

Biotech Daily

Thursday July 12, 2007

Daily news on ASX-listed biotechnology companies

- * **ASX UP, BIOTECHS DOWN: ANTISENSE UP 7%, CLINUVEL DOWN 7%**
- * **OBJ CLAIMS HUMAN TRANSDERMAL PEPTIDE SUCCESS**
- * **PERU APPROVES NEURODISCOVERY'S PHASE II ANALGESIC TRIAL**
- * **BIOMD CLEAR FOR PHASE II HEART PATCH TRIAL**
- * **NARHEX DG17 SCALED-UP; DIRECTOR RON HODGE RESIGNS**
- * **GOLDMAN SACHS RESUMES SUBSTANTIAL IN EVOGENIX**
- * **ACRUX REQUESTS RESULTS TRADING HALT**
- * **KARMELSONIX TELLS ASX REPORT MAY HAVE PUMPED PRICE**
- * **NORWOOD ABBEY EGM TO VOTE ON SHARES, OPTIONS**
- * **VIRALYTICS APPOINTS DR PHILLIP ALTMAN DIRECTOR**

THE MARKET

The Australian stock market climbed 0.6 percent on Thursday July 12, 2007, with the All Ordinaries up 36.9 points to 6,400.1 points.

Twelve of the Biotech Daily Top 40 stocks were up, 17 stocks fell, nine traded unchanged and two were untraded. Eight of the Top 20 rose and seven fell, while four of the Second 20 rose and 10 fell.

Antisense was best, up 0.3 cent or 6.52 percent to 4.9 cents with 5.1 million shares traded, followed by Circadian up 6.3 percent to \$1.35. Stem Cell was up 5.52 percent; Cytopia climbed four percent; Phosphagenics and Phylogica were up more than three percent; Pharmaxis climbed 2.24 percent; with Cochlear and Tissue Therapies up more than one percent.

Clinuvel led the falls, down six cents or 7.41 percent to 75 cents with 1.9 million shares traded. Psivida was also down 7.41 percent to 12.5 cents and Portland shed 6.15 percent to 30.5 cents. Cordlife lost 5.95 percent; Agenix fell 4.17 percent; Apollo, Genetic Technologies, Metabolic and Starpharma were down more than three percent; Alchemia and Mesoblast shed more than two percent; with Biota, Prana, Progen and Ventracor down more than one percent.

OBJ

OBJ says it has “positive results” from recent study of its Dermaportation technology to deliver a therapeutic peptide.

OBJ said the study, conducted by Curtin University’s Department of Pharmacy, investigated the ability of OBJ’s drug delivery technology to enhance the delivery of a dipeptide (ALA-TRP) through excised human skin.

The results demonstrated that the transdermal delivery of ALA-TRP through human epidermis was increased 28-fold by Dermaportation.

The study also showed that the peptide was delivered unaltered by Dermaportation.

OBJ said its transdermal drug delivery platforms use electro-magnetic energy fields to control molecular movement and skin permeability without disrupting the skin’s protective barrier.

OBJ said that therapeutic peptides were molecules made up of two to 100 amino acids that were highly effective and selective in targeting specific biological processes.

Peptides can be used to treat a broad range of diseases including cancer, cardiovascular, infection, metabolic diseases and central nervous system disorders.

OBJ said the therapeutic peptide market consisted of about 40 approved products generating global revenues of \$US7.2 billion in 2003. The market is forecast to expand rapidly to reach \$US20 billion in 2013, as some of the 670 peptides in development enter the market and further opportunities exist for therapeutic peptides in the \$4.7 billion anti-ageing cosmetics industry.

OBJ said therapeutic peptides were generally delivered by intravenous injection, as they are broken down by the digestive system during oral delivery. Pharmaceutical and biotechnology companies are actively seeking innovative and patient-friendly technologies to enhance the delivery of therapeutic peptides and a large market opportunity exists for an effective transdermal delivery system for therapeutic peptides.

OBJ said its Dermaportation had the potential to administer peptide drugs more conveniently and more cost-effective than current delivery methods.

OBJ was up 0.3 cents or 5.26 percent to 6.0 cents.

NEURODISCOVERY

Neurodiscovery has received ethics approval for a 50-patient, double-blind phase II clinical trial for its analgesic, NSL-101.

The trial will investigate the analgesic efficacy of NSL-101 after extraction of the third molar in comparison with placebo at the Peruvian University of Cayetano Heredia in Lima.

The phase II trial is currently scheduled to commence by September 30, 2007.

On commencement of the trial the Neurodiscovery said it would make a further announcement on the study objectives and the trial protocol.

Neurodiscovery rose one cent or 5.88 percent to 18 cents.

