



Biotech Daily

Wednesday April 1, 2015

Daily news on ASX-listed biotechnology companies

- * **SIRTEX HELPS DRAG MARCH BDI-40 DOWN 19%, ASX200 DOWN 1%**
- **ATCOR UP 72%, IDT 58%; TISSUE THERAPIES DOWN 53%, GI DYNAMICS 50%**
- * **TODAY: ASX, BIOTECH DOWN: CLINUVEL UP 14%, GENETIC TECH DOWN 9%**
- * **SIMAVITA RAISES \$8.3m**
- * **COCHLEAR WINS 3 OF 4 INFRINGEMENT APPEALS, TO FIGHT ON**
- * **US FDA APPROVES PRESCIENT PTX-200 FOR CANCER IND TRANSFER**
- * **GI DYNAMICS US 10-FOR-1 CONSOLIDATION**
- * **ANTEO EXTENDS RESEARCH AGREEMENT WITH UNNAMED COMPANY**
- * **BRANDON, MRCF INCREASE, DILUTED TO 16% OF OSPREY**
- * **SIGNOSTICS APPOINTS KEVIN GOODWIN CEO**

MARKET REPORT

The Australian stock market fell 0.52 percent on Wednesday April 1, 2015 with the S&P ASX 200 down 30.7 points to 5,860.8 points.

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

Clinuvel was the best, up 42 cents or 14 percent to \$3.42 with 7,808 shares traded, followed by IDT up 13.95 percent to 24.5 cents with 1.1 million shares traded.

Actinogen and Starpharma climbed more than six percent; Uscom rose 4.8 percent; Anteo was up 3.2 percent; Atcor rose 2.7 percent; Acrux, Admedus and Cochlear were up more than one percent; with CSL and Resmed up by less than one percent.

Genetic Technologies led the falls, down 0.4 cents or 8.7 percent to 4.2 cents with 21.1 million shares traded.

Optiscan and Reva lost more than seven percent; Benitec and Prima shed more than six percent; Nanosonics fell 5.3 percent; Bionomics, Biotron, Compumedics and GI Dynamics were down more than three percent; Impedimed, Oncosil and Viralytics shed more than two percent; Medical Developments and Mesoblast were down more than one percent; with Osprey and Sirtex down by less than one percent.

BIOTECH DAILY TOP 40 INDEX (BDI-40)

While the Sirtex 40.9 percent plummet took \$814 million from the collective market capitalization of the Biotech Daily Top-40 Index (BDI-40) stocks in March, the index would have fallen 9.6 percent without the Sirflox trial failure.

March was not good for Australian biotechnology with 25 of the BDI-40 companies falling and just 13 improving. The BDI-40 fell \$1,269 million or 18.9 percent to \$5,455, while the S&P ASX200 slipped 0.6 percent, but the three Big Caps of Cochlear, CSL and Resmed (which are not included in the BDI-40) climbed a further 3.2 percent.

Cochlear eased 0.7 percent to \$5,168 million, CSL was up 1.0 percent to \$43,302 million and Resmed climbed 13.0 percent to \$13,056 million.

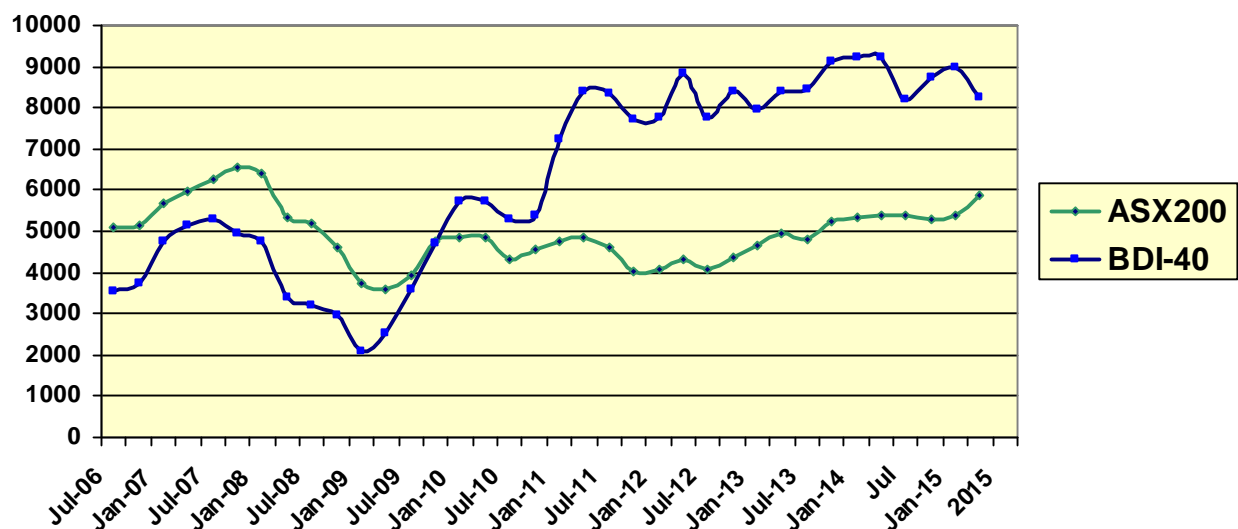
Atcor was the best of the BDI-40, up 72.2 percent to \$31 million, followed by IDT (57.7%), Pharmaxis (44.4%), Viralytics (41.1%), Osprey (24.3%), Genetic Technologies (19.7%), Nanosonics (14.4%) and Medical Developments up 13.7 percent for the month and 64.2 percent for the year at \$133 million.

