



Biotech Daily

Monday March 29, 2010

Daily news on ASX-listed biotechnology companies

- * **ASX FLAT, BIOTECH DOWN:
GENETIC TECHNOLOGIES UP 16%; IMPEDIMED DOWN 10.5%**

- * **IMMURON BEGINS JERUSALEM PHASE II METABOLIC SYNDROME TRIAL**

- * **CHINA REFUSES HELICON, MEDWRAP WOUND DRESSING**

- * **PROGEN, BENITEC PLAY MUSICAL CEOS**

- * **CITROFRESH HIV CLAIMS EARN DIRECTOR RAVI NARAIN \$20k FINE, BAN**

MARKET REPORT

The Australian stock market was barely up, 0.01 percent, on Monday March 29, 2010 with the S&P ASX 200 up 0.4 points to 4897.9 points.

Nine of the Biotech Daily Top 40 stocks were up, 18 fell, nine traded unchanged and four were untraded. All three Big Caps were down.

Genetic Technologies was best, up 0.6 cents or 16.2 percent to 4.3 cents with 303,000 shares traded, followed by Genera up 5.7 percent to 74 cents with 28,481 shares traded.

QRX climbed 4.4 percent; Clinuvel, Heartware, Nanosonics and Psivida rose more than two percent; with Starpharma and Viralytics up more than one percent.

Impedimed led the falls, down six cents or 7.4 percent to 75 cents with 39,001 shares traded, followed by Benitec and Phosphagenics both down 4.55 percent to 4.2 cents and 10.5 cents, respectively, with 2.1 million Phosphagenics shares traded.

Antisense, Avexa and Mesoblast lost more than three percent; Biota, Cathrx, Circadian, Living Cell, Novogen, Sunshine Heart and Tissue Therapies shed more than two percent; with Acrux, Alchemia, Chemgenex, Cochlear and CSL down more than one percent.

IMMURON

Immuron has begun a phase II clinical trial of its immunotherapy product for the treatment of metabolic syndrome and non-alcoholic steatohepatitis, in Jerusalem.

The trial is in partnership with Hadasit Research Services and Development, the commercialization arm of Israel's Hadassah Medical Organization, which owns 19.8 percent of Immuron.

Immuron said the trial at the Hadassah Hebrew University Medical Centre was a single arm, open-label trial of metabolic syndrome patients, particularly those with non-alcoholic steatohepatitis (fatty liver) and type 2 diabetes.

The company said the primary endpoints of the trial were to determine the safety and efficacy of Immuron's cow-colostrum derived polyclonal anti-bodies product for improving liver enzyme levels in patients with non-alcoholic steatohepatitis.

The secondary endpoints were to determine the efficacy of the treatment in improving metabolic syndrome with particular reference to insulin resistance.

Immuron said the endpoints would be measured using liver enzyme, glucose metabolism and T-regulatory cell population measurements.

The websites of the US National Institutes of Health and the National Library of Medicine define metabolic syndrome as "the name for a group of risk factors linked to overweight and obesity" that increase the chance of heart disease and other problems, such as diabetes and stroke.

The syndrome includes obesity, high blood pressure, high blood sugar levels, high levels of triglycerides, low levels of high density lipoproteins.

Immuron said the clinical trial program followed successful animal model work, including data which was presented at the American Liver Association Meeting in 2009. The trials are designed to guide the commercialization of Immuron's oral antibody based therapies in this area.

The company said the first 10 patient group in the trial was expected to be fully recruited in early April with results due by the end of June 2010.

Immuron's chief executive officer Dr Grant Rawlin said the trial would be "a pivotal milestone for the company".

"[Non-alcoholic steatohepatitis] is the most common liver disease in the western world and the incidence of type II diabetes is on the rise," Dr Rawlin said.

"Both of these indications represent attractive opportunities for our product," Dr Rawlin said.

Immuron fell 0.5 cents or 6.1 percent to 7.7 cents.

HELICON

The Chinese State Food and Drug Administration has rejected Helicon's application to market Medwrap's Island Wound Dressing with Microban (triclosan).

Helicon said the SFDA cited the risk associated with potentially extended exposure to the antibacterial Microban as the main reason for its decision.

The company said Microban was a key component of the dressing to control bacterial growth during the healing process and was widely used in wound management products.

Helicon said Medwrap's Island Wound Dressing with Microban was approved by the US Food and Drug Administration "and has been marketed in the US for many years".

Helicon said it was considering an appeal against the decision.

Helicon was created to market and distribute developed world technologies to China, including Avita's Recell wound treatment.

Helicon fell 0.2 cents or 6.9 percent to 2.7 cents.

[BENITEC, PROGEN PHARMACEUTICALS](#)

Progen has appointed Benitec's Sue MacLeman as its chief executive officer, with Progen executive director Dr John Chiplin sharing that role at Benitec with Mel Bridges.

Ms MacLeman told Biotech Daily that there would be a transition period with her decreasing her time as a consultant to Benitec.

Ms MacLeman joins Progen on April 6, 2010 and will be based in Melbourne.

Dr Chiplin joined Progen in July 2009 as part of a resolution of the fight over its assets between investors and was appointed executive director in December (BD: Dec 1, 2009).

Mr Bridges is chairman or director of biotechnology companies including Alchemia, Genera, Impedimed, Tissue Therapies and Benitec, which he joined in 2007 (BD: Oct 12, 2007).

Benitec is developing RNA-interference technology for HIV as well as hepatitis B and C, while Progen has been working on carbohydrate based therapies for cancer.

Ms MacLeman said she was originally an oncology pharmacist and had worked at Bristol Myers Squibb, Schering Plough and Amgen in oncology and haematology.

Prior to joining the boards of Progen and Benitec, Dr Chiplin was the chief executive officer of Peptech acquiring Evogenix to create Arana which was subsequently sold Cephalon in 2009 for about \$329 million (BD: Feb 27, Jun 12, 2009).

Ms MacLeman has a Bachelor of Pharmacy from the University of Queensland and a Masters of Marketing from the University of Melbourne's Business School as well as a Masters of Commercial Law and is a member of the Pharmaceutical Industry Council. Benitec said Dr Chiplin's pharmacy and doctoral degrees were from the University of Nottingham. He is a director of Progen and a director of Sciencemedia Inc.

Benitec fell 0.2 cents or 4.6 percent to 4.2 cents.

Progen was up 3.5 cents or 7.2 percent to 52 cents.

[CITROFRESH, AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION](#)

ASIC says former Citrofresh chief executive officer Ravi Amrit Narain has been fined \$20,000 and banned from managing a corporation for seven years

The Australian Securities and Investments Commission said that Federal Court judge Justice Alan Goldberg made the order against Mr Narain of Bellarine, Victoria, the former managing director and chief executive officer of Citrofresh International, now known as Paragon Care.

ASIC said that on February 2, 2010 Justice Goldberg made declarations that Mr Narain contravened section 1041H (1) of the Corporations Act 2001 by personally making, and by authorizing a statement to the Australian Stock Exchange "which was misleading and deceptive and that by doing so he breached his duty as a director".

ASIC reported Justice Goldberg saying: "the result of the statement ... by Mr Narain was to cause a substantial aberration and distortion in the market for CIL [Citrofresh] shares which had significant adverse consequences for persons who purchased shares in CIL on September 27, 2005 after the publication of the statement by the ASX and held those shares at the close of trading on that day." Mr Narain has 21 days to appeal.

ASIC said Mr Narain engaged in misleading or deceptive conduct in relation to two announcements in which the company claimed, among other things, to have found a solution to reduce and eventually stop the spread of HIV and prevent the common cold.