



# Biotech Daily

Tuesday January 20, 2015

*Daily news on ASX-listed biotechnology companies*

- \* **ASX, BIOTECH DOWN: PHARMAXIS UP 25%, ATCOR DOWN 9%**
- \* **WANRI: 'HELICOBACTER PYLORI MAY PROTECT FEMALES AGAINST MS'**
- \* **NICHOLAS MCDONALD TAKES 9% OF BIOTECH CAPITAL**
- \* **PHARMAUST'S 1<sup>st</sup> CANCER PATIENT REACHES 28 DAYS, 2 DROP OUT**
- \* **J&J SERVICE FEES TO UNIVERSAL BIOSENSORS UP 89% TO \$6.45m**
- \* **PRIMA RECEIVES \$777k FEDERAL R&D TAX REFUND**
- \* **PRIMA APPOINTS STUART ROBERTS INVESTOR RELATIONS HEAD**
- \* **CRYOSITE APPOINTS JOSEPH SAAD CEO, STARTS ON \$250k**

## MARKET REPORT

The Australian stock market slipped 0.03 percent on Tuesday January 20, 2015 with the S&P ASX 200 down 1.4 points to 5,307.7 points.

Nine of the Biotech Daily Top 40 stocks were up, 14 fell, 11 traded unchanged and six were untraded.

Pharmaxis was the best, up 2.5 cent or 25 percent to 12.5 cents with 6.2 million shares traded, followed by Biotron up 13.0 percent to 13 cents with 445,952 shares traded.

Prima climbed 10 percent; Universal Biosensors was up 2.5 percent; Avita, Living Cell and Mesoblast were up more than one percent; with Benitec, Cochlear, CSL and Sirtex up by less than one percent.

Atcor led the falls, down 0.9 cents or 8.6 percent to 9.6 cents with 143,500 shares traded, followed by Neuren down 8.3 percent to 16.5 cents with 8.1 million shares traded.

Genetic Technologies lost 7.1 percent; Acrux fell 5.35 percent; Bionomics and Tissue Therapies fell more than four percent; Ellex and Optiscan were down more than three percent; Impedimed shed 2.4 percent; Alchemia was down 1.1 percent; with Clinuvel, Medical Developments, Nanosonics, Resmed and Starpharma down by less than one percent.

## WESTERN AUSTRALIAN NEUROSCIENCE RESEARCH INSTITUTE

The Western Australian Neuroscience Research Institute says its researchers have shown that *Helicobacter pylori* is associated with a lower risk of multiple sclerosis in females.

The Institute said that the discovery bolstered evidence for the role of the hygiene hypothesis in autoimmune disorders.

The Institute said that the research, entitled 'Helicobacter pylori infection as a protective factor against multiple sclerosis risk in females', was published in the Journal of Neurology, Neurosurgery and Psychiatry.

An abstract is at: <http://jnnp.bmj.com/content/early/2015/01/06/jnnp-2014-309495.abstract>

WANRI said that the researchers, led by Prof Allan Kermode and Dr Marzena Fabis Pedrini in collaboration with Nobel laureate Prof Barry Marshall, showed that prior infection with the *Helicobacter pylori* was associated with a lower risk of developing multiple sclerosis.

The abstract said that in comparing blood samples from 550 people with multiple sclerosis to samples from 299 age and sex matched healthy individuals showed *Helicobacter pylori* seropositivity was lower in patients with multiple sclerosis than controls (16% versus 21%) with a significant difference among females (14% versus 22%,  $p = 0.027$ ) but not among males (19% versus 20%,  $p = 1.0$ ).

Prof Kermode said the research indicated that *Helicobacter pylori* has a protective effect against multiple sclerosis and "bolsters evidence for the role of the hygiene hypothesis in autoimmune diseases".

The Institute said that the hygiene hypothesis suggested that exposure to infections in early life may be required to prime the immune system and suppress the development of allergic and autoimmune conditions in later life.

WANRI said that increasing sanitation and the use of anti-bacterial products had been put forward as a potential explanation for the growing incidence of allergies and autoimmune conditions in Western societies.

The Institute said that *Helicobacter pylori* was known to infect around half the world's population and in most cases caused no symptoms, but Prof Marshall and Prof Robin Warren won the Nobel Prize for demonstrating that it was a cause of stomach ulcers.

