



Biotech Daily

Thursday April 16, 2009

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH UP; CELLESTIS UP 11%, GENETIC TECHNO DOWN 16%**
- * **STIRLING'S '100% SUCCESS' AGAINST RESISTANT TB**
- * **NEUREN TRADING HALT FOR ASX 420% PRICE JUMP QUERY**
- * **PRIMA PLEADS SCHULTZ TO ASX 75% SHARE PRICE QUERY**
- * **CEPHALON'S ARANA OFFER TO BE UNCONDITIONAL AT 50.1%**
- * **KINETIC CEASES SUBSTANTIAL IN NANOSONICS**
- * **ACORN INCREASES TO 12% OF STARPHARMA**

MARKET REPORT

The Australian stock market climbed 0.75 percent on Thursday April 16, 2009 with the S&P ASX 200 up 28.2 points to 3,775.7 points.

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

Cellestis was best, up 30 cents or 11.11 percent to \$3.00 with 118,391 shares traded followed by Clinuvel up 8.3 percent to 26 cents.

Living Cell climbed 7.1 percent; Avexa was up 6.4 percent; Alchemia, Bionomics, Circadian, Prana and Universal Biosensors were up five percent or more; Peplin and Polartech were up four percent or more; Antisense, Heartware and Tissue Therapies climbed more than three percent; Nanosonics rose 2.8 percent; with CSL and Psivida up more than one percent and Arana up 0.73 percent.

Genetic Technologies led the falls, down 0.8 cents or 16.3 percent to 4.1 cents with 31,112 shares traded, followed by Mesoblast down 5.3 percent to 80.5 cents.

Benitec, Novogen and Progen lost more than three percent; Chemgenex, Genera, Impedimed and Resmed shed more than two percent; Biota and Pharmaxis fell more than one percent; with Cochlear and Sirtex down less than half a percent.

STIRLING PRODUCTS

Stirling Products says it has 100 percent efficacy in treating drug-resistant tuberculosis patients with its natural product Immunoxel.

Stirling says that a 12-patient trial in Kiev “confirmed a complete cure” of the seven extensively drug-resistant tuberculosis (XDR-TB) patients supplemented with the botanical immunotherapy product, Immunoxel which demonstrated 100 percent effectiveness and reduced treatment duration to under four months in all patients as opposed to the general 18-24 months of treatment with standard drugs.

The trial, reported in Science Alert’s ‘Current Research In Tuberculosis’ journal, was entitled ‘Adjuvant Immunotherapy of Extensively Drug-Resistant Tuberculosis (XDR-TB) in Ukraine’ and is at: <http://www.scialert.net/abstract/?doi=crt.0000.8652.8652&linkid=abst>.

Stirling said conventional chemotherapy success rates were low in extensively drug-resistant tuberculosis (XDR-TB) patients, which it said was defined as tuberculosis “that is resistant to any fluoroquinolone and at least one of three injectable second-line drugs (capreomycin, kanamycin, and amikacin), in addition to the two most commonly used drugs in the current first-line regimen, isoniazid and rifampin”.

Extensively drug-resistant tuberculosis is prevalent globally but most frequently in the countries of the former Soviet Union, Africa and Asia, Stirling said.

Stirling managing director Peter Boonen told Biotech Daily his company was involved in the commercialization of Immunoxel and the intellectual property was owned by the Kiev-based Ekomed. Immunoxel is one of 26 phyto-pharmaceutical or botanical products being commercialized under a Zodiac Capital licence and subject to shareholder approval, Stirling has agreed to a joint venture with Zodiac Capital.

Mr Boonen said Zodiac Capital acquired the global marketing and commercialization rights to Immunoxel, which he said was registered for use in South Africa and he had requests from representatives of the Government of Nigeria to use the product, which is also registered in the Ukraine and Mongolia.

Mr Boonen said his company had “been meeting with a big pharma company and had serious discussions” for marketing the product.

In its media release Stirling said the Centers for Disease Control and Prevention and World Health Organization surveys indicated that in the worst-affected countries, 10 percent of multi-drug resistant TB cases were extensively drug-resistant.

The Immunoxel study summarizes 12 XDR-TB patients, seven of which in addition to standard anti-TB therapy received Immunoxel, Svitanok and Lisorm, all of which are immunomodulators under licence to the proposed Stirling Zodiac Capital joint venture.

