



Biotech Daily

Thursday February 11, 2010

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH UP: PHOSPHAGENICS UP 30%; CHEMGENEX DOWN 8%**
- * **SIRTEX, BAYER SCHERING COLLABORATE ON LIVER CANCER**
- * **UK ETHICS APPROVAL FOR HEALTHLINX OVARIAN CANCER STUDY**
- * **CORRECTION: CLINUVEL**
- * **NEUREN PARTNERS WITH CATO, APPOINTS US CHIEF MEDICAL OFFICER**
- * **CBIO ADMITTED TO ASX, TRADING STARTS MONDAY**
- * **BIOSIGNAL BACK IN THE LISTS, FOR NOW**
- * **POLARTECHNICS GOES TO THE WALL; SHAREHOLDERS LOSE THE LOT**
- * **KARMELSONIX APPOINTS PAUL EISEN, AMIR OHAD DIRECTORS**

MARKET REPORT

The Australian stock market was up 0.91 percent on Thursday February 11, 2010 with the S&P ASX 200 up 40.9 points to 4554.3 points.

Eighteen of the Biotech Daily Top 40 stocks were up, six fell, seven traded unchanged and nine were untraded. All three Big Caps were down.

Phosphagenics was best on no news, up 2.3 cents or 29.9 percent to 10 cents with 32.6 million shares traded, followed by QRX up 7.6 percent to 78 cents with 77,949 shares traded.

Cellmid, Optiscan and Viralytics climbed more than six percent; Alchemia and Antisense were up more than five percent; Sirtex was up 4.3 percent; Avexa, Patrys, Prana and Prima were up more than three percent; Living Cell and Starpharma rose more than two percent; with Clinuvel and Nanosonics up more than one percent.

Chemgenex led the falls, down 5.5 cents or 7.9 percent to 64.5 cents with 3.2 million shares traded.

Impedimed and Universal lost more than four percent; with Cellestis and Mesoblast down more than one percent.

[SIRTEX MEDICAL](#)

Sirtex says it will collaborate with Bayer Schering Pharma in a European phase III clinical trial of Sirtex's SIR-Spheres with Bayer's Nexavar for liver cancer this year.

Sirtex said that the randomized controlled trial would enroll about 375 hepatocellular carcinoma patients and will examine the effectiveness of Nexavar and SIR-Spheres combined compared to Nexavar alone for patients with intermediate and advanced stage hepatocellular carcinoma, for whom surgery was not an option. About 80 percent of patients with hepatocellular carcinoma (HCC) were ineligible for surgery.

A Sirtex spokesman told Biotech Daily that Bayer would carry all the costs and Sirtex would supply the SIR-Spheres.

Sirtex said the study would be led by University of Magdeburg radiologist Prof Jens Ricke and gastroenterologist Prof Peter Malfertheiner. Magdeburg is about 135km southwest of Berlin.

Prof Ricke said the combined therapies of SIR-Spheres microspheres and Nexavar "may provide the next level for the standard of care in patients with HCC for whom surgery is not an option."

"Up until now, we have been unable to treat patients with advanced HCC or whenever the disease spread beyond the liver, except using Nexavar," Prof Ricke said.

Sirtex said that data presented at the American Society of Clinical Oncology gastrointestinal cancers symposium supported the benefit of Sirtex's SIR-Spheres microspheres in the treatment of intermediate and advanced hepatocellular carcinoma.

Sirtex chief executive officer Gilman Wong said the trial was a key milestone in the evolution of the company's clinical program.

He said the study was "the third major randomized controlled trial supported by Sirtex as part of our commitment to further global clinical research for the betterment of the patients we serve".

"We expect that the results ... will establish a new standard of care for patients who currently have limited treatment options available," Mr Wong said.

Patient survival will be evaluated during the trial, together with the patient quality-of-life and the safety of the combination of therapies. This trial is expected to take three years. Sirtex was up 24 cents or 4.3 percent to \$5.84.

[HEALTHLINX](#)

Healthlinx says it has UK ethics committee approval for its University of Liverpool Ovplex ovarian cancer diagnostic study (BD: Jan 22, 2010).

Healthlinx said the study would establish the performance of the company's second generation Ovplex test, which the company says is likely to be greater than 97 percent for early stage ovarian cancer.

The trial will screen 1,150 samples using the existing Ovplex panel and two novel biomarkers AGR2 and HTX010.

Healthlinx said recruitment could begin for the study, which would be "a robust comparison of sensitivity and specificity for the detection of ovarian cancer, particularly for early stage diagnosis in symptomatic women".

The company said it expected to increase the Ovplex performance from 93 percent to greater than 97 percent.

The Victorian Government has funded part of the study with a \$750,000 grants.

Healthlinx managing director Nick Gatsios said the approval was "the final ethics application awaiting approval".

