Biotech Daily

Wednesday April 28, 2010

Daily news on ASX-listed biotechnology companies

*** ASX, BIOTECH DOWN: SUNSHINE HEART UP 3%; PATRYS DOWN 8%**

*** EASTLAND'S SUBLINGUAL ARTIMIST EQUALS IV QUININE FOR MALARIA**

*** SEVEN BIOTECHS SHARE LAST FEDERAL GOVERNMENT COMET GRANTS**

*** BIOMD CANCELS PELVIC FLOOR PATCH TRIAL**

*** PRIMA APPOINTS ALBERT YUE-LING WONG DIRECTOR**

*** SOLAGRAN CHAIRMAN EXERCISES 50¢ OPTIONS FOR 15.5¢ SHARES**

MARKET REPORT

The Australian stock market fell 1.17 percent on Wednesday April 28, 2010 with the S&P ASX 200 down 57.2 points to 4822.8 points.

Five of the Biotech Daily Top 40 stocks were up, 25 fell, six were unchanged and four were untraded.

Sunshine Heart was the best of the few, up 0.1 cents or 3.2 percent to 3.2 cents with 134,750 shares traded, followed by CSL, Living Cell and Optiscan up more than one percent, with Genera and Sirtex up by less than one percent.

Patrys led the falls, down one cent or eight percent to 11.5 cents with 145,000 shares traded, followed by Genetic Technologies down 6.98 percent to four cents.

Antisense, Benitec, LBT and Prana lost five percent or more; Acrux, Alchemia, Biota and Viralytics fell more than four percent; Cathrx, Cellmid, Heartware, Prima and Starpharma were down more than three percent; Cellestis, Chemgenex, Pharmaxis, Phosphagenics and Tissue Therapies shed more than two percent; with Bionomics, Circadian, Mesoblast, Novogen, Resmed and Psivida down more than one percent.

EASTLAND MEDICAL SYSTEMS

Eastland Medical says its 30-patient phase IIa Rwanda paediatric malaria trial has shown that sublingual Artimist equals the safety and efficacy of intravenous quinine.

Eastland said the Artimist delivery spray variant of artemether was “specifically designed to provide a rapid first-line treatment of children with severe or complicated Plasmodium falciparum malaria, or uncomplicated Plasmodium falciparum malaria with gastrointestinal complications”.

The company said that the phase IIa clinical study was an open-label, randomized, comparative, two-arm study with 15 children in each arm, conducted in Kigali, Rwanda to establish the efficacy of 3mg/kg Artimist when compared to intravenous quinine, which is recommended by the World Health Organisation (WHO) in its treatment guidelines.

Eastland said Artimist was rapidly absorbed following first administration via the sublingual route, which was shown to be safe and well tolerated by patients.

The company said the three primary efficacy parameters were met and showed success in the reduction of parasite count within 24 hours after receiving the first dose.

Eastland said there were no clinical or statistically relevant differences between the two treatments in any of the study efficacy parameters “which is in itself a remarkable outcome” with no safety-related withdrawals and no Artimist-related adverse events.

The company said the study was not designed to investigate the pharmacokinetic or pharmacodynamic relationships, but it was observed that Artimist was rapidly absorbed reaching high plasma concentrations, “which in turn correlates well with the rate of parasite reduction and clinical response by those patients that received Artimist”.

Eastland said that Artimist efficacy when compared to intravenous quinine was “an extremely important step forward in the treatment modality of the form of malaria targeted by this treatment”.

Eastland said that despite an ampoule of quinine being inexpensive at about 17 US cents each (18.5 Australian cents) with seven to 10 ampoules used over 60 hours until possible resumption of oral therapy, masks the real costs.

For a local healthcare system, overall treatment cost per patient is high as these are acute patients and the associated financial and human resources required to care for them are considerable, Eastland said.

Eastland said Artimist was expressly developed to manage the unmet and specific needs of this highly vulnerable patient group and their families in low-income countries and to fit within the existing social and healthcare infrastructure.

The majority of deaths from severe malaria in young children are caused by the delayed administration of effective malaria treatments.

Moreover, oral treatment is not adequate for patients who are suffering from vomiting and diarrhea and oral absorption (tablets) is slower and often not possible and many deaths occur due to delays in transferring a patient to a hospital where trained staff are on hand.