All seven patients who received the Immunoxel adjunct immunotherapy improved clinically and radiologically and were discharged after 3.7 ± 0.8 months, while none of the five patients on TB drugs alone improved after nine months and one had died. Patients on the Immunoxel immune intervention gained 9.6 kg ($P=0.0001$) while those on ATT lost 1.4 kg. Stirling said that even though the trial was a small patient group it clearly demonstrated that the Immunoxel adjunct immunotherapy was safe, dramatically shortened treatment duration and could overcome drug resistance.

The director of Ekomed Volodymyr Pylypchuk said that “as long as TB is treated with a long, complex, decades-old drugs regimen, [extensively drug-resistant] TB will continue to remain a life-threatening disease with unmet needs”.

“Immunomodulators such as our Immunoxel product, work through totally new biological mechanisms and are perhaps most effective against both drug-susceptible and drug-resistant strains,” Mr Pylypchuk said.

Stirling was up 2.1 cents or 123.53 percent to 3.8 cents with 17,330,910 shares traded.

[NEUREN](#)

Neuren has requested a trading halt pending an announcement regarding an ASX query on its 420 percent share price jump from 0.5 cents to 2.6 cents.

Neuren's share price climbed from last night's close at 0.9 cents as much as 188.9 percent to 2.6 cents during trading today prior to the halt being called.

A total of 6,675,429 shares had been traded when the halt was called, with a total value of \$110,613.

Neuren closed at 0.5 cents on April 7, rising to 0.6 cents on April 8 and April 9, 0.7 cents on April 14 and 0.9 cents on April 15, with 1,765,165 shares traded. The first purchase today was at 1.5 cents a share.

Neuren traded between 13 cents and six cents for most of 2008 tumbling to half a cent on its Christmas Eve announcement that its phase III trial had shown Glypromate to be equal to placebo in its phase III trial for neuro-protection in cardiac surgery (BD: Jan 2, 2009).

The company has a pipeline of compounds and is preparing for a phase II trial of NNZ2566 for traumatic brain injury with the Walter Reed US Army Hospital.

Trading will resume on April 20, 2009 or on an earlier announcement.

Neuren closed up 0.4 cents or 44.44 percent at 1.3 cents with 6,675,429 shares traded.

[PRIMA BIOMED](#)

Prima 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 from 1.6 cents on April 9, 2009 to 2.8 cents on April 15, 2009, along with an increase in trading volume.

Prima said the US-based Dendreon Corp released positive results in its pivotal trial of a prostate cancer vaccine.

Prima told the ASX that it and its ovarian cancer vaccine CVac had "no official relationship with Dendreon".

Prima chief executive officer Martin Rogers told Biotech Daily that there was no relationship with Dendreon, but there had been conversations with the company among many other companies.

Prima climbed as high as four cents today, a 43 percent increase for the day and a 150 percent rise from April 9.

Prima closed up 0.7 cents or 25 percent at 3.5 cents with 46.2 million shares traded.

[ARANA](#)

Cephalon says its \$1.40 to \$1.45 takeover offer for Arana shares will become unconditional when it has acceptances for more than 50.1 percent of the company.

In a supplementary bidder's statement Cephalon International Holdings said it had an interest in 29.34 percent of Arana and was confident of reaching the 50.1 percent mark by the stated closing date of May 1, 2009 (BD: Feb 27, Mar 2, 2009).

Cephalon said that once it reached the 50.1 percent mark and in the event that no defeating condition has been breached it would "declare the offer unconditional" and pay accepting Arana shareholders within five business days.

Cephalon restated its intention to pay \$1.45 per share to all accepting shareholders should acceptances reach the compulsory acquisition target of 90 percent.

Arana climbed one cent or 0.73 percent to \$1.38.

[NANOSONICS](#)

Kinetic Investment Partners has ceased its substantial shareholding in Nanosonics selling 4,351,539 shares for \$1,610,069.43 or 37 cents a share.

Kinetic has held up to 12,574,477 shares or 6.45 percent of Nanosonics and has been trading the shares in small parcels until the single sale on April 14, 2009.

Kinetic is part of Challenger Financial Services and its principals are Jonathan Findlay, Richard Sharp and Anthony Porto.

Nanosonics was up one cent or 2.78 percent to 37 cents.

[STARPHARMA](#)

Acorn Capital has increased its substantial shareholding in Starpharma from 10,303,608 shares (9.26%) to 22,920,807 shares (11.96%).

Acorn paid \$4,683,414.48 for the 12,617,199 shares or 37.1 cents a share.

Starpharma was unchanged at 28 cents with 1.4 million shares traded.