



Biotech Daily

Friday May 1, 2015

Daily news on ASX-listed biotechnology companies

- * **APRIL BDI-40 UP 4%, ASX200 DOWN 2%, BIG CAPS DOWN 5%**
- **COMPUMEDICS UP 73%, ANTISENSE 53%; BIOTRON, PRIMA DOWN 24%**
- * **TODAY: ASX, BIOTECH UP: PHARMAXIS UP 10%, GI DYNAMICS DOWN 7%**
- * **PHARMAUST: 'PPL-1 REDUCES BIOMARKER p70S6K IN 1st DOG, TOO'**
- * **PROGEN TO BUY MEDIGEN'S TBG FOR DIAGNOSTICS, KEEP PI-88**
- * **INVION FOUNDER DR WILLIAM GARNER INCREASES, DILUTED TO 4.5%**
- * **GI DYNAMICS 2m CEO, DIRECTORS SHARES, OPTIONS AGM**
- * **REVA 1.6m DIRECTORS SHARES, 1.3m DIRECTORS OPTIONS AGM**

MARKET REPORT

The Australian stock market recovered 0.42 percent on Friday May 1, 2015 with the S&P ASX 200 up 24.4 points to 5,814.4 points.

Fourteen of the Biotech Daily Top 40 stocks were up, 12 fell, 12 traded unchanged and two were untraded.

Pharmaxis was the best, up 1.5 cents or 9.7 percent to 17 cents with 614,271 shares traded.

Compumedics and Medical Developments climbed more than eight percent; Antisense rose 7.1 percent; Avita, Cellmid, Prima and Starpharma were up four percent or more; Clinuvel, Impedimed and Psivida were up three percent or more; Atcor, Mesoblast and Viralytics rose more than two percent; with Resmed up 1.6 percent.

GI Dynamics led the falls, down one cent or 6.7 percent to 14 cents with 136,028 shares traded, followed by Tissue Therapies down 6.0 percent to 9.4 cents with 711,885 shares traded.

Anteo fell 4.2 percent; Admedus lost 3.95 percent; Acrux, Actinogen, Ellex and Genetic Technologies shed two percent or more; Bionomics, CSL, Nanosonics, Reva and Sirtex were down more than one percent; with Cochlear down 0.7 percent.

BIOTECH DAILY TOP 40 INDEX (BDI-40)

The Biotech Daily Top-40 Index (BDI-40) rose 4.2 percent in April, while the S&P ASX200 eased 1.7 percent and the three Big Caps of Cochlear, CSL and Resmed (which are not included in the BDI-40) retreated a collective 4.7 percent.

Cochlear fell 7.6 percent to \$4,774 million, CSL shed 1.7 percent to \$42,553 million and Resmed lost 13.2 percent to \$11,329 million.

The BDI-40 saw mainly modest gains and falls, with the best percentage rises from low bases in the Second 20, led by Compumedics up \$16 million or 72.7 percent to a market capitalization of \$38 million and followed by Antisense up 53.3 percent to \$23 million, IDT (34.1%), Atcor (32.3%), Starpharma (32.1%), Avita (23.2%), Pharmaxis (23.1%), Admedus (20.7%), Actinogen (19.5%) and Oncosil (19.4%).

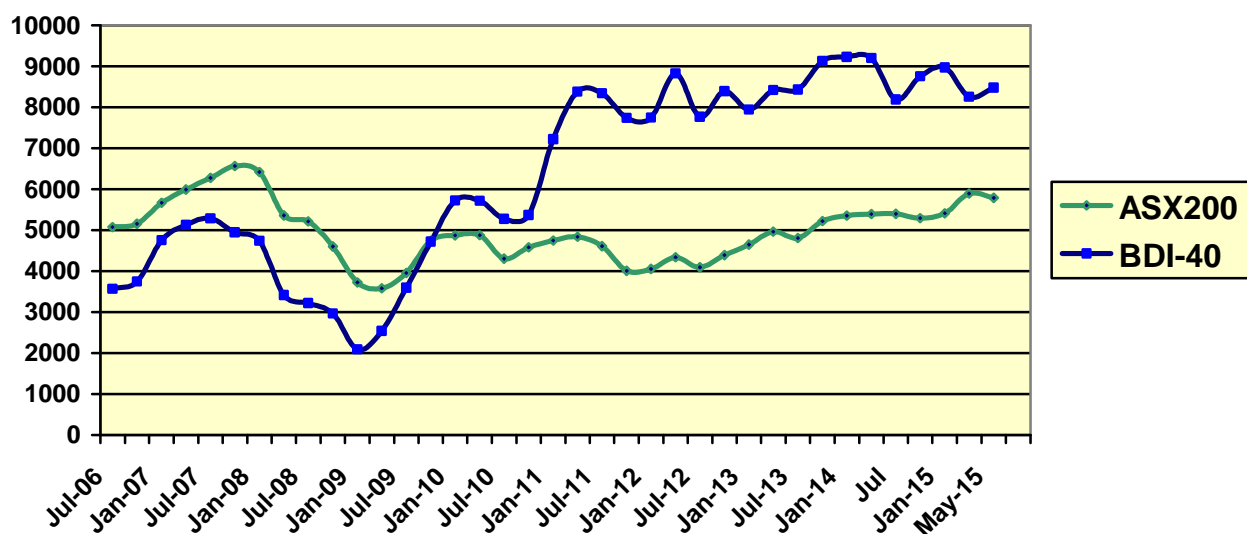
Biotron and Prima had the deepest percentage falls, both down \$10 million or 23.8 percent to \$32 million, followed by Optiscan (21.4%), Medical Developments (18.0%), Genetic Technologies (17.7%), Nanosonics (13.2%) and Bionomics (11.9%).

