



Biotech Daily

Monday February 23, 2015

Daily news on ASX-listed biotechnology companies

- * **ASX UP, BIOTECH DOWN: PRIMA UP 6%, GENETIC TECHNO DOWN 26%**
- * **TWO US PATENTS FOR PRESCIENT PTX-200 FOR OVARIAN CANCER**
- * **BIONOMICS H1 REVENUE UP 43% to \$7m, LOSS DOWN 17% TO \$5.7m**
- * **ATCOR H1 REVENUE UP 7% to \$3m, TURNS \$1m LOSS TO \$41k PROFIT**
- * **NARHEX EXECUTES UQ RESPIRATORY APP DEAL**
- * **IMUGENE PLEADS SCHULTZ TO ASX 33% QUERY**
- * **HEALTHLINX EGM BACKS MOVE TO MANALTO FOR SOCIAL MEDIA**
- * **REGENEUS APPOINTS GREENCROSS' DR GLEN RICHARDS DIRECTOR**
- * **PHYTOTECH FOUNDER ROSS SMITH GOES, RIGHTS HURDLES MET**

MARKET REPORT

The Australian stock market was up 0.45 percent on Monday February 23, 2015 with the S&P ASX 200 up 26.5 points to 5,908.0 points.

Thirteen of the Biotech Daily Top 40 stocks were up, 17 fell, seven traded unchanged and three were untraded. All three Big Caps were up.

Prima was the best, up 0.2 cents or 5.6 percent to 3.8 cents with 14.5 million shares traded.

Nanosonics, Pharmaxis and Tissue Therapies climbed more than four percent; Biotron, Compumedics, Prana and Viralytics were up more than three percent; Medical Developments rose two percent; Benitec, Ellex, GI Dynamics, Phosphagenics and Resmed were up more than one percent; with Cochlear and CSL up by less than one percent.

Genetic Technologies led the falls for the second trading day in a row, down 1.8 cents or 26.09 percent to 5.1 cents with 28.7 million shares traded.

Atcor lost 9.1 percent; Patrys fell 8.3 percent; Optiscan was down 6.3 percent; Cellmid, IDT, Mesoblast, Oncosil and Universal Biosensors were down more than three percent; Anteo shed 2.1 percent; Avita, Bionomics, Neuren and Osprey lost more than one percent; with Clinuvel, Psivida and Sirtex down by less than one percent.

PRESCIENT THERAPEUTICS (FORMERLY VIRAX HOLDINGS)

Prescient says the US Patent and Trademark Office has granted two patents underpinning the development of PTX-200 for chemotherapy resistant ovarian cancer.

Prescient managing director Dr Robert Crombie told Biotech Daily that the patent entitled 'Effective Treatment Of Ovarian Cancer Using Triciribine And Related Compounds' provided coverage to July 8, 2033.

Prescient said that the patent provided broad protection for the company's novel method of treating chemotherapy resistant ovarian cancer with the Protein kinase B or Akt inhibitor compound PTX-200, formerly known as GGTI-2418 or triciribine phosphate monohydrate. Dr Crombie said that a second patent, entitled 'Compositions Including Triciribine And Methods Of Use Thereof' had coverage until May 3, 2032 for treating various cancer types including breast cancer by administering PTX-200 in combination with trastuzumab.

In a media release Dr Crombie said the US patents "further enhance our intellectual property portfolio".

"They confirm our monopoly rights on this novel and highly encouraging compound which we believe has significant potential to improve the clinical outcome for women with chemotherapy-resistant ovarian cancer," Dr Crombie said.

"Prescient's drug candidate PTX-200 is being trialed in patients who have become resistant to platinum-based drugs as it inhibits the Akt tumor survival pathway associated with platinum drug resistance PTX-200, in combination with standard of care drug carboplatin, is currently in phase Ib/II trial as a new therapy for ovarian cancer, the fifth leading cause of cancer death in women in the United States," Dr Crombie said.

Prescient was up one cent or 10 percent to 11 cents with 992,900 shares traded.

BIONOMICS

Bionomics says that revenue for the six months to December 31, 2014, was up 43.3 percent to \$7,325,124 reducing net loss after tax 17.0 percent to \$5,676,687.

Bionomics said that including "exchange differences arising on translation of foreign operations" reduced the total comprehensive loss from continuing operations by 26.2 percent to \$4,701,297.

Bionomics said that revenue consisted of licence fees, collaboration income, royalties, sales income, rental income and interest income received as a result of ordinary activities, with Government grants and assistance including the Federal Government Research and Development Tax Incentive and other forms of income classified as other income.

The company said that "with a robust pipeline and partnerable assets, major validating partnerships in place with Merck & Co in pain and cognition, clinical progress across key programs and a strong balance sheet, [it was] well-placed to attract recognition in global capital markets, an important objective for 2015".

Bionomics chief executive officer Dr Deborah Rathjen told Biotech Daily that up front income from last year's licence of BNC375 for Alzheimer's disease to Merck & Co was recognized in the year to June 30, 2014 (BD: Jun 24, 2014).

Dr Rathjen said that following the Merck licence and upfront payments as well as other income, the company had more than \$38 million in cash and cash equivalents.

The company said that diluted loss per share fell 12.5 percent to 1.4 cents for the six months to December 31, 2014 and net tangible asset backing per share was up 29.8 percent from 4.7 cents at December 31, 2013 to 6.1 cents at December 31, 2014.

