



Biotech Daily

Monday December 8, 2014

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH UP: ANTISENSE UP 12%, CLINUVEL DOWN 7%**
- * **ORTHOCELL, BONESUPPORT PARTNER CELGRO, CERAMENT**
- * **PHOSPHAGENICS READY FOR PHASE II TOPICAL OXYCODONE PATCH**
- * **RHINOMED MUTE PLUGS APPROVED, ON-SALE**
- * **HEALTHLINX TO SELL OVPLEX IP FOR \$60k 'PLUS GST'**
- * **PRESCIENT (VIRAX) COMPLETES CONSOLIDATION, CODE CHANGE**
- * **GOODBYE BIOPROSPECT, HELLO MEDIBIO**
- * **IMUGENE RELEASES 300m ESCROW SHARES**
- * **EDINBURGH UNI TAKES 11% OF ACTINOGEN, DR JASON LOVERIDGE 6%**
- * **MLADEN MARUSIC TAKES 5% OF PATRYS**
- * **BLUECHIIP M-D ANDREW MCLELLAN STARTS ON \$275k**

MARKET REPORT

The Australian stock market climbed 0.7 percent on Monday December 8, 2014 with the S&P ASX 200 up 37.4 points to 5,372.7 points. Thirteen of the Biotech Daily Top 40 stocks were up, 12 fell, 12 traded unchanged and three were untraded. All Big Caps rose.

Antisense was the best, up one cent or 11.8 percent to 9.5 cents with 850,754 shares traded.

Pharmaxis climbed 8.3 percent; Impedimed was up 7.4 percent; Benitec rose 6.4 percent; Avita and Psivida were up more than five percent; Atcor was up 4.2 percent; Sirtex was up 3.3 percent; Biotron, CSL, Mesoblast, Nanosonics and Optiscan rose more than two percent; Alchemia was up 1.2 percent; with Cochlear and Resmed up by less than one percent.

Clinuvel led the falls, down 30 cents or 7.2 percent to \$3.85 with 49,726 shares traded.

Living Cell lost 7.1 percent; Admedus fell 4.35 percent; Analytica, Anteo, Cellmid, Ellex, Starpharma and Universal Biosensors were down more than three percent; Acrux and Oncosil shed two percent or more; with Viralytics down 1.79 percent.

ORTHOCELL

Orthocell says it has a partnership with the Lund, Sweden-based Bonesupport to develop products for the bone repair market.

Orthocell said that Bonesupport's platform technology Cerament was an injectable synthetic bone substitute used for orthopaedic trauma, bone infection and instrumentation augmentation and was currently marketed in the US and Europe.

The company said that Cerament mimicked human bone and provided short-term support for the fracture or bone void with rapid pain relief and stabilisation, while providing longer term support which enhances new bone growth.

Orthocell said that Cerament's biologic properties delivered "a consistent, pre-packed and ready to use formulation with unique drug eluting capabilities that make it an ideal platform to combine with substances like collagen".

Along with its autologous tenocyte and chondocyte implants, Orthocell has developed Celgro as a collagen scaffold (BD: Apr 16, 2014).

Orthocell said that a goal of bone repair was to induce new growth of bone matrix and that relied on the incorporation of complex growth factor and collagen interactions, which were not provided by existing synthetic bone repair products.

The company said that the two companies would incorporate Celgro into Cerament to create a novel bone repair product that would support damaged bone and induce a superior growth of new bone matrix.

Orthocell managing director Paul Anderson said the partnership "further validates Celgro as a platform technology that can be used in varying surgical specialities".

"Bonesupport offers market leading products for bone void filling and regeneration and its agreement with Orthocell is a significant external validation of the potential of Celgro in a variety of surgical applications," Mr Anderson said.

Bonesupport chief executive Lloyd Diamond said that "combining the important collagen properties of Orthocell's Celgro and the proven re-modelling and eluting capabilities of Cerament will enable us to develop novel regenerative technologies and treatments to further bone regeneration," Mr Diamond said.

Orthocell said that the global bone graft and substitutes market was estimated at \$US2.1 billion in 2013 and is projected to grow to \$US2.7 billion by 2020.

Orthocell was up 1.5 cents or 3.4 percent to 46 cents.

PHOSPHAGENICS

Phosphagenics says it has ethics approvals for a topical, 28-patient, phase II trial of its tocopheryl phosphate mixture or TPM technology oxycodone patch for neuropathic pain. Phosphagenics said that the randomized, double-blind, vehicle-controlled, single-dose, crossover trial would be held at sites in Australia and would assess the effectiveness of the patch to reduce pain in patients with post-herpetic neuralgia "by delivering oxycodone topically with little systemic exposure".

The company said that opioids delivered into the skin through a patch had "never before been successfully applied to treat peripheral pain including neuropathic pain in humans". Phosphagenics said it expected to begin the trial in January 2015 and complete the trial by October 2015, depending on recruitment.

Phosphagenics chief scientific officer Dr Paul Gavin said that "an opioid product with little or no systemic delivery that greatly reduces most of the common adverse side effects caused by opioids while providing localized pain relief would be a unique and extremely valuable product."

Phosphagenics was unchanged at 6.9 cents.

RHINOMED

Rhinomed says that its Mute nasal plugs for snoring have been approved in the US, Europe and Australia and are on sale from its website.

Rhinomed said the Mute plugs were a nasal breathing aid designed to increase airflow and designed to alleviate the incidence and severity of snoring and improve sleep quality.

The company said that the over-the-counter snoring, sleep quality and night-time nasal congestion market was a multi-billion dollar market with limited effective solutions.