Outside the BDI-40, Pro Medicus continued its upward trajectory climbing 10.8 percent to \$175 million, up 116.0 percent in 12 months. Novogen was up 85.2 percent in April to \$100 million, Mayne Pharma set a new record at \$848 million, with honorable mentions to Genera and Simavita.

On the Nasdaq, Biota fell 4.7 percent to \$101 million, Heartware lost 16.9 percent to \$1,652 million and Sunshine Heart was unchanged at \$102 million.

There are no changes to the indices this month.

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



PHARMAUST

Pharmaust says that the first dog treated in its canine trial of PPL-1 for cancer has shown a reduction in tumor marker p70S6K of about 40 percent after three days of treatment. Pharmaust is running parallel dog and human trials of PPL-1 for cancer and has previously announced reductions of the tumor marker p70S6K in the human patients in that clinical trial (BD: Mar 24, 2015).

Today, the company said it was "the first evidence that PPL-1 is active in canines by suppressing a tumor marker".

Principal dog trial investigator Dr Angela Frimberger said the biomarker reduction was "is indeed good news and it shows how rapidly PPL-1 imparts an effect on the tumor marker p70S6K".

"The dog in question was suffering with late stage cancer with limited treatment options," Dr Frimberger said.

"The trial revision for a shorter treatment schedule makes treatment of pets by the owners much easier," Dr Frimberger said.

"It appears that p70S6K in treated dogs is mirroring Pharmaust's human trial where there were no adverse events in the low dosage cohort and that p70S6K levels in peripheral blood cells was suppressed," Dr Frimberger said.

Last month, the New South Wales Department of Primary Industries approved the reduction of treatment from 28 days to seven days (BD: April 13, 2015).

Pharmaust executive chairman Dr Roger Aston said that "as PPL-1 is already approved for veterinary use ... we believe that if successful in this trial, PPL-1 will be able to be approved quickly for the treatment of dog cancers following a further pivotal study".

Pharmaust was up 0.2 cents or 20 percent to 1.2 cents with 14.2 million shares traded.

PROGEN PHARMACEUTICALS

Progen says it has a binding term sheet to acquire Medigen's TBG Inc for its molecular diagnostic assets, pending regulatory and shareholder approvals.

Progen said that the Cayman Islands-based TBG was a wholly owned subsidiary of the Taiwan-based Medigen Biotechnology Corp, which owned 19.7 percent of Progen.

The company said that TBG was a holding company focused on molecular diagnostics and the development, manufacture and marketing of nucleic acid testing kits and services and had research and development, manufacturing and sales operations and wholly owned subsidiaries in the US, Taiwan and China and was a provider of human leukocyte antigen (HLA) typing kits for immune matching of bone marrow, cord blood and solid organ transplants.

Progen said it had agreed to acquire 100 percent of TBG in return for 101,722,974 new shares in Progen which would be 64.8 percent of the total expanded capital base and the acquisition was subject to due diligence, regulatory approvals, shareholder approval and Progen raising a minimum \$8 million and up to \$10 million at 21 cents a share.

The company said it had begun a review of whether to retain, demerge or divest some or all of its current activities in light of the proposed acquisition of TBG.

Progen said it was currently conducting a phase I clinical trial of PG545 for cancer and owned the contract manufacturing company, Pharmasynth.

The company said that it would retain the compound PI-88 for liver cancer which previously was in a halted phase III trial and led to a protracted dispute involving the then board, management, funds raised and the relationship with Medigen (BD: Jan 28, 2015).

Progen said that a strategic review would take about two to four months.

Progen was up half a cent or 2.6 percent to 20 cents.

INVION

Invion founder Dr William Garner has increased his holding but has been diluted from 33,296,310 shares (5.828%) to 36,796,310 shares (4.47%).

Dr Garner said that he acquired 3,500,000 shares for \$87,500 or 2.5 cents a share in the rights issue on April 27, 2015 (BD: Apr 22, 2015).