Eastland said the addressable market for Artimist was large with more than 90 million children under the age of five years in sub-Sahara Africa at high risk and that children are prone to between 1.6 and 5.4 episodes of malaria each year.

The company said it estimated a potential market size of up to 100 million units in Africa for the under five year old demographic alone, with Asia a large potential market.

Eastland chief executive officer Dermot Patterson told Biotech Daily the company would conduct a 100 patient confirmatory study with UK contract research organization Protopharma expected to cost about $1.3 million and begin in September 2010.

Mr Patterson said AFG Ventures Group’s Karen Dado would advise Eastland on commercialization options, including sub-licencing and strategic partnerships.

Eastland fell 1.2 cents or 13.2 percent to 7.9 cents with 3.8 million shares traded.

FEDERAL GOVERNMENT, COMMERCIALISING EMERGING TECHNOLOGIES.

Seven biotechnology and medical technology companies are among the 48 recipients of the last Commercialising Emerging Technologies (Comet) program grants.
The Federal Innovation Minister, Senator Kim Carr announced the $3.4 million in grants worth $70,400 to each successful applicant.
Senator Carr's media release said Queensland's Bivacor was hoping to commercialize an artificial heart to take over the work of a failing heart for up to 10 years.
Gamma Vaccines of the Australian Capital Territory is developing a gamma radiation source to destroy viruses without denaturing the virus cell body, which could then be delivered to induce immunity to different influenza virus strains and subtypes.
Cimtech says it has developed topical compounds from traditional Cook Island medicines that, rejuvenate skin cells and accelerate healing of underlying soft tissue and bone.
Cystemix says it has developed a new class of small molecule anti-cancer therapeutics that target a unique cellular protein, the adenine nucleotide translocase located on the mitochondrial membrane, that has not previously been explored as a target. The lead molecule, glutathionarsenoxide is in a phase I trial in the UK and has potential in treating solid tumors, particularly ovarian and colon cancer.
Queensland's Snoresounds is developing a miniaturized device that incorporates patented processing algorithms for the detection and screening of obstructive sleep apnea.
Victoria's Otifex Therapeutics says it has developed a therapy for treatment of otitis media using a proprietary new form and use of the known pharmaceutical drug betahistimine.
Victoria's Oryx Holdings is developing a pre-surgical ocular compressor to assist preparation for delicate eye surgery.
Western Australia's Invatec Health said it had developed a specialized heart monitor for detecting the early onset of anxiety, depression, and other more severe neural disorders.

PRIMA BIOMED

Prima has appointed Albert Yue-Ling Wong a non-executive director.
Prima said Mr Wong was a corporate adviser and investment banker with more than 28 years experience in the finance industry.
The company said Mr Wong had established companies, held board positions with a range of companies across different sectors and was formerly a stockbroker for 21 years, including as a principal of stockbroker Intersuisse with Andrew Forrest.
In 1995, he established and listed the Barton Capital group of companies, including Estar Online, was a founding director of Pluton Resources and Gujarat NRE Resources and is a non-executive chairman of Doughboy Enterprises and St Istvan Gold.
Prima fell half a cent or three percent to 16 cents with 6.1 million shares traded.

BIOMD

Biomd says it has discontinued a pilot study of its Adapt-treated bovine tissue Gynecel patch for pelvic floor surgery "due to infection complications".
Biomd said that infections in pelvic floor surgery were "not uncommon" but there was "no evidence that the infections in this study were caused by the Gynecel patch".
The company said that short term performance of the patches was compromised by infection and any further studies in the pelvic floor would require a new protocol based on the pilot study.
The trial was being conducted at Sydney's St George Public Hospital.
Biomd fell 0.1 cents or 2.33 percent to 4.2 cents.

SOLAGRAN

Solagran says executive chairman Dr Vagif Soultanov has exercised 600,000 options with a strike price of 50 cents.

Solagran said the exercise of the options injected $300,000 into the company.

The company said Dr Soultanov had exercised a total of 2,600,000 options at a strike price of 50 cents in the last five months.

Solagran closed down half a cent or 3.1 percent at 15.5 cents.