



Biotech Daily

Wednesday October 28, 2009

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH DOWN: BIONOMICS UP 17%; PSIVIDA DOWN 14%**
- * **CARDIOVASCULAR RISK IDENTIFIED WITH ATCOR'S SPHYGMACOR**
- * **LIVING CELL CALLS FOR END TO AUSTRALIAN XENOTRANSPLANT BAN**
- * **FERMISCAN EXTENDS TRIAL STRATEGY HALT TO SUSPENSION**
- * **W.H.O. SUBLICENCES BIODIEM'S LAIV; NOBILON EXTENDS RESEARCH**
- * **STIRLING SHARE PLAN RAISES \$1.6m**
- * **SAFETY MEDICAL SHARE PLAN TO RAISE \$1.03m**
- * **CORRECTION**
- * **HALCYGEN AGM BACKS MAYNE MERGER; BOARD STOCK OPPOSED**
- * **ANTEO RIGHTS OFFER BOOSTS QUARTERLY CASH REPORT**
- * **VICTORIA EXPEDITES ETHICS APPROVALS; HOSTS CONFERENCES**
- * **EVADO RELEASES CLINICAL TRIAL MANAGEMENT SOFTWARE**
- * **CHEMGENEX'S DR GREG COLLIER WINS AUSBIOTECH GONG**
- * **AUSBIOTECH-GSK-BIOTA, PM'S AWARDS**

MARKET REPORT

The Australian stock market fell 1.44 percent on Wednesday October 28, 2009 with the S&P ASX 200 down 68.4 points to 4685.1 points. Twelve of the Biotech Daily Top 40 stocks were up, 17 fell, four traded unchanged and seven were untraded.

Bionomics was best, up five cents or 17.24 percent to 34 cents with 1.1 million shares traded, followed by Sunshine Heart up 8.7 percent to five cents. Benitec climbed 6.7 percent; Tyrian was up 5.6 percent; Chemgenex was up four percent; Acrux, Alchemia, Compumedics and Universal Biosensors rose more than two percent; with Living Cell and Peplin up more than one percent.

Psivida led the falls, down 59 cents or 13.9 percent to \$3.66 with 629 shares traded. Impedimed and Viralytics lost more than six percent; Biota, Pharmaxis and Tissue Therapies were down more than five percent; Phosphagenics fell 4.8 percent; Cathrx and Novogen were down more than three percent; Avexa, Circadian, Optiscan and Prana shed two percent or more; with Cellestis and Clinuvel down more than one percent.

ATCOR MEDICAL

Atcor says a study published in the Journal of the American College of Cardiology supports its Sphymocor system to measure central blood pressure and arterial stiffness. Atcor said the study entitled 'High Central Pulse Pressure Is Independently Associated with Adverse Cardiovascular Outcome' was funded by the National Institutes of Health and followed 2,405 participants over a period averaging 5.6 years.

The company said the study found that when central pulse pressure exceeded 50mmHg, the risk of a cardiovascular event sharply increased, but no similar predictive relationship was found with standard cuff blood pressure measurements taken at the arm.

Patients in the highest quartile of central pulse pressure more than 50 millimetres of mercury (mmHg) were 70 percent more likely to experience cardiovascular events than those in the lowest quartile of less than 31mmHg.

The study concludes that central pulse pressure greater than 50mmHg predicted adverse cardiovascular outcome and that central pulse pressure may serve as a target for intervention strategies in patient care, the company said.

Atcor quoted the paper saying that it was "not surprising that central blood pressure correlates better with target organ damage and cardiovascular outcomes than brachial blood pressure does, because it more accurately reflects vascular load on the left ventricle and cerebral and coronary vasculature".

Atcor chief executive officer Duncan Ross said the study was "a major event" for his company.

Mr Ross said many studies established that increased central pressure was associated with increased cardiovascular risk and central pressure could be reduced with drugs and lifestyle changes.

"But now, for the first time, clinicians have a specific central pressure target for use in intervention strategies," Mr Ross said.

He said brachial cuff pressures masked many patients' risk and when brachial and central pressures were compared, brachial pressures were not statistically significant.

An abstract of the article is at <http://content.onlinejacc.org/cgi/content/abstract/54/18/1730>. Atcor was up one cent or 5.6 percent to 19 cents.

LIVING CELL TECHNOLOGIES

Living Cell chief executive officer Dr Paul Tan has called on the Australian Government and National Health and Medical Research Council to end its ban on xenotransplantation.

The company said that in 2004 the National Health and Medical Research Council imposed a five-year moratorium on any clinical research into animal-to-human cell, tissue or whole organ transplants, known as xenotransplantation, in Australia.

The company said a decision was pending on whether the NHMRC would lift the ban.

Dr Tan said he wanted the national industry body Ausbiotech to support the lifting of moratorium, which was "holding back the leadership of Australian scientists globally, and more significantly will deny patients with diabetes access to new treatments".