Bionomics said it had cash and cash equivalents of \$38,369,162 at December 31, 2014, compared to \$10,501,307 at June 30, 2014.

Bionomics fell half a cent or 1.1 percent to 44.5 cents.

ATCOR MEDICAL

Atcor says that revenue for the six months to December 31, 2014, was up 6.9 percent to \$2,417,708 turning the previous \$958,858 loss to a \$41,451 net profit after tax.

Atcor said that including "exchange differences arising on translation of foreign operations" the total comprehensive loss attributable to owners of the company fell 54.2 percent from \$1,008,857 at December 31, 2013 to \$462,062 at December 31, 2014.

Atcor said that sales rose in its key geographic regions with the American sales up 4.4 percent, with practice sales up 52 percent and US research sales up 78 percent.

The company said that pharmaceutical sector sales declined but it had a new pharmaceutical contract; an expansion of an existing pharmaceutical contract and a multi-unit sale to Sunshine Heart followed an evaluation confirming the benefit of adding the Sphygmocor central blood pressure and arterial stiffness measure to assist the C-Pulse aorta cuff pump programming and patient therapy optimization.

Atcor chief executive officer Duncan Ross said the company was "pleased to report a solid financial performance in the first half".

"The use of Sphygmocor expanded with its selection for multi centre trials related to Alzheimer's disease and a US publically funded study in lowering cholesterol, supporting Sphygmocor's gold standard position as the leading system for measuring central aortic blood pressures and arterial stiffness," Mr Ross said.

Atcor said the US Renal Physicians Association application for a common procedural terminology code 1 from the American Medical Association would cover Sphygmocor, with the release of panel actions expected in March and if positive, the code should take effect from January 1, 2016 pending completion of the remaining steps.

The company said that a joint clinical study with an unnamed medical device company using Sphygmocor for cardiac pacemaker optimization was completed and discussions were underway with the firm's business development group.

Atcor said it expected new contracts with pharmaceutical companies by July 2015.

The company said that the Oscar2 with SphygmoCor inside, 24-hour device ambulatory blood pressure device with central pressures developed with Suntech Medical was progressing through regulatory processes and was expected to receive Conformité Européenne (CE) mark by April 2015 and US Food and Drug Administration clearance by July 2015.

The company said that diluted earnings per share was 0.02 cents compared to the previous diluted loss of 0.63 cents per share for the six months to December 31, 2013.

Atcor said that net tangible asset backing per share fell 23.3 percent from 3.0 cents at December 31, 2013 to 2.3 cents at December 31, 2014.

The company said it had cash and cash equivalents of \$2,518,392 at December 31, 2014, compared to \$2,168,156 at June 30, 2014.

Atcor fell one cent or 9.1 percent to 10 cents.

NARHEX LIFE SCIENCES

Narhex says it has executed the share sale agreement to acquire 100 percent of Resapp Diagnostics Pty Ltd (BD: Oct 2, 2014).

Narhex said through a licence from the University of Queensland via its commercialization company Uniquet, Resapp was developing smart phone medical applications for the diagnosis and management of respiratory disease.

Narhex was formerly developing treatments for HIV, prior to investigating coal, gold and diamond mining.

Narhex was untraded at 0.7 cents.

IMUGENE

Imugene has told the ASX that it is not aware of any information it has not announced which, if known, could explain recent trading in its securities.

The ASX said the company's share price rose 33.3 percent from 0.9 cents on February 18 to 1.2 cents on February 20, 2014 and noted a significant increase in the trading volume. Imugene fell 0.2 cents or 16.7 percent to one cent with 9.8 million shares traded.

HEALTHLINX

Healthlinx shareholders have overwhelmingly approved 17 extraordinary general meeting resolutions to become Manalto Limited and change its scale and nature of business.

Healthlinx said that Manalto provided social media management software.

The company failed to commercialize its Ovplex test for ovarian cancer, which it recently offered to sell for "\$60,000 plus GST" (BD: Dec 8, 2014).

Healthlinx is in a suspension and last traded at a post-consolidation 50 cents.

REGENEUS

Regeneus says it has appointed Dr Glen Richards as an independent non-executive director with effect from April, 2015.

Regeneus said that Dr Richards was the founding managing director of Greencross and in 20 years built it into Australia's largest veterinary healthcare group with more than 115 practices and 195 specialty shops and led its merger with Petbarn.

The company said that Dr Richards continued as a non-executive director of Greencross.

Regeneus chairman Dr Roger Aston said that Dr Richards had "a rare combination of clinical and business experience gained from his leadership role in building Greencross into Australia's leading veterinary healthcare group".

Regeneus fell two cents or 11.1 percent to 16 cents.

PHYTOTECH

Phytotech says that founder and former executive director Mr Ross Smith has resigned as a consultant.

Phytotech said that following his resignation as an executive director earlier this month, Mr Smith remained as a consultant to facilitate a smooth transition (BD: Feb 2, 2015).

Earlier this month, a spokesman for Phytotech said the company was not commenting on any link between the resignation of Mr Smith and his interaction with a share speculation website and posting on social media (BD: Feb 3, 2015).

Phytotech said that it thanked Mr Smith for his contribution to the business and his efforts towards achieving the listing on the ASX, and wished him "every success in his future endeavors".

The company said that milestones attached to the class A and class B performance rights, based on share price hurdles, had been achieved and the rights were subject to a two year escrow period from the date of listing January 22, 2015 after which they could be converted into ordinary shares.

Phytotech fell two cents or 5.3 percent to 35.5 cents.