Last week, Rhinomed reported top-line results from an independent trial in snoring, sleep quality and night time nasal congestion 118 subjects and their partners demonstrated significant benefit from its Mute nasal plugs (BD: Dec 2, 2014).

Rhinomed said that 75 percent of the snorer group reported a reduction in their snoring and 78 percent reported an improvement in their ability to breathe at night.

Today, Rhinomed said that the Mute nasal plugs had regulatory approvals for snoring from the US Food and Drug Administration, Conformité Européenne (CE) mark approval and Australian Therapeutic Goods Administration approval.

The company said that the plugs were available from its website www.mutesnoring.com.

Rhinomed was unchanged at 2.8 cents.

HEALTHLINX

Healthlinx will ask shareholders to approve the sale of its "main undertaking" the Ovplex test for ovarian cancer to Singapore's Innovations Exchange for \$60,000 plus GST.

In its annual general meeting explanatory notes, Healthlinx said that Innovations Exchange Pte Ltd was a "molecular diagnostic company focused on the research, development, marketing and licensing of innovative technology for the advancement of women, maternal and foetal health".

The company said that Innovation Exchanges offer, pending due diligence, was "the only offer received which is of any substance" and Healthlinx had a binding term sheet to acquire Manalto Inc which owned social media management software.

Healthlinx attempted to commercialize its Ovplex ovarian cancer diagnostic, which was composed of five biomarkers including CA-125, claiming it was superior to CA-125 alone, but never published comprehensive comparative sensitivity and specificity data, with administrators appointed last year (BD: Apr 30, May 7, 2013).

In April 2010, Healthlinx reached a peak market capitalization of \$21 million.

Other resolutions to the Healthlinx annual general meeting include approval of the remuneration report, the election of directors Timothy Chapman and Michael Quinert, and the approval of the placement facility.

The meeting will be held at Quinert Rodda & Associates, Suite 1, Level 6, 50 Queen Street, Melbourne on January 12, 2015 at 11am (AEDT).

Healthlinx was in a suspension, last trading at a post-500-to-one consolidation 50 cents.

PRESCIENT THERAPEUTICS (FORMERLY VIRAX HOLDINGS)

Prescient says that it has completed its one-for-20 capital consolidation and it has 47,048,216 shares on issue.

Prescient said that it had 4,385,000 unlisted options exercisable at 10 cents each by October 12, 2017.

Prescient, which was formerly Virax, was trading under the temporary ASX code of VHLDA pending the change to PTX on December 15, 2014.

Prescient or Virax last traded at 12.5 cents.

MEDIBIO (FORMERLY BIOPROSPECT)

Medibio, formerly Bioprospect, has begun trading under the ASX code MEB.
Medibio was up 0.1 cents or 33.3 percent to 0.4 cents with one million shares traded.

IMUGENE

Imugene says 300,000,000 shares will be released from escrow on December 20, 2014, as payment for the acquisition of Biolife Science Queensland (BD: Oct 23, 2013).
Imugene said that the 300,000,000 shares were issued on December 20, 2013 at 1.5 cents a share with 68,296,875 shares held in ASX escrow and 231,703,125 shares held in voluntary escrow.
The company said that the majority of the 300,000,000 escrowed shares were held by shareholders who have made a further investment in the company by participating in the company's share purchase plan and/or the recently completed private placement.
Imugene said that following the release from escrow, it would have 1,156,562,516 shares available for trading.
Imugene was unchanged at 1.1 cents.

ACTINOGEN

The University of Edinburgh through its Edinburgh Technology Fund has become substantial in Actinogen with 48,147,864 shares or 10.76 percent of the company.
The University said that it received the shares in consideration for 6,265 shares in Corticrine on November 28, 2014.
Actinogen has acquired the University spin-out company Corticrine for its UE2343 compound for Alzheimer's disease (BD: Aug 27, 2014).
Actinogen was up 0.1 cents or 2.6 percent to four cents.

ACTINOGEN

Actinogen director and Corticrine founder Dr Jason Loveridge has become a substantial shareholder with 27,717,184 shares or 5.77 percent of the company.
Dr Loveridge said that he held 6,000,000 employee share plan loan shares directly and 21,717,184 shares through Warambi SARL, with 14,717,184 shares vendor consideration for the Corticrine acquisition and that Warambi bought 2,000,000 shares on December 12, 2013 for \$20,000 and a further 5,000,000 shares on December 1, 2014 for \$100,000.

PATRY'S

The Port Kembla, New South Wales-based Mladen Marusic says he has become a substantial shareholder in Patrys with the acquisition of 35,123,131 shares (5.03%).
Mr Marusic said that he acquired 3,736,683 shares between July 30 and November 27, 2014 for \$84,395 or an average price of 2.26 cents a share.
Patrys was unchanged at 1.6 cents with 2.6 million shares traded.

[BLUECHIIP](#)

Bluechiip says it has appointed Andrew McLellan as managing director, effective from January 27, 2015, on a base salary of \$275,000.

Bluechiip said that Mr McLellan was most recently the Advanced Manufacturing Co-operative Research Centre chief executive officer and previously held senior positions at Leica Microsystem, which was previously Vision Biosystems a division of Vision Systems. The company said that Mr McLellan held a Bachelor of Engineering and a Masters of Business Administration from Monash University.

Bluechiip said that Mr McLellan's base salary was \$275,000 including superannuation contributions, with a short-term incentive of a cash bonus up to 25 percent of the base salary payable on the achievement of agreed performance targets and a long-term incentive of 1,500,000 performance rights, vesting on the achievement of performance conditions relating to the company's total shareholder return and agreed financial targets. Bluechiip fell 0.2 cents or three percent to 6.5 cents.