Tissue Therapies had the deepest percentage fall, down \$36 million or 52.9 percent to \$32 million, followed by GI Dynamics (50%), Phosphagenics (45.1%), Neuren (43.4%), Sirtex (40.9%), Universal Biosensors (32.3%), Optiscan (26.3%), Admedus (23.2%), Acrux (23.1%) and Prima (20.8%).

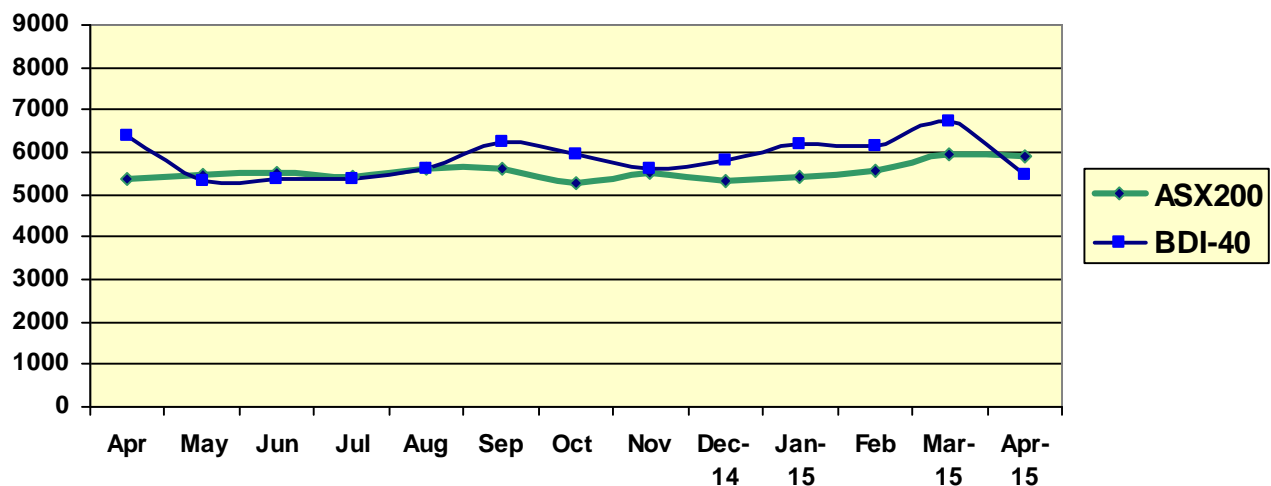
There were some bright spots outside the BDI-40, with Novogen and Phylogica at their best in many years and Mayne Pharma and Unilife at their highest levels since listing. On the Nasdaq, Biota fell 6.2 percent to \$106 million, Heartware was up 7.0 percent to \$1,987 million, with Sunshine Heart down 18.4 percent to \$102 million.

There are significant changes to the Biotech Daily indices. With great regret, two stalwarts of the BDI-40 index, Alchemia and Phosphagenics, are being demoted, replaced by the reborn Actinogen and the recovered Reva, which at \$191 million has returned to near its previous all time market capitalization high from the low of \$47 million at June 30, 2014.

BDI-40 v ASX200 Jun 30, 2006 to Mar 31, 2015 - Adjusted



BDI-40 (\$m) v S&P ASX 200 – Mar 31, 2014- Mar 31, 2015



SIMAVITA

Simavita says it has raised \$8,294,370 in a placement at 45 cents a share to sophisticated and institutional investors in Hong Kong, the US and Australia.

Simavita said the proceeds would be used to accelerate the roll-out of its smart incontinence monitor system in the US and Europe, appoint further distributors for Europe, for continued product innovation and general working capital purposes.

Simavita said that WF Asian Reconnaissance Fund acquired a 7.7 percent cornerstone investment, the Sydney-based Shaw ICS Advisory acted as lead manager and, subject to regulatory approval, it would pay a commission of up to 4.0 percent to Shaw ICS.

