



Biotech Daily

Wednesday November 17, 2010

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH DOWN: CELLESTIS UP 12%; PATRYS DOWN 19%**
- * **GARVAN'S DR JOHN SHINE WINS \$300k PM'S SCIENCE PRIZE**
- * **WEHI'S DR BENJAMIN KILE WINS \$50k LIFE SCIENTIST OF THE YEAR**
- * **PATRYS PLACEMENT RAISES \$3.25m; SHARE PLAN**
- * **RESONANCE STARTS NOVARTIS DEAL WITH \$614k CONTRACTS**
- * **DISSENT AT HALCYGEN (MAYNE) AGM ON 150% DIRECTORS' PAY HIKE**
- * **TYRIAN TAKES CAPITAL RAISING TRADING HALT TO SUSPENSION**
- * **CORRECTION: GLAXOSMITHKLINE**
- * **ELLEX LAUNCHES PROTOTYPE RETINAL REGENERATION LASER**
- * **31% OPPOSE PROGEN'S MEDIGEN DIRECTOR THOMAS BURT**
- * **LLOYDS & CASSANOVE INCREASE, DILUTED TO 6% IN CYCLOPHARM**
- * **AUSBIOTECH'S BIO-BEERS IS BACK**

MARKET REPORT

The Australian stock market fell 1.62 percent on Wednesday November 17, 2010 with the S&P ASX 200 down 76.0 points to 4624.3 points. Fourteen Biotech Daily Top 40 stocks were up, 18 fell, four traded unchanged and four were untraded. The three Big Caps fell.

Cellestis was best, up 26 cents or 11.6 percent to \$2.50 with 83,484 shares traded, followed by Starpharma up 9.7 percent to 79 cents with 735,108 shares traded. LBT was up 5.9 percent; Cathrx, Compumedics and Prima were up four percent or more; Sunshine Heart was up 3.6 percent; Impedimed and QRX rose more than two percent; with Clinuvel and Heartware up more than one percent.

Patrys led the falls, down 2.5 cents or 19.2 percent to 10.5 cents with 453,500 shares traded, followed by Benitec down 15.6 percent to 2.7 cents with 1.9 million shares traded. Prana lost 12.5 percent; Antisense was down 10 percent; Phosphagenics fell 8.3 percent; Cellmid and Phylogica were down more than six percent; Bionomics and Tissue Therapies lost more than five percent; Pharmaxis fell 4.4 percent; Chemgenex, Nanosonics and Virax were down more than three percent; with Acrux, Circadian, Cochlear and Sirtex down more than one percent.

[AUSTRALIAN GOVERNMENT, GARVAN INSTITUTE](#)

The director of Sydney's Garvan Institute Dr John Shine has won the \$300,000 Prime Minister's Prize for Science for his discovery of key gene sequences that led to cloned medicines and his research leadership.

A media release from the Science In Public media organization on behalf of the Federal Government said that as a PhD student at the Australian National University, John Shine discovered the importance of a brief sequence of genetic code – GGAGG - which tell ribosomes, the protein factories in all living things, to start making a protein.

The media release said the John's discovery and his subsequent gene cloning work at the University of California "helped kick-start a biotechnology revolution, giving rise first to cloned insulin and then to thousands of cloned medicines".

The media release said Dr Shine had lead the Garvan Institute of Medical Research since 1990 and in that time the Garvan's staff had grown four-fold and its budget 10-fold.

The media release said Dr Shine had "mentored the growth of biotechnology in Australia while maintaining his own research program" and would stands down from his leadership role next year to focus on research on neural stem cells as potential therapies for neurodegenerative disorders.

Curtin University palaeontologist Dr Katherine Trinajstic won the \$50,000 Malcolm McIntosh Prize for Physical Scientist of the Year.

Sydney Grammar's Edgecliff Preparatory School director of studies Dr Matthew McCloskey won the \$50,000 Prime Minister's Prize for Excellence in Science Teaching in Primary Schools.

The head of science at Centenary High School in western Brisbane Ms Debra Smith won the \$50,000 Prime Minister's Prize for Excellence in Science Teaching in Secondary Schools.