Living Cell is conducting trial in Russia and New Zealand implanting insulin producing porcine islets of Langerhans into type 1 Diabetes patients (BD: Oct 27, 2009).

Living Cell said the use of its pig cells was banned in Australia, despite research showing it to be safe.

"This is not dissimilar to the ban on stem cell research which had a massive impact on Australian research, forced many of our leading scientists overseas and saw Australia lose its position as a leader in this important area of medical advancement," Dr Tan said.

Living Cell was up half a cent or 1.5 percent to 33 cents.

FERMISCAN

Fermiscan has requested a suspension to follow on from the trading halt requested on October 26, 2009 relating to the company's strategy on trials.

Fermiscan last traded at three cents.

BIODIEM

Biodiem says the World Health Organisation has signed a sublicense with Zhejiang Tiayuan Biopharmaceuticals to distribute influenza vaccine using its LAIV technology.

Biodiem said the World Health Organisation had previously issued two sub-licences for Biodiem's live attenuated influenza vaccine (LAIV) (BD: Sep 2, 2009).

The company said that the Hangzhou, China-based Zhejiang Tiayuan would receive the live attenuated influenza vaccine under the World Health Organisation's Global Pandemic Influenza Action Plan for developing countries.

Separately, Biodiem said the co-operative research and development agreement with Nobilon and the US Centers for Disease Control and Prevention had been extended.

Biodiem said that Schering-Plough subsidiary Nobilon International and the US Center for Disease Control and Prevention agreed to a further extension of the agreement associated with the live attenuated influenza vaccine for pandemic indications, from September 1, 2009 to March 31, 2010.

Biodiem said that Schering-Plough's human vaccine business unit signed an agreement in August 2006 to develop the live attenuated influenza vaccine against H5N1 or avian influenza.

Under the agreement the live attenuated influenza vaccine will be advanced through pre-clinical development at the Center for Disease Control in its Atlanta high security laboratories.

Biodiem said the co-operative research would generate, characterize and evaluate live attenuated cold-adapted influenza vaccine (LAIV) candidates against influenza A H5N1 viruses in pre-clinical models.

Biodiem was up half a cent or 2.4 percent to 21.5 cents.

STIRLING PRODUCTS

Stirling says it received "strong support from its shareholders" to raise more than \$1,600,000 in its one cent a share plan.

Stirling said more than 290 shareholders participating in the plan, which was not underwritten and had a maximum potential to raise \$2.1 million.

Stirling was unchanged at 1.2 cents with 12.0 million shares traded.

SAFETY MEDICAL PRODUCTS

Safety Medical is offering eligible shareholders parcels of shares from \$500 to \$15,000 each at no more than 4.5 cents a share.

Safety Medical said the record date was October 27, 2009, the share plan would open on October 30 and close on November 22, 2009.

The company said the funds raised would be used to advance the Hungarian joint venture high volume manufacturing facility (BD: Sep 21, 2009).

Safety Medical was untraded at five cents.

CORRECTION

Yesterday's edition reported that the Federal Parliamentary Secretary for Trade and Parliamentary Secretary to the Prime Minister Anthony Byrne praised past Australian achievements in health and medicine from Howard Florey to Macfarlane Burnet.

The sub-editor managed to spell both Nobel Prize winners' surnames incorrectly and will be spending more time with his family.

VICTORIA GOVERNMENT

The Victorian Government says conducting medical research will be easier following a streamlining of the ethical review process for multi-site clinical trials.

Innovation Minister Gavin Jennings said researchers would only need to apply for one approval rather than separate approvals for each site.

"The new approach allows pharmaceutical companies to undergo one ethical review process for multi-site clinical trials rather than having to apply for separate approvals from ethics committees at each separate location," Mr Jennings said.

"Simplifying and shortening the approval process for research will also generate economic benefits for Victoria and provide a strong incentive for international industry and researchers to continue high quality research all over Victoria," he said.

In a media release Mr Jennings also confirmed that Melbourne would host the Ausbiotech conference in 2010 and 2012.

EVADO

Evado says it has released a trial management module developed in conjunction with industry leaders in the clinical trial sector.

Evado has previously specialized in clinical trial data collection.

The company said the trial management software was developed "in response to requests from Asian customers who needed to improve the management of their trials".

Evado said that managing large trials was complicated business and its module would save trial managers' time and money.

The company said the software delivered productivity savings of 50 percent compared with manual processes for scheduling patient visits and that the time to reconcile trial expenses against budget was substantially reduced.

The module manages both paper-based and electronic clinical trials or studies, with reports displayed online or in Microsoft Excel format.

Evado said the web-based environment for management, monitoring and billing of trial activities was "totally secure and provides visibility of all trial management functions to all members of the team". Ethics submissions at each site can be tracked throughout the submission process, as can key milestones and related activities as well as budget costs being customized on a per site basis.

