



Biotech Daily

Wednesday February 3, 2010

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH UP: ANTISENSE UP 32%; BONE DOWN 10%**
- * **ANTISENSE UP 300% ON JOURNAL PUBLICATION, PATENT NEWS**
- * **HEARTWARE COMPLETES \$71m RAISING**
- * **PHOSPHAGENICS ELIXIA COSMETICS 'SCIENTIFICALLY PROVEN'**
- * **SOLAGRAN REQUESTS 'RUSSIAN DRUG LICENCE' TRADING HALT**

MARKET REPORT

The Australian stock market climbed 0.9 percent on Wednesday February 3, 2010 with the S&P ASX 200 up 42.6 points to 4647.9 points.

Nineteen of the Biotech Daily Top 40 stocks were up, 13 fell, five traded unchanged and three were untraded.

Antisense was best climbing 300 percent to 20 cents before closing up 1.6 cents or 32 percent at 6.6 cents with 127.3 million shares traded (see below), followed by Tissue Therapies up 12.5 percent to 22.5 cents and Sunshine Heart up 12.1 percent to 3.7 cents.

Genetic Technologies climbed 8.1 percent; Psivida was up 4.7 percent; Avexa and Bionomics were up more than three percent; Clinuvel, Compumedics, LBT, Nanosonics, Starpharma and Universal Biosensors rose more than two percent; with Biota, Chemgenex, Genera, Resmed and Sirtex up more than one percent.

Bone led the falls, down two cents or 10 percent to 18 cents with 5,250 shares traded, followed by Cathrx down 7.9 percent to 35 cents and Viralytics down seven percent to 5.3 cents with 4.6 million shares traded.

Cellmid lost 6.25 percent; Impedimed fell 5.6 percent; Alchemia, Novogen, Patrys and Prana were down more than three percent; Living Cell and Pharmaxis shed more than two percent; with Circadian and QRX down more than one percent.

ANTISENSE THERAPEUTICS

Antisense share price jumped from five cents to 20 cents on the news that preclinical prostate cancer trial data had been published and an Australian patent was granted. More than 77 million shares had been traded by 1pm when the share price returned to a more modest 8.5 cents. The announcement was at 9.22am, the 20 cent peak was at 10.10am and the company has 589,327,999 shares on issue.

The trading was sparked by the granting of an Australian patent for the use of the company's ATL1101 compound in prostate and other cancers and the journal publication of previously announced mouse model data on ATL1101 in prostate tumor suppression (BD: Aug 17, 2009).

Antisense said the journal article entitled 'Antisense Oligonucleotide Targeting of Insulin-Like Growth Factor-1 Receptor (IGF-1R) in Prostate Cancer' was published in the February 1, 2010 issue of The Prostate (Vol 70, Issue 2, pp 206-18). The abstract is online at <http://www3.interscience.wiley.com/journal/122612525/abstract>.

Antisense said the article described the pharmacology of ATL1101 in prostate cancer cells and tumors and the key findings "previously reported by [Antisense] and now reported in this paper are that ATL1101 suppressed the growth of human prostate tumors in key mouse models of prostate cancer and delayed their transition to the most dangerous form of the disease, castration-resistant prostate cancer".

Antisense said the Australian patent entitled 'Modulation of insulin like growth factor I receptor expression' was granted "covering the use of ATL1101 for any disease".

The company said the patent added to a portfolio "covering the commercial clinical use of ATL1101 that includes broad antisense patents accessed via our partnership with Isis Pharmaceuticals" as well as a US patent application covering the use of ATL1101/IGFIR targeting drugs in prostate and other cancers.

Antisense said the expanded patent portfolio provides protection for ATL1101 to 2024, extendible up to 2029 in US, Australia, Europe and Japan.

In a media release Antisense managing director Mark Diamond said that "publication in a high quality scientific journal and the granting of an Australian patent are both illustrative of our strategy to prudently and progressively add value to the ATL1101 asset".

Mr Diamond told Biotech Daily that the share trading was "unexpected".

"I don't think we've seen 90 million shares traded in one day," Mr Diamond said. "It was unexpected."

Mr Diamond said he could not comment on the share price or value of the company but noted that Antisense had a number of compounds in development including ATL1102 for multiple sclerosis that had been licenced to Israel's Teva Pharmaceuticals in a deal potentially worth more than \$100 million (BD: Feb 11, 2008).

Antisense closed up 1.6 cents or 32 percent at 6.6 cents with 127.3 million shares traded.

HEARTWARE INTERNATIONAL

Heartware says it has raised \$US62,760,450 (\$A70,894,587) through the public offer of 1,767,900 shares of common stock at \$US35.50 a share.

Heartware said the net proceeds would be used for general corporate and working capital purposes.

The company said JP Morgan Securities was the sole book-running manager of the offering, with Canaccord Adams, Lazard Capital Markets and Wedbush Pacgrow Life Sciences acted as the co-managers.

Heartware was up half a cent or 0.4 percent to \$1.205 with 2.1 million shares traded.

PHOSPHAGENICS

Phosphagenics says it has appointed Pulse Pharmacies as the Australia-wide distributor of its Elixia skincare product range.

Phosphagenics said the Elixia range of six products, included an anti-oxidant serum, a multi vitamin moisturizer and used the company's tocopheryl phosphate mixture or TPM delivery technology to deliver more active ingredients into the skin.

Tocopheryl phosphate mixture is a phosphorylated variant of vitamin E.

Phosphagenics chief operating officer Dr Esra Ogru said tocopheryl phosphate mixture delivery technology had demonstrated in human clinical trials that it could "increase the amount and depth of penetration of active molecules into the skin including drugs such as insulin and opioids".

"The technology lends itself perfectly to skin care and the inclusion of TPM within the Elixia range will increase the absorption of active ingredients used in the cosmetic industry, compared to other marketed topical applications," Dr Ogru said.

"Elixia will take advantage of TPM's scientifically proven ability to increase the absorption of valuable molecules from our vitamin-rich formulas," Dr Ogru said.

"While comparator products may contain similar ingredients, we know TPM will ensure they don't sit on the skin surface and will reach the layers of skin that will benefit from their activity," Dr Ogru said.

The Elixia skincare range is expected to be available for purchase from the end of March 2010 in Pulse Pharmacies and other shops, as well as online.

Phosphagenics said a website for customers (www.elixia.com.au) would offer "product information, skincare tips and highlight launch activities and promotions".

Pulse chief executive officer Rohan Aujard said the Elixia products had "clear superiority and Pulse Pharmacies always relishes being able to offer our customers the best available".

"The positive response in the US for the Le Métier de Beauté products clearly shows there is a market for quality skincare that uses scientific technology to back its claims of efficacy," Dr Ogru said.

"This is the perfect combination of a great skincare line plus scientifically proven biotechnology to deliver ingredients such as anti-ageing retinol deeply into the skin," Dr Ogru said. "And our advantage is that we have a whole pharmaceutical company to back up our credentials and reputation."

Phosphagenics was unchanged at 6.8 cents with 2.1 million shares traded.

SOLAGRAN

Solagran has requested a trading halt pending an announcement on a pharmaceutical wholesale licence for the company's Russian subsidiary, Solagran Son.

Trading will resume on February 5, 2010 or on an earlier announcement.

Solagran last traded at 26.5 cents.