[AUSTRALIAN GOVERNMENT, WALTER AND ELIZA HALL INSTITUTE](#)

Walter and Eliza Hall Institute researcher Dr Benjamin Kile has won the Science Minister's \$50,000 prize for Life Scientist of the Year.

A media release from the Institute said Dr Kile was a laboratory head in the molecular medicine division and would be presented with the award tonight by the Minister for Innovation, Industry, Science and Research, Senator Kim Carr.

Institute director Prof Doug Hilton said Dr Kile was one of Australia's brightest young scientific leaders and a deserving recipient of the Science Minister's prize.

"Ben has proven himself capable of producing the most innovative and internationally influential research while also acting as an outstanding mentor to students and younger scientists," Prof Hilton said.

WEHI said Dr Kile and his team were recognized for research into cancer, stem cells and blood cell production and major discoveries included research into platelets and platelet lifespan and the identification of the normal function of the cancer-linked Erg gene.

"Everybody knew that the Erg gene was highly oncogenic - it is probably the most commonly rearranged gene in human cancer - but we didn't know what its day job was," Dr Kile said. "Our research showed that Erg is a regulator of blood stem cells, which immediately tells you something about why it's so oncogenic."

"Cancers acquire a lot of characteristics of stem cells, so the fact that it is switched on in tumors suddenly made sense," Dr Kile said.

WEHI said that in 2007, Dr Kile and his colleagues identified the molecular program that controlled platelet lifespan, solving a 50-year-old mystery about platelet biology.

PATRYS

Patrys says it has raised about \$3,254,000 through the placement of about 32,540,000 shares at 10 cents a share and will offer an open share plan at the same share price. Patrys said the first close of the placement raised \$2.9 million through the issue of 28,940,000 shares with a further close of about 3,600,000 shares to be placed subject to shareholder approval.

Patrys said the record date for the 10 cents a share plan was November 16, 2010.

The company said the share plan, offering parcels of shares up to \$15,000 per shareholder, would open on November 22 and close on December 8, 2010.

Patrys fell 2.5 cents or 19.2 percent to 10.5 cents.

RESONANCE HEALTH

Resonance says the first contracts to provide more than \$US600,000 (\$A614,289) in Ferriscan services under its agreements with Novartis has begun.

Last month, Resonance signed a two-year agreement with the Basael-based Novartis AG and the US-based Novartis Pharmaceutical Corp for Ferriscan services (BD: Oct 6, 2010).

Today the company said the services involved the provision of Ferriscan "to many countries" and began immediately.

Resonance said the growing acceptance of the value of Ferriscan for the management of patients with iron overload disorders had seen a 100 percent increase in US facilities to 28 centres this year and Ferriscan would be exhibited at the American Society of Hematology meeting next month.

Resonance was up 0.3 cents or 16.7 percent to 2.1 cents.

HALCYGEN PHARMACEUTICALS, MAYNE PHARMA GROUP

All resolutions to Halcygen's annual general meeting were passed, with dissent over the 150% increase in total directors' remuneration.

The meeting approved overwhelmingly the name change from Halcygen to Mayne Pharma Group Limited.

Investor relations manager Lisa Pendlebury told Biotech Daily the name change and new ASX code of MYX were likely to be in place next week, following approvals from the Australian Securities and Investments Commission and the ASX.

The resolution to approve an increase in total non-executive directors' remuneration from \$200,000 to \$500,000 was opposed by 2,216,795 proxy votes (9.8%), with 20,290,624 proxy votes (90.2%) in favor.

Halcygen said that proxy votes were 24.13 percent of all voting shares on issue.

Directors Ron Best and Roger Corbett were elected overwhelmingly as were the change to the company's constitution and the adoption of the remuneration report.

Halcygen was up two cents or three percent to 69 cents.

TYRIAN DIAGNOSTICS

Tyrian has requested a voluntary suspension to follow a trading halt requested, pending an announcement on a "proposed capital raising".

Tyrian last traded at 1.2 cents.

