier this month, Universal Biosensors chief financial officer Salesh Balak told Biotech Daily that while the test strip manufacturing provided significant revenue it was "lower-margin" production (BD: Jul 14, 2014).

Today, the company said that quarterly service fees for sales of the blood glucose test strips increased by 61 percent to $2.6 million for the six months to June 30, 2014 compared to the previous corresponding period.

Universal Biosensors said its diluted loss per share was constant at four cents.

The company said it had cash and cash equivalents of $15,869,583 at June 30, 2014 compared to $23,742,422 at December 31, 2013.

Universal Biosensors was unchanged at 18.5 cents.