



Biotech Daily

Monday August 8, 2016

Daily news on ASX-listed biotechnology companies

- * **ASX UP, BIOTECH DOWN: ANTISENSE UP 7.5%, ACTINOGEN DOWN 7%**
- * **WEHI TARGETS MCL-1 FOR MULTIPLE MYELOMA**
- * **FEDERAL \$1m COLLABORATION GRANTS OPEN**
- * **ITL CONTRACT EXTENDED WITH BIOMÉRIEUX**
- * **OBJ 'DEFINING MOMENT', SIGNS P&G MASTER LICENCE**
- * **MEDIBIO CLAIMS 83% HEART RATE DEPRESSION TEST ACCURACY**
- * **IMMURON APPOINTS MEDIQUE FOR US TRAVELAN DISTRIBUTION**
- * **ADHERIUM OPENS SAN MATEO OFFICE**

MARKET REPORT

The Australian stock market was up 0.73 percent on Monday August 8, 2016 with the ASX200 up 40.4 points to 5,537.8 points.

Eleven of the Biotech Daily Top 40 stocks were up, 15 fell, 13 traded unchanged and one was untraded.

Antisense was the best, up 0.3 cents or 7.5 percent to 4.3 cents with 78,540 shares traded.

Starpharma climbed 5.3 percent; Orthocell was up 4.05 percent; Anteo, Atcor, Oncosil and Pro Medicus were up more than three percent; Impedimed rose 2.6 percent; Biotron and Pharmaxis were up more than one percent; with CSL, Psivida and Resmed up less than one percent.

Actinogen led the falls, down 0.5 cents or 7.25 percent to 6.4 cents with 636,703 shares traded.

Acrux, Genetic Technologies and Universal Biosensors lost more than five percent; Admedus fell 4.35 percent; Uscom was down 3.3 percent; Ellex shed 2.7 percent; Factor Therapeutics, Osprey, Polynovo and Viralytics were down more than one percent; with Clinuvel, Cochlear, Medical Developments, Mesoblast and Sirtex down less than one percent.

THE WALTER AND ELIZA HALL INSTITUTE OF MEDICAL RESEARCH

The Walter and Eliza Hall Institute says its researchers have discovered that a variant of BH3-mimetics could target the MCL-1 protein with potential for multiple myeloma.

The Institute said its research showed that the majority of myelomas rely on the MCL-1 protein to stay alive and it had potential drugs in pre-clinical development to inhibit MCL-1. WEHI said that BH3-mimetics had been used to kill cancer cells by blocking the BCL-2 family proteins, but the MCL-1 protein was an important target and it was investigating variants of BH3-mimetics that would target MCL-1.

The Institute said that researchers Dr Jianan Gong, Dr David Segal, Yuan Yao, Prof Andrew Roberts and Prof David Huang, worked with Monash University's Centre for Blood Diseases and Melbourne's Alfred Hospital to investigate the survival proteins that kept myeloma cells alive, allowing the cancer to persist.

The research, entitled 'Hierarchy for targeting pro-survival BCL2 family proteins in multiple myeloma: pivotal role of MCL1' was published in the journal Blood, with an abstract available at: <http://www.ncbi.nlm.nih.gov/pubmed/27465916>.

Prof Huang said that "the survival of many cancer types relies on a family of related survival proteins called BCL-2 family proteins".

"In the past decade there has been considerable interest in the using anti-cancer agents called BH3-mimetics to kill cancer cells by blocking the BCL-2 family proteins," Prof Huang said. "Recent clinical trials have demonstrated that a BH3-mimetic that switches off the protein BCL-2 is an effective treatment for certain forms of leukaemia."

Prof Huang said the research focused on which BH3-mimetics would be the most effective in treating multiple myeloma.

Dr Gong said that the majority of myeloma samples died when MCL-1 was switched off.

"In contrast, only around one-quarter were susceptible to inhibiting BCL-2," Dr Gong said.

"This finding is in keeping with earlier research at the Walter and Eliza Hall Institute that pinpointed MCL-1 as the likely protein that keeps myeloma cells alive," Dr Gong said.

"Our research shows that switching off MCL-1 has the potential to be [an] effective new treatment approach for the majority of patients with myeloma," Dr Gong said.

Royal Melbourne Hospital clinical haematologist Prof Roberts said that there had been considerable interest in developing anti-cancer agents that target MCL-1, but "as yet, these inhibitors are still in pre-clinical development".

"Our results suggest that, once necessary laboratory testing for safety is completed, clinical trials of their effectiveness in treating patients with multiple myeloma that is no longer responding to current therapies would be well justified," Prof Roberts said.

The Institute said that each year more than 1,700 Australians were diagnosed with multiple myeloma, but current treatments were only able to halt the progression of the disease and relieve symptoms, and could not cure the disease.

FEDERAL GOVERNMENT

The Federal Government says grants of up to \$1 million are available for collaboration with partners on research, development and commercialization projects.

A media release from the Minister for Industry innovation and Science Greg Hunt said that the Global Innovation Linkages program would provide \$18 million over five years to help businesses collaborate "to develop high quality products, services or processes that respond to strategically important industry challenges for Australia".

The media release said that programme opened for applications today.

More information about the Global Innovation Linkages program is available at www.business.gov.au/GIL or by telephoning 13 28 46.

ITL LIMITED

ITL says that Biomérieux has extended its Samplok sampling kit distribution in the UK by a further 12 months.

ITL said that the Lyon, France-based Biomérieux had supplied the kits in the UK for the past three years, generating \$4.5 million in revenue.

The company said that Samplok sampling kit was used in blood banks to transfer platelet samples when performing bacterial detection testing.

ITL said that Biomérieux was “a world leader in in vitro diagnostics” with a presence in more than 150 countries through 42 subsidiaries and a large network of distributors.