GLAXOSMITHKLINE

Last night's edition quoted Galxosmithkline principal investigator for BRAF-I trials Prof Richard Kefford saying melanoma patients had reached a median survival time of seven months which was "a giant leap forward in melanoma".

Prof Kefford told Biotech Daily today the patients had "a provisional median progression-free survival of 8.3 months".

The telephone conference was conducted under difficult circumstances and the sub-editor has been merely admonished for insufficient fact-checking.

ELLEX MEDICAL LASERS

Ellex says it will preview a prototype of its new Retinal Regeneration Therapy (2RT) laser at the Royal Australian and New Zealand College of Ophthalmology meeting.

Ellex said the Regeneris laser was designed and manufactured by the company "to deliver a controlled nanosecond dose of laser energy into the eye" to treat a range of degenerative retinal diseases, including age-related macular degeneration.

The company said the 2010 meeting of RANZCO in Adelaide from November 21, 2010 would mark the start of its educational marketing program for the 2RT.

Ellex said it would host an educational symposium for key members of the Australian ophthalmic community on November 22, 2010, featuring clinical insight from researchers involved in the 2RT clinical trial program.

The company said that conference keynote speaker the Centre for Eye Research Australia's Prof Robyn Guymer would provide an update on the age-related macular degeneration (AMT) clinical trial underway at the Royal Victorian Eye and Ear Hospital. Ellex chief executive officer Simon Luscombe said that the preview of the Regeneris prototype was an important opportunity to harvest physician feedback on the 2RT design concept and clinical approach.

"Feedback from ophthalmologists involved in early testing and clinical trials has been positive and encouraging, but the opportunity to preview our prototype laser at RANZCO will enable us to engage with a broad cross-section of the ophthalmic community in order to explore the full range of clinical capabilities for this exciting new product," Mr Luscombe said. "We believe that Ellex 2RT offers the first real hope for early treatment of one of the most common causes of blindness."

"Currently, when a patient is diagnosed with AMT they're told that nothing can be done until the disease reaches its late stages, by which time many patients have already suffered irreversible vision loss," Mr Luscombe said. "In contrast, with Ellex 2RT we aim to treat the causes of the disease before vision loss occurs."

Ellex was up one cent or 3.6 percent to 29 cents.

PROGEN PHARMACEUTICALS

Progen shareholders approved all annual general meeting resolutions with significant dissent on the reelection of director Thomas Burt with 2,485,023 proxy votes (30.9%) against and 5,561,350 proxy votes (69.1%) in favor.

Mr Burt was nominated to the Progen board by supporters of Medigen during the dispute in 2008 and 2009 (BD: Nov 21, 2008; Jan 16, 28, Jul 17, Nov 19, 2009).

The remuneration report was passed with 93.9 percent of those voting, the directors' and employees option incentive scheme was passed by 94.7 percent of those voting with director Heng Tang re-elected with 97.9 percent of the vote.

Progen was unchanged at 33 cents.

CYCLOPHARM

Lloyds & Cassanove Investment Partners has increased its substantial holding in Cyclopharm and been diluted through a rights issue.

Lloyds & Cassanove said its substantial shareholding increased and diluted from 8,038,295 shares (7.16%) to 9,965,180 shares (5.8%).

Lloyds & Cassanove's notice said the change occurred two years ago on November 19, 2008 and the 1,926,885 shares were acquired for \$181,172 or an average price of 9.4 cents a share.

Cyclopharm was untraded at eight cents.

AUSBIOTECH, BIO-BEERS

Ausbiotech says its Bio-Beers event for the local biotechnology community for after-work networking returns to the Sebel Treasury Bar tomorrow night.

Ausbiotech said the event attracted executives, innovators, researchers and students and provided "an informal setting for people involved in the biotech and life sciences sector to come together and share ideas and contacts".

Bio-Beers is at The Treasury Bar at the Sebel Hotel, Corner of Collins and Queen Streets, Melbourne November 18, 2010, 6-8pm.

RSVP to: christopher.booth@thomsonreuters.com.