



Biotech Daily

Tuesday June 25, 2013

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH DOWN: ANTISENSE UP 10%, PRIMA DOWN 13%**
- * **LBT, HETTICH JV FOR AUTO-PLATE ASSESSMENT**
- * **PRIMA PANCREATIC, COLORECTAL, BREAST CANCER TRIALS**
- * **NEUREN PLEADS SCHULTZ TO ASX 32% QUERY**
- * **USCOM APPOINTS VEGA AS ITALY DISTRIBUTOR**

MARKET REPORT

The Australian stock market fell a further 0.28 percent on Tuesday June 25, 2013 with the S&P ASX 200 down 13.1 points to 4,656.0 points.

Nine of the Biotech Daily Top 40 stocks were up, 19 fell, nine traded unchanged and three were untraded.

Antisense was the best, up 0.1 cents or 10 percent to 1.1 cents with 5.4 million shares traded.

Osprey climbed 4.8 percent; Avita was up 3.85 percent; CSL, Prana and Viralytics rose more than two percent; Cochlear, Heartware and Sirtex were up more than one percent; with Clinuvel and Nanosonics up by less than one percent.

Prima led the falls, down one cent or 12.8 percent to 6.8 cents with 5.1 million shares traded, followed by Benitec down 11.8 percent to 1.5 cents with 4.5 million shares traded.

Circadian and Optiscan lost more than seven percent; Bionomics, GI Dynamics and Reva were down six percent or more; Living Cell, Phosphagenics, QRX, Tissue Therapies and Universal Biosensors fell four percent or more; Anteo, Impedimed and Psivida shed more than three percent; Alchemia, Mesoblast and Starpharma were down more than one percent; with Acrux and Resmed down by less than one percent.

LBT INNOVATIONS

LBT will create a joint venture with the Zurich-based Hettich AG Switzerland to commercialize its Automated Plate Assessment System.

LBT said that the 50-50 joint venture, with Hettich making an upfront payment of \$2 million and providing a further \$4 million to the venture in tranches subject to milestones, with LBT licencing its Apas intellectual property and completing its development.

LBT chief executive officer Lusia Guthrie told Biotech Daily that the joint venture would be known as Clever Culture Systems AG and would have Peter Bradley as its general manager.

The deal is significantly different in structure from LBT's first licencing deal for its Microstreak Agar plate streaking system with France's Biomérieux (BD: Dec 10, 2008).

Ms Guthrie said that Hettich saw that the automated plate assessment system was complementary to its automated incubator.

Ms Guthrie said the system was designed to use "intelligent imaging to distinguish significant pathogenic bacterial growth from non-significant growth".

Ms Guthrie said the system could have uses in the food industry and in environmental applications and had potential to assess fungal growth as well as bacteria.

Mr Bradley said that when completed, the Apas would come in two sizes, one about the size of a large refrigerator and the other a benchtop model.

In a media release to the ASX, LBT said it would retain the Apas intellectual property and Hettich would provide working capital and technology, with the joint venture having the exclusive right to the manufacture and marketing of the Apas.

LBT chairman Bob Finder said the agreement "confirms LBT's arrival as a significant global developer of world-class medical technology".

"LBT Innovations has demonstrated the scientific expertise and the managerial acumen to deliver breakthrough products that the market wants and the healthcare profession needs," Mr Finder said.

"A key milestone in the life of an innovation company is when its second product is successfully launched into the market and with the help of Hettich AG Switzerland, we will soon achieve this important event," Mr Finder said.

Ms Guthrie said that "achieving a joint venture with equal ownership with a company of Hettich's stature and reputation is a strong vote of confidence in the long-term prospects for Apas".

"This agreement is better than a straight licencing deal, as it will entitle LBT to an equal share in profits and royalties arising from sales and future licensing and use of the technology, as well as a much greater say in its long-term development and marketing," Ms Guthrie said.

Ms Guthrie said the joint venture was in discussions with global diagnostic companies over rights to future global distribution of Apas instruments.

LBT said that automated identification of the large percentage of culture plates that typically return negative findings would mean significant savings for microbiology laboratories, as well as faster, more consistent results for physicians and their patients.

The company said that Apas was the first application of its 'intelligent image interpretation platform' and had potential for use in fields beyond conventional culture plate microbiology.

LBT said that Hettich AG Switzerland was an affiliate of Germany's Andreas Hettich AG GmbH, which introduced the first microprocessor controlled and robotically integrated centrifuges and was a successful manufacturer of automated laboratory equipment.

LBT was up 1.5 cents or 25 percent to 7.5 cents with 6,867 shares traded.

PRIMA BIOMED

Prima says it will proceed with three phase II clinical trials of CVac for resectable pancreatic cancer, metastatic colorectal cancer and triple-negative breast cancer. Prima's CVac is currently in a US, European and Australian phase II/III trial for epithelial ovarian cancer in remission (BD: Feb 5, 28, 2013).

The company said that CVac was "a personalized immunocellular therapy targeted at mucin 1 over-expressing cancer cells.

Prima chief executive officer Matthew Lehman said that expanding the clinical program with three new phase II trials was "a significant development for Prima".

"In addition to ovarian cancer, we believe there are multiple potential applications for CVac to stimulate the immune system to target and kill mucin 1 over-expressing cancer cells," Mr Lehman said.

Prima said the phase II trials would be co-funded by Prima and Germany's Sächsische Aufbaubank (Saxony Development Bank), which would will provide up to EUR3.8 million (\$A5.4 million) in a non-dilutive grant to support this program.

The company said that it would finalize the trial protocols and begin European regulatory and ethics committee approvals in the coming months.

Prima said the key selection criteria for new indications included: reliable data on mucin 1 over-expression, a median survival period long enough that would allow patients to potentially benefit from CVac, patient populations that could be reasonably well defined for clinical trial analysis and unmet needs for new treatment modalities.

Prima said that each trial would be a randomized study of CVac as adjuvant therapy in combination with standard of care compared to standard of care alone.

The company said that prior to treatment, patients would have undergone standard first line treatment of surgical resection and chemotherapy and possibly radiotherapy.

Prima said that the incidence in the US and the European Union for triple-negative breast cancer was about 100,000 a year; for metastatic colorectal cancer it was about 180,000 a year; and for resectable pancreatic cancer it was about 18,000 a year.

Prima fell one cent or 12.8 percent to 6.8 cents with 5.1 million shares traded.

USCOM

Uscom says that the Milan-based Vega SpA will distribute its cardiac output monitor and BP+ suprasystolic central blood pressure products in Italy.

Uscom said that Vega specialized in the distribution of precision medical instruments, equipment and devices for surgical and scientific applications, principally in hospitals and particularly in cardiology.

Uscom was untraded at 20 cents.

NEUREN PHARMACEUTICALS

Neuren has told the ASX that it is not aware of any information it has not announced which, if known, could explain recent trading in its securities.

The ASX said the company's share price rose 31.6 percent from 5.7 cents on June 17 to 7.5 cents on June 24, 2013, and noted an increase in trading volume.

Neuren was unchanged at 7.3 cents with 6.7 million shares traded.