Simavita was unchanged at 50 cents.

COCHLEAR

Cochlear says a US Court has partly overturned the verdict in a patent infringement case brought by the Alfred E Mann Foundation for Scientific Research and Advanced Bionics.

Cochlear said that the lawsuit was filed in December 2007, with a jury verdict disclosed in 2014 and relating to four expired US patent claims (BD: Jan 24, 2014).

The company said that a US District Court in Los Angeles, California judge determined that three of the four patent claims that the jury found Cochlear had infringed were invalid.

Cochlear said that the findings would not disrupt its business or customers in the US.

The company said that the judge sustained the jury's verdict on direct and contributory infringement of the one remaining patent claim, overturned the jury's verdict of wilful infringement by Cochlear and overturned the \$US131.2 million (\$A171.75 million) in damages awarded by the jury.

Cochlear said that a new trial on damages for infringement of the one remaining patent claim would be held at a future date to be determined by the Court.

Cochlear chief executive officer Dr Chris Roberts said that "while we appreciate the judge's thorough and detailed analysis of this case, we strongly believe the facts and law do not support the jury finding of infringement of the one remaining patent claim against Cochlear ... [and] if appropriate at the conclusion of the damages trial, Cochlear will appeal the decision to the US Court of Appeals," Dr Roberts said.

Cochlear said that a provision of \$US20 million was expensed in the half year ended December 31, 2013 for the lawsuit.

Cochlear climbed \$1.27 or 1.4 cents to \$91.80 with 376,345 shares traded.

[PRESCIENT THERAPEUTICS \(FORMERLY VIRAX HOLDINGS\)](#)

Prescient says the US Food and Drug Administration has approved its transfer of the investigational new drug application for PTX-200.

Prescient said the application had been transferred from the Princeton, New-Jersey-based Cahaba Pharmaceuticals from which it licenced the compound PTX-200, previously known as triciribine phosphate monohydrate (TCN-P), last year (BD: Oct 17, 2014).

The company said that PTX-200 was a potent small molecule inhibitor of the Akt (protein kinase B) pathway, which played a key role in the development of many cancers, including breast and ovarian cancer, as well as haematologic, or blood, cancers.

Prescient said that PTX-200 was currently the subject of two pivotal trials, a phase Ib/II trial in patients with platinum resistant ovarian cancer at the Tampa, Florida-based Moffitt Cancer Center and a phase Ib/II study in breast cancer patients at the New York-based Montefiore Medical Center.

Prescient managing director Dr Robert Crombie said that clinical development in the US under an investigational new drug (IND) application was "a major regulatory pathway for gaining drug approval".

"Prescient is one of a very small number of ASX-listed biotechnology companies conducting clinical studies under an IND in the US," Dr Crombie said.

"We look forward to advancing the clinical development of this drug candidate as a new therapy to treat cancers, which have become resistant to front line chemotherapies," Dr Crombie said. "Preclinical and clinical data amassed to date indicates this candidate has great potential as a new therapy to help break this resistance."

Prescient fell 0.1 cents or 1.2 percent to 8.2 cents.

[GI DYNAMICS](#)

GI Dynamics says that the 10-for-one consolidation of its US shares begins tomorrow April 2 and should be finalized by April 17, 2015.

GI Dynamics said that the Australian CHESS depositary interests (CDI) were not being consolidated and CDI holders will hold the same number of CDIs following the consolidation but each CDI will represent an interest in one-fiftieth of a share of common stock following the consolidation.

The company said that the last day for trading of pre-consolidation shares would be April 2 and normal trading of consolidated shares begins on April 17, 2015.

GI Dynamics said that Australian CDIs could be traded using the code GIDDA, while consolidation was completed, with normal trading using the GID code expected to resume on April 17, 2015.

GI Dynamics fell half a cent or 3.45 percent to 14 cents.

[OSPREY MEDICAL](#)

Brandon Capital, the Medical Research Commercialization Fund and related funds have increased their holding in Osprey from 23,252,810 shares to 24,791,272 shares, but has been diluted from 19.3 percent to 16.1 percent.

The Melbourne-based Brandon Capital Partners, the MRCF, BBF1 IIF Partnership and BBF1Trustco as trustee for Brandon Biosciences Fund No 1 Trust said that they had been reduced in voting power due to the new issue of Osprey Chess depositary interests.

Last week, Osprey raised \$16,324,000 in a placement at 53 cents per Chess depositary instrument (BD: Mar 23, 2015).

Osprey fell half a cent or 0.8 percent to 59.5 cents.

ANTEO DIAGNOSTICS

Anteo says it has an agreement with an unnamed company expanding an existing research and development program.

