Biotech Daily

Monday August 23, 2010

Daily news on ASX-listed biotechnology companies

*** ASX, BIOTECH DOWN: COMPUMEDICS UP 7%; CIRCADIAN DOWN 12%**

*** IMMURON CLAIMS POSITIVE RESULTS IN PHASE I/II FATTY LIVER TRIAL**

*** CELLESTIS PROFIT UP 0.3% TO $8.25m; REVENUE UP 17% TO $41.1m**

*** MESOBLAST EGM TO ACQUIRE ANGIOBLAST; APPROVE PRIOR ISSUES**

*** EURO PATENT FOR CBIO'S XTOLL; TRIAL RECRUITMENT ON SCHEDULE**

*** FERMISCAN APPOINTS ROBERT WHITTON DIRECTOR**

MARKET REPORT

The Australian stock market slipped 0.04 percent on Monday August 23, 2010 with the S&P ASX 200 down 1.9 points to 4429.1 points.

Eight of the Biotech Daily Top 40 stocks were up, 15 fell, 10 traded unchanged and seven were untraded.

Compumedics was best, up one cent or 7.1 percent to 15 cents with 860 shares traded.

Prana and Universal Biosensors were up more than three percent; LBT rose 2.4 percent; with Cochlear, Psivida and QRX up more than one percent.

Circadian led the falls, down eight cents or 12.3 percent to 57 cents with 71,800 shares traded, followed by Cellmid down 9.1 percent to two cents with 100,000 shares traded.

Optiscan lost 8.9 percent; Clinuvel, Sunshine Heart and Viralytics were down more than six percent; Biota fell 3.8 percent; Alchemia, Chemgenex, Mesoblast and Prima shed more than two percent; with Cellestis, Pharmaxis and Starpharma down more than one percent.

IMMURON

Immuron says a phase I/II trial of two formulations of bovine colostrum powder has shown efficacy for non-alcoholic steato-hepatitis (NASH) and aspects of metabolic syndrome.

Immuron said the two oral formulations of hyper-immune bovine colostrum powder, Imm122-I and Imm124-E

The company said the trial of two groups of 10 patients with non-alcoholic steato-hepatitis, or fatty liver disease, was conducted at the Hadassah Medical Center in Jerusalem.

Immuron said the patients were assessed for their liver, blood glucose, lipid and regulatory T cell status and treated for 30 days followed by safety monitoring for 30 days.

The company said one group was treated with two oral capsules, each equivalent to 100mg Imm122-I hyper-immune bovine colostrum powder, three times a day and the other group was treated with two oral tablets a day, each equivalent to 200mg of hyper-immune Imm124-E bovine colostrum powder.

Immuron said the trial showed that oral administration of both Imm122-I and Imm124-E had a beneficial effect in patients with non-alcoholic steato-hepatitis, insulin resistance and hyperlipidaemia or high blood fat levels.

The company said that both formulations were very well tolerated, as was the case with other products based on the hyper-immune bovine colostrum powder platform and there were no adverse events.

Immuron said the trial demonstrated an improvement in liver function, as measured by a reduction in serum liver enzyme levels.

Immuron said there was an improvement in insulin-resistance based on fasting blood glucose levels, oral glucose tolerance test and HbA1c blood-glucose levels.

The company said that decreased lipid levels were seen in 70 percent of patients.

Immuron said that 70 percent of patients showed an increase in regulatory T cells, associated with suppressing inflammation.

Immuron's chief executive officer Dr Grant Rawlin told Biotech Daily that he was unable to better quantify the data at this stage, having returned from Israel over the weekend.

Dr Rawlin said he expected to have better defined data in the coming weeks, which would be presented to the American Association for the Study of Liver Disease conference in Boston, October 20 to November 2, 2010.

Dr Rawlin said the clinical trial team was excited by the preliminary results of the pilot study and would prepare for a larger trial.

In a media release to the ASX, Dr Rawlin said the trial was "a pivotal milestone for Immuron and demonstrates that the company has two product candidates for the treatment of NASH, one of the most common liver diseases in the western world, for which no effective treatment is currently available".