WANRI said that previous studies looked for links between *Helicobacter pylori* and multiple sclerosis, but had relatively small numbers of patients and produced conflicting results.

The Institute said the study was the largest to date investigating the relationship between *Helicobacter pylori* and multiple sclerosis and was enabled by the Perth Demyelinating Disease Database containing clinical and DNA information from more than 80 percent of individuals registered with multiple sclerosis in Western Australia.

WANRI medical director Dr David Blacker said the scale of patient data on the database was "an incredible asset to national and international researchers looking for answers in the field of demyelinating diseases like [multiple sclerosis]".

The Institute said the authors speculated that infections such as *Helicobacter pylori* might shift the balance of the immune system to a less inflammatory state, reducing the risk of immune hypersensitivity and lowering the likelihood of developing autoimmune disorders such as multiple sclerosis, but the stronger effect in women required further investigation.

## BIOTECH CAPITAL

The Sydney-based Nicholas Dermott McDonald says he has increased his holding in Biotech Capital from 6,015,900 shares (7.02%) to 7,371,455 shares (8.6%).

Biotech Capital was unchanged at nine cents.

## PHARMAUST

Pharmaust says the first human treated with PPL-1 has completed 28-days with no adverse events, but two further cancer patients withdrew for reasons unrelated to PPL-1. Pharmaust said that the absence of any significant adverse events in the first patient was important as PPL-1 was a new class of anticancer drug.

The company said that to address the high patient withdrawal rates and recruitment, consultant medical oncologists in Adelaide had been approached to participate in the trial. Pharmaust said that in its PPL-1 canine cancer trial, two dogs had completed their treatment schedules, without any apparent significant adverse events and a third dog had been recruited to complete the first dosing cohort in the trial.

Pharmaust executive chairman Dr Roger Aston said that “although it has been frustrating that we have had a high patient attrition rate for reasons unrelated to PPL-1 in both the human and veterinary trials, the absence of toxicity or significant adverse events so far is very encouraging and in line with our expectations from preclinical studies”.

“It should be further emphasized that both human and canine patients have failed all standards-of-care before starting the trials on PPL-1 and, as such, they may be in very poor health at the time of recruitment, potentially being the prime cause for patient withdrawal,” Dr Aston said.

Pharmaust was unchanged at 0.8 cents with 17.1 million shares traded.

## UNIVERSAL BIOSENSORS

Universal Biosensors says that total quarterly service fees from Johnson & Johnson for the year to December 31, 2014 was up 89 percent to \$6.45 million, compared to 2013. Universal Biosensors said that service fees from sales of the Johnson & Johnson Lifescan Onetouch Verio blood glucose test strips was up 135 percent to \$2,285,680 for the three months to December 31, 2014 compared to the three months to December 31, 2013. The company said that the test strip revenue for the three months to December 31, 2014 was an increase of 45 percent compared to the three months to September 30, 2014. Universal Biosensors was up 0.5 cents or 2.5 cents to 20.5 cents.

## PRIMA BIOMED

Prima says it has received \$777,000 from the Australian Tax Office under the Federal Government Research and Development Tax Incentive program.

Prima said that the rebate related to research and development expenditure on the CVac trials in the year to June 30, 2014.

Prima was up 0.3 cents or 10 percent to 3.3 cents with 1.6 million shares traded.

## PRIMA BIOMED

Prima says it has appointed equities analyst Stuart Roberts as its head of investor relations, effective immediately.

Prima said that Mr Roberts was most recently with stock-brokers Baillieu Holst and previously with Bell Potter.

The company said that Mr Roberts joined Southern Cross Equities in 2001 and increasingly focused on emerging drug and medical device developers, as well as providing analysis on established healthcare companies.

Prima said that Mr Roberts held a Master’s Degree in Finance from Financial Services Institute of Australasia.

## CRYOSITE

Cryosite says it has appointed Joseph Saad as its chief executive officer effective from January 27, 2015.

Cryosite said that Mr Saad was Weight Watchers International managing director Australasia and previously Pfizer Consumer Healthcare Australia and New Zealand regional managing director.

The company said that Mr Saad held a Bachelor of Business from the University of Technology Sydney and a Masters of Business Administration from Harvard Business School.

Cryosite said that Mr Saad's base remuneration package was \$250,000 plus short term and long term incentives.

The company said that acting chief executive officer Graeme Moore would revert to his previous position as executive director of operations.

Cryosite was untraded at 34 cents.