Anteo said that the agreement extended and broadened a feasibility study begun in 2013 with the success of the study the catalyst for the new agreement (BD Jun 19, 2013).

The company said that its unnamed partner was developing a hand-held immuno-assay analyzer, a point-of-care device, to better diagnose health conditions in a more timely manner.

Anteo said that its subsidiary Anteo Technologies had been exploring the use of its Mix&Go technology to precisely attach functional antibodies to different surfaces and had developed reagents that have proved effective on a variety of surfaces.

The company said that is novel applications and all associated intellectual property were the subject of its recent patent applications.

Last month, Anteo said it had filed a patent application entitled 'Compositions, apparatus and methods for high avidity binding of interfering species in sample analysis' covering approaches for clearing or depleting interfering substances from pathology samples prior to testing (BD: Feb 24, 2015).

Today, Anteo said that under the new agreement with the unnamed company it would use its new intellectual property to improve the performance characteristics and precisely attach functional antibodies to the unnamed company's sensor surface.

The company said that it had recently concluded a previous agreement with the unnamed company, in which its used Mix&Go to attach antibodies to the unnamed company's beads.

Anteo chief executive officer Dr Geoff Cumming said the research conducted on the beads delivered positive results that satisfied the unnamed company.

"This agreement is a very positive development for Anteo and it is a strong endorsement of the Mix&Go technology," Dr Cumming said.

Dr Cumming said that the unnamed company was "fully funding the next phase, which further demonstrates its commitment and confidence".

Anteo said it had put in place facilities, infrastructure and expertise to support the unnamed company's plans, including the construction of a new clean laboratory fit-out with temperature and humidity control and the installation of new equipment.

"From a commercial perspective, these collaborative agreements also make small but meaningful revenue contributions to Anteo," Dr Cumming said. "These are important revenue streams for Anteo and help the company preserve its strong cash position."

Anteo was up 0.3 cents or 3.2 percent to 9.7 cents with 7.5 million shares traded.

SIGNOSTICS

Signostics says it has appointed the Seattle, Washington-based Kevin Goodwin as its chief executive officer, effective from today.

The Adelaide-based Signostics, which has developed handheld ultrasound devices and bladder scanners, said that Mr Goodwin had 28 years executive experience in the ultrasound industry, with 17 years as the founder and chief executive officer of point-of-care company Sonosite (BD: Mar 17, 2011; Jan 18, 2015).

Signostics said that Mr Goodwin led Sonosite from its pre-revenue spin-off as a Nasdaq-listed company from 1998 "to be the category creator and leader in the point-of-care ultrasound market" and receive revenues of \$US300 million.

The company said that Sonosite was acquired by Fujifilm for about \$US1 billion.

Signostics is a private company.

BIOTECH DAILY'S TOP 40 WITH MARKET CAPITALIZATION AT MAR 31, 2015

Company \$Am	Apr-14	Mar-15	Apr-15
Cochlear	3,253	5,208	5,168
CSL	33,640	42,869	43,302
Resmed	6,726	11,554	13,056
Second 20			
Acrux	286	186	143
Admedus	176	151	116
Benitec	162	102	92
Bionomics	221	196	194
Biotron	25	42	42
Circadian	11	24	23
Clinuvel	60	147	134
GI Dynamics	232	138	69
Impedimed	40	258	249
Mesoblast	1,757	1,358	1,178
Nanosonics	227	464	531
Neuren	136	267	151
Osprey	74	74	92
Pharmaxis	29	27	39
Prima	50	53	42
Psivida	118	164	149
Sirtex	871	1,990	1,176
Tissue Therapies	92	68	32
Universal Biosensors	60	65	44
Viralytics	58	56	79
Second 20			
Actinogen	9	34	41
Analytica	19	22	21
Anteo	203	78	79
Antisense	31	16	15
Atcor	19	18	31
Avita	39	25	26
Cellmid	21	20	18
Compumedics	18	23	22
Ellex	36	36	35
Genetic Technologies	34	66	79
IDT	23	26	41
Living Cell	29	25	25
Medical Developments	81	117	133
Oncosil	45	32	31
Optiscan	8	19	14
Patrys	30	8	7
Prana	447	71	76
Reva	52	174	191
Starpharma	216	166	140
Uscom	23	16	17

* Biotech Daily editor, David Langsam, owns shares in Acrux, Alchemia, Admedus, Benitec, Biota, Mesoblast, Nanosonics, Neuren and non-biotechnology stocks. Through Australian Ethical Superannuation he has an indirect interest in Alchemia, Atcor, Avita, Circadian, Cochlear, Ellex, IDT, Impedimed, Innate Immunotherapeutics, Pharmaxis, Prana, Resmed and Sirtex. These holdings are liable to change.

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