



Biotech Daily

Friday August 14, 2015

Daily news on ASX-listed biotechnology companies

- * **ASX DOWN, BIOTECH UP: PRIMA UP 13%, BIONOMICS DOWN 7%**
- * **AUSTIN'S DR PETER DE CRUZ WINS \$16k VICTORIA PREMIER AWARD**
- * **PRIMA EARNS UNDISCLOSED HISTORICAL NOVARTIS ROYALTY**
- * **POLYNOVO: 'METABOLIC, AOD9604 SALE REDUCES LOSS'**
- * **W.H.O. CONFIRMS TROFINETIDE AS INN FOR NEUREN NNZ-2566**
- * **COGSTATE CLAIMS 2 MORE TRIAL CONTRACTS WORTH \$3m**
- * **GI DYNAMICS H1 REVENUE DOWN 47% to \$1m, LOSS DOWN 6% TO \$28m**

MARKET REPORT

The Australian stock market fell 0.58 percent on Friday August 14, 2015 with the ASX200 down 31.4 points to 5,356.5 points.

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

Prima was the best, up 0.6 cents or 13.0 percent to 5.2 cents with 32.1 million shares traded, followed by IDT up 10 percent to 33 cents with 2.9 million shares traded.

Both Pharmaxis and Polynovo climbed five percent; Oncosil was up 4.35 percent; Genetic Technologies and Mesoblast were up more than three percent; Atcor and Cellmid rose more than two percent; Acrux, Neuren and Orthocell were up more than one percent; with CSL, Nanosonics and Starpharma up by less than one percent.

Bionomics led the falls, down three cents or 6.7 percent to 42 cents with 446,153 shares traded.

Actinogen and Optiscan fell more than four percent; Antisense, Benitec and Prana lost more than three percent; Universal Biosensors shed 2.5 percent; Admedus and Anteo were down more than one percent; with Sirtex and Viralytics down less than one percent.

VICTORIA GOVERNMENT

The Victoria Government says that the recipient of the \$16,000 Premier's Award for Health and Medical Research is the Austin Medical Centre's Dr Peter De Cruz.

A media release from Victoria Premier Daniel Andrews said that Dr De Cruz worked in the Austin's departments of gastroenterology and medicine and his research had been "instrumental in the development of therapies that may help to treat Crohn's disease, a chronic inflammatory disease of the intestines that affects around 75,000 Australians and is projected to increase to 100,000 by 2022".

The Premier's Office media release said that the University of Melbourne's Dr Daniel Pellicci and the Walter and Eliza Hall Institute's Dr Lucille Rankin and James Rickard were each awarded \$8,000 commendation prizes.

The media release said that for 21 years, the Premier's Health and Medical Research Awards recognized the achievements of Victoria's early-career health and medical researchers.

PRIMA BIOMED

Prima says it has received an undisclosed milestone payment from a collaboration and licencing agreement with Novartis for its phase I IMP701 antibody for cancer.

Prima said the 2012 collaboration was originally between Immunet, which it acquired in December 2014 and Costim Pharmaceuticals, which Novartis acquired in February 2014 (BD: Oct 2, Dec 17, 2014).

The company said that Costim had a licence to develop and commercialise antagonistic lymphocyte activation gene-3 (LAG-3) antibodies and Novartis had full responsibility for the continued development of the antibody program.

Prima said it was eligible to receive further potential development-based milestone payments and royalties on sales following commercialization of the products.

Prima chief executive officer Marc Voigt said there was "strong preclinical evidence that antibodies to LAG-3 can promote an increased and sustained anti-cancer immune response".

"We are delighted that Novartis has now moved that concept into the clinic with help from our work in the field," Mr Voigt said.

Prima said that Immunet developed IMP701 as a therapeutic antibody and it played a role in controlling the signalling pathways in both effector T-cells and regulatory T-cells to both activate effector T-cells by blocking inhibitory signals that would otherwise switch them off and at the same time inhibit regulatory T-cell function that normally prevent T-cells from responding to antigen stimulation.

The company said that IMP701 removed two brakes that prevented the immune system from responding to and killing cancer cells, whereas some other checkpoint antibodies in development targeted only the effector T-cell pathway and didn't address the regulatory T-cell pathway.

Prima was up 0.6 cents or 13.0 percent to 5.2 cents with 32.1 million shares traded.

POLYNOVO

Polynovo says it expects a loss after tax of in the range of \$1.38 million to \$1.48 million for the year to June 30, 2015 compared to the previous year's loss of \$2.94 million.

Polynovo said the unaudited decreased loss was "predominantly attributable to the sale of the Metabolic business [with AOD9604] for \$1.5 million" (BD: Apr 30, May 7, 2015).

Polynovo was up half a cent or five percent to 10.5 cents.

NEUREN PHARMACEUTICALS

Neuren says that World Health Organization has confirmed “trofinetide” as the international non-proprietary name for glycyl-2-methyl-L-prolyl-L-glutamic acid. Neuren said it was developing trofinetide, formerly known as NNZ-2566, for neurological conditions including Rett syndrome, Fragile X syndrome, moderate to severe traumatic brain injury and concussion.

Neuren was up 0.15 cents or 1.6 percent to 9.75 cents with 1.8 million shares traded.

COGSTATE

Cogstate says it has signed two contracts worth \$US2.4 million (\$A3.26 million) for technology and services to support the measurement of cognition in clinical trials.

Cogstate said that the value would be recognised over the life of the studies and took the total for trials contracts signed since July 1, 2015 to \$US\$4.8 million.

The company said that one contract was with an unnamed pharmaceutical company for a phase I non-small cell lung cancer trial and the second contract was with an unnamed European biotechnology company for a phase II trial for a disease-modifying treatment of Alzheimer’s disease using an active immunotherapy directed against pathologically modified tau protein.

Cogstate was up one cent or 4.65 percent to 22.5 cents.

GI DYNAMICS

GI Dynamics says revenue for the six months to June 30, 2014, fell 46.96 percent to \$US926,000 (\$A1,256,640) with net loss after tax down 6.36 percent to \$US20,583,000 (\$A27,932,440).

GI Dynamics said that sales decreased across all markets.

Last year, European regulators temporarily halted Endobarrier exports and this year the US Food and Drug Administration stopped the company’s pivotal trial due to hepatic abscesses (BD: Jul 30, 31, 2015).

GI Dynamics said it had cash and cash equivalents of \$US32,819,000 at June 30, 2015, compared to \$51,191,000 at December 31, 2014.

The company said that net tangible assets per Chess depositary interest fell 56.25 percent to seven US cents for the six months to June 30, 2015 compared to the half-year to June 30, 2014.

GI Dynamics was unchanged at four cents.