Healthlinx was up 0.8 cents or 10.3 percent to 8.6 cents.

CLINUVEL PHARMACEUTICALS

In last night's edition Clinuvel head of communications Lachlan Hay said the company's cash burn for the three months to December 31, 2009 was \$1.2 million and the company had about \$32 million in cash.

Mr Hay said today that the burn rate was less than \$1.2 million per month and for the three months to December 31, 2009 the company spent \$3,426,000.

No sub-editors were injured in making this correction.

Clinuvel was up 0.5 cents or 1.9 percent to 27 cents.

NEUREN PHARMACEUTICALS

Neuren says it has entered a strategic master services agreement with Cato Bioventures, the venture capital affiliate of global contract research organization Cato Research.

Neuren said the North Carolina-based Cato Research provided regulatory and clinical research services to the pharmaceutical, biotechnology and medical device industries

The company said that as part of the strategic agreement, Cato Bioventures participated in the recent fundraising, investing \$US400,000 (BD: Nov 18, 2009).

Under the five-year agreement, Cato Research will be Neuren's preferred partner for clinical development.

Neuren said Cato Research was supporting its phase II NNZ-2566 clinical research program, providing site monitoring, data management and safety reporting services for the trial.

The company said Cato Research assistant managing director Dr Jackson Snyder would be appointed as chief medical officer for its US operation, including medical oversight of the NNZ-2566 trial.

Neuren said Dr Snyder was a physician scientist with more than 30 years of experience in clinical trials, pharmaceutical product development, academic research, government operations and clinical medicine.

The company said Dr Snyder held both a Doctors of Medicine and a PhD in pharmacology and toxicology, with qualifications in public health, forensic science and a law degree.

Cato Research chief executive officer Dr Allen Cato said his company was "pleased to be entering into a strategic relationship with Neuren".

"Their innovative science and clinical strategy and dedication to making a real difference offer great promise for addressing major unmet medical needs with significant public health consequences," Dr Cato said.

"For more than 20 years, Cato Research has worked with and invested in companies with creative, exciting programs to help bring their products to market where the potential impact of the technologies on both medical care and company value is great, Dr Cato said.

"Neuren certainly fits this mould and we are looking forward to a long and productive partnership," Dr Cato said.

Neuren chief executive officer Larry Glass said the expansion of the relationship with Cato was "a major step forward in the company's commitment to best-in-class management of drug development".

"Strategic outsourcing is a cornerstone of our approach to meeting that commitment and Cato will help us to ensure that our clinical development and regulatory activities continue to meet the highest standards as well as to maximize the cost-effectiveness of the operations," Mr Glass said.

Neuren was unchanged at 3.6 cents.

[CBIO](#)

CBio was admitted to the official list of the ASX today February 10m 2010 and expects trading to begin at 11am (AEDT) on February 15, 2010.

The company said the stock on issue would be 60,521,564 shares (CBZ) at \$1.00 a share and 5,816,895 options (CBZO) exercisable at \$1.00 each by December 31, 2012.

The company lodged its formal documentation including disclosure documents, accounts and top 20 shareholder lists with the ASX.

[BIOSIGNAL](#)

Biosignal has been reinstated to trading ahead of its general meeting to vote on the change of direction to RGM Entertainment.

Biosignal was up 0.8 cents or 34.8 percent to 3.1 cents with 1.5 million shares traded

[POLARTECHNICS](#)

McLeod & Partners say that Polartechncs creditors voted that a deed of company arrangement be terminated and the company be liquidated.

McLeod & Co said that Polartechncs was being "wound-up voluntarily" and Jonathan McLeod had been appointed the liquidator.

"I have reasonable grounds to believe that there is no likelihood that shareholders will receive any distribution in the winding up of the company," Mr McLeod said.

Polartechncs was developing the Truscreen diagnostic for cervical cancer and a self-sampling device Cerviscreen for sexually transmitted diseases (BD: Feb 18, 2009).

The company went into voluntary administration and was suspended in July last year (BD: Jul 31, 2009) having failed to merge with Fermiscan (BD: Jul 16, 2009).

[KARMELSONIX](#)

Karmelsonix says it has appointed Paul Eisen and Amir Ohad as executive directors, with immediate effect.

Karmelsonix said Mr Eisen joined the company in August 2009 and would have the title "managing director Karmelsonix, Asia Pacific and Europe" and Mr Ohad who joined the company in early 2009 and had been appointed as finance director and chief financial officer.

The company said Mr Eisen was formerly Resmed's vice-president Asia Pacific and Mr Ohad had been a director and partner "in a number of successful Israeli technology ventures, including start up and high growth companies, several having been listed on the Tel Aviv Stock Exchange and Nasdaq".

Karmelsonix was up 0.3 cents or 10 percent to 3.3 cents with 1.4 million shares traded.