The company said that the contract extension was in line with its strategy to increase sales of the sampling kit in existing and new markets.

ITL said it had previously announced approval of the kit by the US Oneblood bank, a contract extension with a second US blood bank, the grant of the Samplok sampling kit (SSK) patent in the US, as well as Taiwan Food and Drug Administration approval for the product.

Executive chairman Bill Mobbs said the contract extension was “an excellent achievement”.

“With the continued partnership with Biomérieux, the recently granted patent in the US and the Taiwan FDA approval, SSK continues to show growth promise in new markets and with partners around the globe,” Mr Mobbs said.

ITL was up 2.5 cents or 15.6 percent to 18.5 cents.

OBJ LIMITED

OBJ says that it has signed a master licencing agreement with Procter and Gamble defining the terms and conditions for products including its micro-array technology.

OBJ said that each new product containing the micro-array technology that Procter and Gamble licences will form a schedule to the master agreement.

The company said it licenced the first two products to Procter and Gamble in May including the Wave 1 Eye Wand and a second applicator that the company was unable to describe due to confidentiality agreements (BD: May 6, 27, 2016).

OBJ said that the product development and licensing program was covered under the agreement signed in May this year and the new agreement would apply to all products that had moved through the development program to commercialization.

The company said that Procter and Gamble retained a worldwide exclusive right to commercialize its non-powered magnetic micro-array technology within defined product categories.

OBJ said that the agreement was the cornerstone of the relationship, designed to streamline the way in which Procter and Gamble brand managers could explore the benefits of its technologies.

The company said that multiple work plans covering various product development programs with numerous Procter and Gamble brands had been executed under the product development agreement, with additional items under negotiation.

OBJ Managing director Jeffrey Edwards said that the master licence agreement “defines all of the detailed terms for the distribution and sale of products containing OBJ’s technologies and will greatly facilitate multiple product distribution”.

“We see this as a defining moment in both the development of OBJ and our strong collaborative relationship with P&G,” Mr Edwards said.

OBJ was up 0.2 cents or 2.1 percent to 9.9 cents with 30.9 million shares traded.

MEDIBIO

Medibio says its 83 percent accuracy in a depression test of 98 patients “compares favourably” with 70 percent for experienced psychiatrists.

Medibio said that a retrospective study of its heart rhythm algorithm diagnostic on 54 people classified as having major depressive disorder and 44 controls by the University of Ottawa showed the test rated 83 percent for sensitivity or correctly diagnosing those with depression and 82 percent specificity or correctly diagnosing those without depression and giving a total “accuracy” score of 83 percent.

The company said that the results compared “favorably to the clinical gold standard diagnostic concordance of 33-50 percent at the primary care level and 70 percent between experienced psychiatrists”.

Medibio said that the validation study enrolled 326 patients from the University of Ottawa with 228 used for algorithm training, of which 114 were diagnosed with major depressive disorder and 114 were controls, before undertaking the blind assessment of 54 patients with major depressive disorder and 44 controls.

The company said that the retrospective data was compiled in with the University and included overnight heart rate recordings, sleep annotations and clinical assessments of psychiatric status.

Medibio said that the University had released data from about 1,300 patients to expand the study and improve diagnostic accuracy.

The company said that the validation was “a significant milestone” in the development of an objective test for the diagnosis of depression.

Medibio said it used biomarkers extracted from overnight physiologic recordings to distinguish between individuals with major depressive disorder and non-depressed controls and its classification algorithm used biomarkers computed from overnight heart rate recordings and sleep annotations to distinguish between the clinical groups, with clinical assessments by two experienced psychiatrists from the University of Ottawa.

Medibio director and former Mayo Clinic research director Dr Franklyn Prendergast said the data showed “how exquisitely well Medibio is moving toward full validation of its algorithms for the diagnosis of stress and depression from physiologic information”.

“I’m especially delighted by the integration with [electro-cardiogram] data for detection of sleep stages, to our knowledge the first time this has been achieved,” Dr Prendergast said.

Medibio said that the results provided “the first validation” of its proposition that psychiatric conditions differentially affect the autonomic system resulting in condition-specific heart rate morphology and sleep patterns using independent clinical data.

The company said it would include further identification of discriminating biomarkers to improve the diagnostic accuracy of the algorithm, incorporation of the new data for further algorithm training and validation of additional algorithms.

Medibio said the algorithm employed to classify subjects according to the biomarkers examined in tests increased its accuracy through iterations and the addition of data from 1300 new patients into its depression classification algorithm should lead to an improvement in diagnostic accuracy from its machine learning algorithms.

The company said that it would expand and validate its diagnostic algorithm for depression to identify the different presentations of depression which would increase the product’s usefulness.

Medibio said it had more than 120,000 hours of overnight physiological data files to be analyzed allowing it to generate proxy-clinical trial outcomes and meta-data analyses from more than 15,000 patients retrospectively.

Medibio was up 1.5 cents or 4.6 percent to 34 cents with 1.5 million shares traded.

IMMURON

Immuron says that the Fort Myers, Florida-based Medique Products will distribute Travelan for travelers' diarrhoea in the US.

Immuron said that Medique had placed "a substantial order to ensure they have enough inventory in-stock to cover the initial expected ramp-up of sales".

The company said that Medique had more than 1,000 distributor business partners.

Immuron fell 3.5 cents or 12.3 percent to 25 cents.

ADHERIUM

Adherium says it has opened its North American commercial hub in San Mateo, in the San Francisco Bay.

Adherium said that the office would be led by the head of North America business development James Hattersley.

Adherium chief executive officer Garth Sutherland said the San Mateo Office was "a very important part of the continued international expansion of Adherium".

Adherium was up two cents or 4.2 percent to 50 cents.