



# Biotech Daily

Monday July 7, 2014

*Daily news on ASX-listed biotechnology companies*

- \* **ASX, BIOTECH DOWN: PATRYS UP 9%, ELLEX DOWN 14.5%**
- \* **TRAVELAN EARNS \$1m FOR IMMURON**
- \* **LBT APAS STUDY SHOWS ACCURACY FOR READING AGAR PLATES**
- \* **ANTISENSE ATL1103 CANADA PATENT, ACROMEGALY TRIAL PROGRESS**
- \* **MEDICAL AUSTRALIA SETTLES US PATENT CASE**
- \* **IMUGENE TO LOSE DR NICK EDE, APPOINTS OTTO BUTTULA DIRECTOR**

## MARKET REPORT

The Australian stock market slipped 0.11 percent on Monday July 7, 2014 with the S&P ASX 200 down 6.1 points to 5,518.9 points.

Nine of the Biotech Daily Top 40 stocks were up, 16 fell, 10 traded unchanged and five were untraded. All three Big Caps fell.

Patrys was the best, up 0.3 cents or 9.1 percent to 3.6 cents with 2.3 million shares traded.

Psivida climbed 8.9 percent; Prana was up 6.25 percent; Acrux was up five percent; Antisense improved 3.85 percent; Genetic Technologies and Impedimed rose more than two percent; with Neuren and Tissue Therapies up by less than one percent.

Ellex led the falls, down 5.5 cents or 14.5 percent to 32.5 cents with 48,000 shares traded.

Universal Biosensors lost 7.3 percent; Atcor, Cellmid and Osprey were down more than six percent; Medical Developments fell 4.6 percent; Admedus was down 3.7 percent; Analytica, Circadian, Phosphagenics and Prima shed more than one percent; Mesoblast, Nanosonics and Starpharma were down by more than one percent; with Benitec, Cochlear, CSL, Resmed and Sirtex down by less than one percent.

## IMMURON

Immuron says that its Travelan diarrhoea preventative has generated sales revenue of more than \$1 million for the 12 months to June 30, 2014.

Immuron said the revenue was about seven times more than the previous year.

The company said that Travelan was "clinically-proven to prevent with 90 percent efficacy the main cause of travellers' diarrhoea".

Immuron said that diarrhoea was the most common health impairment associated with international tourism in terms of frequency and economic impact.

Immuron chief executive officer Amos Meltzer said the company's direct-to-wholesale model had "substantially increased the company's gross margins and revenues".

"We continue to drive sales and improve margins as we move forward," Mr Meltzer said.

"The stable demand for Travelan in the market following a significant price increase is testament both to the quality of the product as to its benefit," Mr Meltzer said.

Immuron fell 0.05 cents or 9.1 percent to 0.5 cents with 5.6 million shares traded.

## LBT INNOVATIONS

LBT says that yesterday it presented the results of its most extensive study into the efficacy of its automated plate assessment system (Apas).

LBT said that Apas was "a breakthrough culture plate analysis system based on the company's ... image interpretation platform".

The company said that the presentation, by senior microbiologist Michael Summerford, at the Australian Society for Microbiology meeting in Melbourne, showed the Apas prototype matching the findings of two teams of microbiologists without missing a single potential pathogen.

The presentation, co-authored by LBT scientific director John Glasson and Mr Summerford, concluded that the study "demonstrated the ability of image analysis technology to read and interpret cultures on agar plates".

"Using Apas to screen routine urine cultures produced results with an overall diagnostic sensitivity of 97 percent and specificity of 95 percent," the presentation concluded.

"Apas was able to detect and enumerate colonies and provided a preliminary identification for the primary isolates on the different agar combinations used by the two laboratories," the presentation concluded.

"The incorporation of an expert system with standard reporting rules further enhanced the usefulness of the system," the presentation said.

LBT said that laboratory instruments that incorporate Apas were being developed in Europe in a joint venture with the Swiss instrumentation company Hettich AG.

The company said that Apas was a novel digital image analysis system that read and interpreted agar plates for the presence of infection causing bacteria.

LBT said that as well as detecting colony growth, it could apply rule sets to enumerate various colony types and sort agar plates into categories for further processing.

The company said that Apas could free microbiology technicians from the time-consuming work of sorting through agar plates, enabling them to spend more time identifying the right treatments for their patients.

LBT said the Hettich joint venture company Clever Culture Systems AG was in negotiations with potential global distribution partners.

The company said that Apas was due to undergo clinical trials in Australia and the US ahead of regulatory submissions later this year.

LBT was up half a cent or 3.6 percent to 14.5 cents.

## ANTISENSE THERAPEUTICS

Antisense says that Canada has allowed a patent entitled 'A Modified Oligonucleotide for inhibition of Growth Hormone Receptor Expression'.

Antisense said that patent covered its growth hormone receptor targeting drug ATL1103 and its use until February 2024.

