



# Biotech Daily

Thursday July 19, 2012

*Daily news on ASX-listed biotechnology companies*

- \* **ASX, BIOTECH UP: PATRYS UP 9%, ALLIED HEALTH DOWN 11%**
- \* **BIODIEM, RMIT RESEARCH LAIV FOR NON-FLU VACCINES**
- \* **GENESIS MARIPOSA MERGER FAILS**
- \* **FRANCE APPROVES PSIVIDA'S ILUVIEN, ALIMERA TO RAISE \$US40m**
- \* **IDT APPOINTS DR ASHLEY BATES BUSINESS DEVELOPMENT MANAGER**
- \* **SHARE BUY-BACK TAKES DIRECTOR SANJAY SEHGAL TO 5% OF ITL**

## MARKET REPORT

The Australian stock market climbed 2.02 percent on Thursday July 19, 2012 with the S&P ASX 200 up 83.1 points to 4,206.7 points.

Sixteen of the Biotech Daily Top 40 stocks were up, 13 fell, seven traded unchanged and four were untraded. All three Big Caps were up for the second day in a row.

Patrys was the best, up 0.2 cents or 9.1 percent to 2.4 cents, with 235,000 shares traded.

Cellmid and Circadian climbed more than seven percent; Phylogica was up 5.4 percent; Genetic Technologies, Living Cell and Prima were up four percent or more; Phosphagenics was up 3.45 percent; Sunshine Heart rose 2.5 percent; Bionomics, CSL, Nanosonics, Pharmaxis, Reva and Viralytics were up one percent or more; with Cochlear, Mesoblast, Resmed and Starpharma up by less than one percent.

Allied Health led the falls, down 0.2 cent or 11.1 percent to 1.6 cents with 480,555 shares traded.

Benitec and Uscom lost five percent or more; Neuren and Optiscan fell more than four percent; Ellex shed 2.5 percent; Anteo, Biota, Clinuvel, Heartware, QRX and Tissue Therapies were down more than one percent; with Sirtex down 0.6 percent.

## BIODIEM

Biodiem says it will work with the Royal Melbourne Institute of Technology on a program investigating the use of its live attenuated influenza virus for non-influenza vaccines. Biodiem chief executive officer Julie Phillips told Biotech Daily that her company would provide seed funding for the project, while RMIT would provide facilities and support. In a media release Biodiem said that developing the potential of the live attenuated influenza virus technology for new indications was an important part of its strategy and the RMIT research was part of the work towards that goal.

The company said that its the live attenuated influenza virus technology had a long history of safe use and provided a good basis for the development of a platform technology for manufacturing new therapeutic and preventative vaccines.

Biodiem said that the capacity to accept foreign genetic material and use it to produce specific proteins that induced vaccination was well understood in many viruses.

The company said this included vaccines against a number of specific cancers caused by prior infections such as nasopharyngeal carcinoma, a disease of the upper airways which was of particular concern in Asia.

Biodiem said that nasopharyngeal carcinoma incidence was strongly correlated with infection with the Epstein-Barr virus, which was a target for vaccination and prevention of nasopharyngeal carcinoma.

The company said that the research at RMIT was expected to lead to the demonstration that re-engineered versions of Biodiem's influenza virus could be produced for different disease targets.

Biodiem said that Dr Hao Van had begun work on the project at the RMIT Biotechnology Laboratory in the Biosciences group led by Prof Peter Smooker.

The company said Prof Smooker had significant experience in exploring novel approaches to vaccine creation, including with a commercially available veterinary vaccine, and in the delivery of viral antigens including HIV.

Biodiem said it would provide seed funding for the research and would retain full intellectual property rights relating to any new technologies produced and that with RMIT it would seek further joint grant funding for the project.

The company said that royalties on commercial outcomes would be negotiated.

Ms Phillips said that live attenuated influenza virus (LAIV) customization was important for her company.

"The success of our existing vaccine licencing business is based on the ability of the LAIV to safely and effectively deliver a strong immune response, qualities we intend to expand into new indications," Ms Phillips said.

"This partnership represents another strand in the parallel development of our portfolio of therapies and vaccines for infectious diseases and related cancers," Ms Phillips said.

Biodiem fell 0.4 cents or 6.15 percent to 6.1 cents.

## GENESIS RESEARCH AND DEVELOPMENT CORPORATION

Genesis says the memorandum of understanding with Sydney's Mariposa Health for a proposed merger has been terminated.

Genesis said it announced the proposed merger earlier this year but it was unlikely to proceed "as originally contemplated" with Mariposa Health Ltd. (BD: Jan 22, 2012)

Genesis said in January that Mariposa had several projects, including TA-270 an oral treatment of chronic obstructive lung disease and neutrophilic asthma and the rights to an immune modulator to staphylococcus aureus.

Genesis was untraded at three cents.

## PSIVIDA

Psivida says France has become the fourth European country to grant marketing authorization for Iluvien for diabetic macular oedema.

Psivida said L'Agence Nationale de Sécurité du Médicament et des Produits de Santé granted the authorization and Iluvien was also approved in Austria, Portugal and the UK, with the three remaining concerned members states in the EU decentralized regulatory procedure Germany, Italy, Portugal and Spain.

The company said that more than 4,300,000 people had diabetes in France, with more than 220,500 people suffering from vision loss associated with diabetic macular oedema. Separately, Psivida said that partner Alimera Sciences had arranged a \$US40 million equity financing for the development and commercialization of Iluvien.

Psivida chief executive officer Dr Paul Ashton said Psivida was "very pleased" that Alimera would proceed with the commercialization of Iluvien in the UK, France and Germany and arranged financing to provide the capital to launch Iluvien in Europe.

Psivida said it was entitled to 20 percent of net profits on sales by Alimera and, in the event Alimera sublicences commercialization in certain countries, it would be entitled to receive 20 percent of royalties and 33 percent of non-royalty consideration.

The company said that Alimera financing was subject to conditions, including shareholder approval and about 56 percent of shareholders had agreed to vote in favor.

Psivida was untraded at \$2.10.

## IDT

Former Glaxosmithkline executive Dr Ashley Bates has been appointed business development manager at IDT.

The Boronia, Melbourne-based IDT specializes in the development, scale-up and production of pharmaceutical products and has recently appointed former Mayne Pharma chief executive officer Dr Roger Aston as a director.

Dr Bates was most recently the head of Glaxosmithkline's research and development alliances unit and prior to that was Head of Pharmaceutical Development at Glaxowellcome.

Dr Bates rose from development scientist at Upjohn to the company's manager of research and development prior to joining Glaxowellcome.

Dr Bates holds a Bachelor of Science degree and Ph D in physical chemistry from Heriot-Watt University in Edinburgh, Scotland.

IDT was untraded at 24.5 cents.

## ITL

ITL's share buy back has led to director Sanjay Sehgal becoming a substantial shareholder with 5,200,461 shares or 5.01 percent.

The initial substantial shareholder notice said the shares were held by ABN Amro Clearing Nominees for the Singapore-based RTK International, which is owned by Mr Sehgal.

ITL develops, manufactures, distributes and sells medical devices, medical procedure packs and medical instruments.

ITL was untraded at 19.5 cents.