Evado is a private Melbourne based company.

ANTEO

Anteo says its net operating cash burn for the three months to September 30, 2009 was \$558,000 with cash at the end of the quarter of \$414,000.

Anteo announced last week that its rights issue had raised \$865,000 and it expected to raise a total of \$1.1 million after the placement of shortfall shares.

Anteo fell 0.2 cents or 20 percent to 0.8 cents with 1.1 million shares traded.

[HALCYGEN](#)

Halcygen investors have overwhelmingly supported the company's takeover of Mayne Pharma but a significant minority opposed the granting of shares and options to directors. Halcygen's annual general meeting saw most motions relating to the acquisition of Mayne Pharma passed with less than 404,756 votes opposed and up to 42,854,711 votes in favor (BD: Sep 25, 2009).

Resolutions on the issue of shares to director and poker machine operator Bruce Mathieson and Halcygen chairman Dr Roger Aston were passed easily, but all other resolutions on the issue of shares and options to directors met stronger opposition, with about 10 percent of votes opposing the issue.

Halcygen was up half a cent or 1.4 percent to 37 cents with 1.7 million shares traded.

[CHEMGENEX, AUSBIOTECH](#)

Ausbiotech has awarded Chemgenex chief executive officer Dr Greg Collier the 2009 chairman's excellence award.

Ausbiotech said Dr Collier won the award for his "outstanding contribution by an individual within a company".

Chemgenex was up three cents or four percent to 78 cents.

[AUSBIOTECH GLAXOSMITHKLINE STUDENT AWARDS](#)

Flinders University South Australia student Tony Carlisle has won the inaugural Ausbiotech Student Association Glaxosmithkline Award for research into a nasogastric tube insertion simulator.

Ausbiotech said student life-scientists and bio-entrepreneurs were invited to present their research and apply for the 2009 annual awards which "aims to encourage promising researchers who are working on innovations to extend and enhance our lives, including medicines, diagnostics and medical devices as well as solutions to address food shortages and climate change".

Ausbiotech chief executive officer Dr Anna Lavelle and Glaxosmithkline's head of research and development alliances Dr Ashley Bates presented the awards.

Dr Lavelle said student research was "a critical factor in the life cycle that takes discoveries through the commercialization process to reach and benefit the community".

"With the support of Glaxosmithkline the student awards recognize Australia's up and coming researchers and bio-innovators," Dr Lavelle said.

The University of Wollongong's Lidia Matestic won an award for research into the targeted delivery of chemotherapeutic agents using novel isatin-based compounds.

The University of Queensland's Matthew Cook won his award for research into haematopoietic stem cell expansion in a co-culture bioreactor.

Monash University's Mohidus Samad Khan won an award for research into bioactive papers.

Charles Darwin University's Wajahat Mahmood won an award for research into the characterization of aspartic protease from scabies mite.

The University of Western Australia's Elizabeth Thomas won her award for research into synthetic bioscaffolds or how to grow breasts and other handy hits.

The University of Tasmania's Colin William Bignell won his award for research into the development of SNP markers for enhancing the long chain omega-3 oils' pathways and improves animal production in five common Australian crossbred meat sheep breeds.

GLAXOSMITHKLINE, BIOTA AWARDS

Glaxosmithkline and Biota have collaborated to present \$25,000 two year post-graduate awards for medical research.

Kirsty Short and her supervisor Dr Odilia Wijberg from the University of Melbourne's Department of Microbiology and Immunology, were granted an award for their research into understanding the potential lethal synergism that appears to exist between the influenza virus and the pneumococcal pathogen that can result in otitis media, pneumonia and meningitis in children.

Sarah Tan and her supervisor Prof Suzanne Garland from Melbourne's Royal Women's Hospital Centre for Infectious Diseases were granted the second award for their research investigating the cause of an identified epidemic of vulval cancer in young indigenous women living in remote parts of the Northern Territory.

PRIME MINISTERS PRIZES FOR SCIENCE

Monash University's Dr Michael Cowley has won the 2009 Federal Science Minister's Prize for Life Scientist of the Year for his contribution to understanding metabolism and obesity.

A media release from Science in Public said Mr Cowley had shown how brains manage the consumption and storage of fat and sugar and how it can go wrong.

The media release said that he created a biotechnology company that was testing four obesity treatments.

The media release said Mr Cowley had "shown unequivocally that losing weight isn't just a matter of will power".

The media release said Mr Cowley and his colleagues at Monash University are attempting to discover why obesity increases risks of heart disease and diabetes and develop therapies to break the connection between the conditions.

The \$300,000 Prime Minister's Prize for Science was awarded to Dr John O'Sullivan for his contribution to astronomy and the invention which made wireless computing practical. While looking for exploding black holes Dr O'Sullivan created a technology that cleaned up intergalactic radio waves, a media release from Prime Minister Kevin Rudd said.