"The results relating to metabolic syndrome are also promising and important, particularly with the increasing incidence of type II diabetes in developed countries," Dr Rawlin said.

"It is associated with insulin resistance, excessive amounts of triglycerides and other fats inside liver cells (hepatic steatosis) and abnormal liver function," Dr Rawlin said.

"Treating NASH is estimated to be a multi-billion dollar market and no effective treatment is currently available," Dr Rawlin said.

Dr Rawlin said Immuron was proceeding with a number of the requirements towards a US Food and Drug Administration-compliant multi-site trial.

"As part of its product development program, Immuron intends to discuss a multi-site study of Imm122-I and/or Imm124-E with the FDA," Dr Rawlin said.

"The Company may be entitled to fast track product development due to the unmet need status of NASH," Dr Rawlin said.

Immuron was up one cent or 11.1 percent to 10 cents with 2.2 million shares traded.

CELLESTIS

Cellestis says its net profit after tax was up 0.3 percent to $8,253,000 for the 12 months to June 30, 2010 on revenue up 17 percent to $41,110,000.
Cellestis said its research and development expenses were $1,309,000, or 3.2 percent of total revenue.
The company said that diluted earnings per share was unchanged at 8.5 cents.
Cellestis said a fully-franked final dividend of 3.5 cents would be paid on October 15, 2010 with a record date of October 1 and an interim dividend of 1.5 cents had been paid.
Cellestis said sales of its Quantiferon-TB tests for tuberculosis continued to increase.
Cellestis said that sales revenue growth in local currencies of the key reportable segments for the year was strong with annual growth in the US was up 49 percent; Europe up 31 percent and Australia and Japan increased by 25 percent.
Cellestis fell five cents or 1.8 percent to $2.68.

MESOBLAST

Mesoblast investors will vote to acquire US sister company Angioblast and ratify a prior share placement and share issue. Mesoblast owns 38.4 percent of Angioblast.
Mesoblast said the resolutions include acquiring all of Angioblast's common stock; the acquisition of convertible notes for 8,450,000 Mesoblast shares; along with approving the prior placement of 14,020,353 shares and the prior issue of 7,061,000 shares.
Mesoblast said the maximum aggregate number of its shares to be authorized for the Angioblast acquisition would be 94,590,000 shares.
Mesoblast will offer Angioblast stockholders the right to take 100 percent in Mesoblast shares or take a minimum of 85 percent in Mesoblast shares and up to 15 percent in cash at the "valuation implicit in the proposed exchange ratio".
Mesoblast said it proposed that any shares issued to Angioblast investors be subject to escrow restrictions for six months from the date of issue.
The meeting will be held at Middletons Lawyers, Rialto South Tower, Level 25, 525 Collins Street, Melbourne on September 22, 2010 at 2.30pm.
Mesoblast fell 4.5 cents or 2.3 percent to $1.90.

CBIO

CBio says the European Patent Office intends to grant the 'Chaperonin 10 Immunosuppression' patent which includes XToll's composition of matter claim.
CBio said the patent secured its exclusive rights for the use of XToll for rheumatoid arthritis in Europe.
The company said the patent had been granted in the US, India, China, Australia, New Zealand and Singapore and was under examination in Canada, Japan and South Korea.
CBio said the US Patent and Trademark Office intended to grant a term adjustment of 911 days which would extend the patent life to May 2026.
CBio managing director Jason Yeates said the company had recruited 142 of the 150 patients for its pivotal clinical trial and was on schedule to complete recruitment ahead of the timeframe outlined in the company's prospectus.
"We have also completed long term follow-up studies on 44 patients which will provide further data on the effectiveness and safety of XToll," Mr Yeates said.
The company said it was in discussions with an Australian-based contract manufacturing organization to supply product needs for future clinical trials.
CBio was up one cent or 4.2 percent to 25 cents.

FERMISCAN

Fermiscan says the head of business recovery at William Buck accountants Robert Whitton has been appointed as a director.

Fermiscan said Mr Whitton had 25 years experience in insolvency, reconstruction and business advice.

Fermiscan is in a suspension and last traded at three cents.