Invion was unchanged at 2.4 cents.

GI DYNAMICS

GI Dynamics will vote to grant chief executive officer Michael Dale and six directors stock equal to 1,943,500 Australian shares and 1,868,150 options.

Last month, GI Dynamics conducted a 10-for-one US share consolidation taking each US share to be equivalent to 50 Australian shares (BD: Apr 1, 16, 2015).

In March, the US Food and Drug Administration halted the 500-patient pivotal trial of Endobarrier for obesity and type 2 diabetes following four cases of bacterial liver infections and last year, the European Union temporarily suspended Endobarrier shipments pending a review of vigilance and reporting systems (BD: Mar 6, 2014; Oct 6, Dec 1, 2014).

Today, GI Dynamics asked shareholders to approve the issue of stock and options equivalent to 50,000 Chess depositary interests and options to each of six directors Anne Keating, Michael Carusi, Timothy Barberich, Graham Bradley, Jack Myer and Daniel Moore as well as shares equivalent to 1,343,500 CDIs and 1,568,150 options to chief executive officer Michael Dale (BD: Aug 29, 2014).

The company said that Mr Dale's options would be exercisable at \$US5.38 per US share or 13.62 Australian cents per CDI, vesting over 48 months, while the director options would be exercisable at \$US5.70 per US Share or 14.43 Australian cents per CDI.

GI Dynamics said other resolutions included increasing the amount of stock available under the employee, director and consultant plan to 556,963 US shares equivalent to 27,848,150 CDIs, and the re-election as directors of Ms Keating, Mr Carusi and Mr Moore. The meeting will be held at DLA Piper, Level 22, 1 Martin Place, Sydney on June 9, 2015 at 9am (AEST).

GI Dynamics fell one cent or 6.7 percent to 14 cents.

REVA MEDICAL

Reva will vote to grant nine directors and executives stock equal to 1,600,000 Australian shares and 1,300,000 options.

Last year, Reva halted its 125-patient Rezolve stent trial, replacing it with the Fantom stent and dismissed about 40 staff members (BD: Mar 27 2014; Mar 16, 2015).

Today, Reva asked shareholder to approve the issue of stock and options equivalent to 500,000 Chess depositary interests and 700,000 options to chairman and chief executive officer Robert Stockman along with stock equivalent to 150,000 CDIs each to directors Anne Keating, Dr Ross Breckenridge, Scott Huennekens, Brian Dovey, and Robert Thomas, stock equivalent to 350,000 CDIs to director Gordon Nye and 300,000 options each to Dr Breckenridge and Mr Huennekens.

In 2014, shareholders approved the grant of options to directors (BD: May 13, 2014)

Reva said resolutions included increasing the directors remuneration pool \$US300,000 and the election of Mr Stockman, Ms Keating, Dr Breckenridge, Mr Dovey, Mr Huennekens, Mr Nye and Mr Thomas

The meeting will be held at the GAL Theatre, Museum of Sydney, corner Phillip and Bridge Streets, Sydney on May 28, 2015 at 10.30am (AEST).

Reva fell one cent or 1.9 percent to 51 cents.

BIOTECH DAILY'S TOP 40 WITH MARKET CAPITALIZATION AT APR 30, 2015

Company \$Am	May-14	Apr-15	May-15
Cochlear	3,349	5,168	4,774
CSL	32,892	43,302	42,553
Resmed	7,674	13,056	11,329
BDI-20			
Acrux	172	143	148
Admedus	157	116	140
Benitec	118	92	90
Bionomics	196	194	171
Biotron	22	42	32
Circadian	9	23	23
Clinuvel	56	134	125
GI Dynamics	212	69	71
Impedimed	44	249	248
Mesoblast	1,497	1,178	1,223
Nanosonics	214	531	461
Neuren	134	151	163
Osprey	62	92	106
Pharmaxis	24	39	48
Prima	44	42	32
Psivida	117	149	147
Sirtex	883	1,176	1,201
Tissue Therapies	78	32	30
Universal Biosensors	66	44	46
Viralytics	53	79	80
Second 20			
Actinogen	5	41	49
Analytica	24	21	19
Anteo	170	79	80
Antisense	19	15	23
Atcor	18	31	41
Avita	39	26	32
Cellmid	21	18	20
Compumedics	18	22	38
Ellex	34	35	37
Genetic Technologies	34	79	65
IDT	20	41	55
Living Cell	20	25	23
Medical Developments	72	133	109
Oncosil	35	31	37
Optiscan	8	14	11
Patrys	24	7	8
Prana	90	76	74
Reva	50	191	175
Starpharma	202	140	185
Uscom	21	17	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 a range of other biotechnology companies: <http://www.australianethical.com.au/who-we-invest-in>. These holdings are liable to change.

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