



Biotech Daily

Tuesday June 23, 2009

Daily news on ASX-listed biotechnology companies

*** ASX, BIOTECH DOWN: SIRTIX UP 11.5%, PHOSPHAGENICS DOWN 12%**

*** CYTOPIA APPLIES FOR US PHASE I/II CYT387 MYELOFIBROSIS TRIAL**

*** CORRECTION: DIA-B, PALLANE**

MARKET REPORT

The Australian stock market tumbled 3.1 percent on Tuesday June 23, 2009 with the S&P ASX 200 index down 121.3 points to 3,796.9 points.

Seven of the Biotech Daily Top 40 stocks were up, 20 fell, nine traded unchanged and four were untraded. All three Big Caps fell.

Sirtex was best, up 38 cents or 11.5 percent to \$3.68 with 124,013 shares traded.

Tyrian climbed 7.1 percent; Prana was up 6.25 percent; Bionomics rose 4.35 percent; with Circadian, Genera and Nanosonics up more than one percent.

Phosphagenics led the falls, down two cents or 12.1 percent to 14.5 cents with 493,361 shares traded, followed by Chemgenex down 9.7 percent to 65 cents.

Heartware lost 7.5 percent; Acrux and Impedimed fell more than six percent; Tissue Therapies was down 5.9 percent; Novogen, Optiscan, Pharmaxis and Phylogica fell more than four percent; Clinuvel was down 3.33 percent; Biota, Mesoblast, Peplin, Progen and Viralytics shed more than two percent; with Alchemia, CSL, Polartech, Psivida and Resmed down more than one percent.

CYTOPIA

Cytopia has filed an investigational new drug application with the US Food and Drug Administration for a phase I/II trial of CYT387 for myelofibrosis.

Cytopia said CYT387 was an orally active JAK2 inhibitor CYT387 and the clinical trial would be the company's first in the US.

The company said its anti-cancer vascular disrupting agent CYT997 was in phase II clinical studies in Australia.

Cytopia said that following an FDA review of the application, it intended to begin the phase I/II trial of CYT387 for patients with myelofibrosis, a progressive and chronic condition where scar tissue develops in the bone marrow.

The company said over-activity of the JAK2 enzyme was implicated in a variety of haematological conditions known as the myeloproliferative disorders.

These conditions includes myelofibrosis, polycythemia vera and essential thrombocythemia.

Cytopia said it had demonstrated that CYT387 inhibited the overactive JAK2 enzyme in an in vivo preclinical model and in cells from patients with myeloproliferative disorders.

The data suggested that the compound may exert a profound effect on the human disease, the company said.

Cytopia said myelofibrosis resulted in a compromised ability of patients to produce sufficient blood cells and a reliance on organs other than the bone marrow, including the liver and spleen, to produce cells.

Typical symptoms include an enlarged spleen and progressive anemia with poor overall survival.

Cytopia chief executive officer Andrew Macdonald said the filing of an IND for CYT387 was "the culmination of a comprehensive preclinical development effort by the Cytopia drug development team".

"Our deep knowledge of the JAK2 target has been integral to the design of this drug and the program is significantly bolstered by the intellectual property we hold over the JAK2 target," Mr Macdonald said.

Cytopia said the clinical utility of CYT387 was also expected to have broader applicability in diseases driven by dysregulated JAK2 signaling, including some cancers and various inflammatory conditions.

Cytopia said it was exploring the utility of CYT387 in these conditions.

Cytopia was unchanged at eight cents.

CORRECTION: DIA-B TECH, PALLANE

Yesterday's Bioguide Brief on the backdoor listing of Pallane through Dia-B said the capital raising did not "seem to be underwritten for \$12.5 million".

Although the documentation says that participation by underwriter Winteray is conditional on "not less than \$10.5 million" to be subscribed under the offer, section 10.2 of the disclosure document issued on May 27, 2009 says "the company entered into an underwriting agreement with the underwriter to fully underwrite the offer (\$12,500,000) at the offer price".

Dia-B was up 0.1 cents or 7.69 percent to 1.4 cents.