The company said that the Canadian patent was part of its portfolio of intellectual property protecting ATL1103 and its applications in the modulation of insulin-like growth factor-I (IGF-I) in the treatment of the growth disorder acromegaly and other diseases, which included patents granted and registered in the US, Japan, New Zealand and Australia, with additional applications in advanced stages of prosecution in Europe.

Antisense said that an international application had been lodged covering the use of ATL1103 in combination with the growth hormone receptor antagonist pegvisomant (Somavert) for the treatment of acromegaly and cancer.

The company said that in the US, patent protection covered ATL1103 until January 2025, and in Canada and other jurisdictions to February 2024, with extensions in the US, Japan, Europe and Australia available for up to a further five years.

Antisense said that the international application would cover the use of ATL1103 in combination with Somavert until 2032.

The company said that all 24 patients in the phase II trial of ATL1103 for acromegaly had completed the full 13 weeks of dosing and two further patients were enrolled, who would receive their final dose by July 19, 2014, which will mark the completion of dosing.

Antisense said that to date there had been no treatment related patient withdrawals from the trial or reports of any treatment-related serious adverse events.

The company said that it expected to receive the results of the primary efficacy endpoint of the trial, the percentage reduction from each patient's baseline serum IGF-I levels to their levels one week after the completion of dosing with ATL1103, by the end of August 2014 (BD: Apr 10, 2013; Mar 21, 2014).

Antisense was up half a cent or 3.85 percent to 13.5 cents.

## MEDICAL AUSTRALIA

Medical Australia says its US subsidiary Medivet America has settled a patent action against Vet-Stem Inc regarding claims against its veterinary regenerative products.

Medical Australia said that the settlement terms were confidential.

The company said that Medivet brought the action "after false and misleading claims were made by the Poway, California-based Vet-Stem about Medivet's patented regenerative stem cell technology".

Medical Australia said that as well as the out of court settlement in Medivet's favor, the company said its patented technologies had been independently tested and validated by both the University of Kentucky's College of Medicine and Nexellcom Biosciences of Lawrence, Massachusetts.

Medivet America chief executive officer Jeremy Delk said the settlement "serves to preserve our reputation as a provider of innovative and world leading regenerative therapies to the veterinary industry".

"Our partners can have every confidence in the integrity, efficacy and reliability of our stem cell technology, and this settlement re-affirms this," Mr Delk said.

Medical Australia chief operating officer Darryl Ellis said there was "considerable value in our patented technology and we will take all necessary measures to protect this value".

Medical Australia was untraded at 19 cents.

## IMUGENE

Imugene says executive director Dr Nick Ede will resign when a replacement has been found and that major shareholder Otto Buttula has been appointed a director. Imugene said Dr Ede would “resign from the board effective from when the new managing director [and chief executive officer] is appointed”.

The company said that Dr Ede was “a highly valued peptide chemist and the company anticipates to continue using his expertise especially in managing drug manufacture”. Imugene said it had “continued to make progress with the search for an outstanding CEO candidate with negotiations at an advanced stage and an announcement will be made in due course”.

In 2012, Dr Ede was appointed as the technology officer of the then Conseгна Group, formerly Helicon Group and now Rhinomed (BD: Apr 30, 2012).

Imugene, which had been developing pig and poultry vaccines under chief executive officer Dr Warwick Lamb, acquired Conseгна’s Linguet sub-lingual drug delivery technology and Dr Ede was appointed consulting scientist prior to a major board and management change, in which then executive chairman and recently deposed Conseгна executive chairman Fabio Pannuti, was replaced by Steve Harris and Dr Ede was promoted to executive director (BD: Sep 20, 2012; Feb 1, 11, 2013).

Viralytics chairman Paul Hopper replaced Dr Lamb as a director in 2012 and continues as Imugene’s executive chairman (BD: Oct 31, 2012).

In 2013, Imugene acquired Biolife Science for its Her-Vaxx peptide-based immunotherapy for HER-2/neu associated tumors (BD: Oct 23, Dec 20, 2013).

Today’s media release, entitled ‘Otto Buttula appointed Non-Executive Director’, focused on the appointment of Mr Buttula who it said was a small caps research analyst and investor.

Imugene said Mr Buttula was its second largest shareholder, after executive chairman Paul Hopper.

The company said that Mr Buttula had experience in research, technology and financial services positions over the past 25 years and had held directorships in a number of public companies.

Imugene said that Mr Buttula was the co-founder and chief executive officer of IWL, an online financial services company that listed on the ASX in 1999, which went from a market capitalization of \$48 million at listing to a takeover in 2007 by the Commonwealth Bank of Australia for \$373 million.

The company said that Mr Buttula founded and was managing director of Investors Mutual, prior to which he was a co-founder and director of Lonsdale Securities.

Imugene said that Mr Buttula was the chairman of platform and stock-broking provider Investorfirst, now HUB24.

Imugene was up 0.1 cents or 7.7 percent to 1.4 cents.