BIOMD

Biomd has received unconditional ethics approval for a phase II human clinical trial of cardiovascular patches treated with the Adapt advanced tissue process technology.

Biomd said it would commence manufacture of the Adapt-treated pericardial patches to be used as the bioprosthesis device.

On May 30 Biomd said it had received ethics approval on condition that permission was obtained from the Medicine Control Council of South Africa.

Biomd said that as the patch was a device rather than a drug, the Medicine Control Council had responded that it was not required to approve the trial, which now has clear ethics approval.

The phase II trial will treat 50 patients suffering from heart deformities that require surgical reconstruction using a biomaterial patch and will be conducted over 12 months with an additional 12 month follow-up period.

The trial's chief investigator, Prof Francis Smit is the head of the Department of Cardiothoracic Surgery at the University of Free State. Prof Smit will lead a team of surgeons who will use the patches to repair defective internal heart tissue structures. Biomd will co-ordinate the clinical study which will continue until the last implant has completed the 12 month follow-up period.

During the 12 month follow-up period, all patients will undergo echocardiograph examinations at six monthly intervals and selected patients will undergo MRI examinations in addition to normal clinical follow-up.

Biomd was up 1.5 cents or 10.71 percent to 15.5 cents.

[NARHEX LIFE SCIENCES](#)

Dr Reddy's Laboratories has told Narhex that the scale-up and synthesis of 20kg of the Narhex anti-HIV protease inhibitor, DG17, had been completed satisfactorily.

Narhex managing director Prof John Mills said the chemical manipulations necessary to synthesize DG17 in bulk in quantities "up to thousands of kilos" and to the standards required for animal toxicology testing and human clinical trials had been completed satisfactorily.

Prof Mills said the 20kg batch would be "sufficient to conduct the required formulation and preclinical studies and to complete all of the company's planned phase II clinical trials". "Furthermore, we now have a clear and efficient synthetic path established as well as qualified suppliers of all critical raw materials," Prof Mills said.

Narhex said it received a smaller batch of DG17 from Dr Reddy's last year which has been formulated as enteric-coated capsules to be used in the phase IIa clinical trial for which human research and ethics committee approval was announced on July 6, 2007.

Separately, the company said Ron Hodge, a Narhex director since October 2004 would resign from the board on August 31, 2007".

Narhex said Mr Hodge was resigning "due to the increased demands and rapid growth of Investsmart Financial Services" a company of which he is the founder and a director.

Narhex said Mr Hodge intended to remain a significant shareholder and has offered to continue providing support and counsel to Narhex.

Narhex will recruit a non-executive director to replace Mr Hodge.

Narhex was untraded at 5.2 cents.

[EVOGENIX](#)

Goldman Sachs JB Were resumed a substantial shareholding in Evogenix on July 9 with a total holding of 6,983,414 shares or 5.02 percent.

On June 7, 2007, Goldman Sachs JB Were ceased its substantial holding, that is it fell below a five percent holding in the company.

The beneficial ownership is held by Irrewarra Investments, a Goldman Sachs JB Were company. The trading had no relationship to the proposed merger of Peptech and Evogenix (see Biotech Daily May 7, 2007).

Evogenix was untraded at 87.5 cents.

ACRUX

AcruX has requested a trading halt pending an announcement on phase II Testosterone MD-Lotion trial results.

Trading will resume on July 16, 2007 or on an earlier announcement.

AcruX last traded at \$1.72.

KARMELSONIX

Karmelsonix 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 from 9.6 cents on July 4, 2007 to 24 cents on July 12 along with an increase in trading volume.

The company referred to a research report by RM Capital reported to the ASX yesterday and said that at 6pm Australian Western Standard Time, the company would make a presentation to brokers, which would also be released to the ASX.

The company said there was nothing in the presentation that has not already been released to the market and it had not been shown to any parties prior to its release.

Karmelsonix closed down 0.5 cents at 21.5 cents with 8.9 million shares traded.

NORWOOD ABBEY

Norwood Abbey will hold an extraordinary general meeting ON August 13, 2007 to ratify the issue of 19,277,786 shares and 4,000,000 options.

Norwood said 3,333,333 shares were issued Camofi Master Fund and CIBA Vision for no consideration; 5,944,453 shares were issued at 9.05 cents a share to GEM Global Yield Fund; 7,000,000 shares were issued at 9.46 cents a share to GEM Global Yield Fund; and 3,000,000 shares were issued to GEM Global Yield Fund at 8.67 cents a share. The 4,000,000 options were issued to Camofi at an exercise price of nine cents per option.

The meeting will be at Dingley International Hotel, 334-348 Boundary Road, Dingley, Victoria at 9.30am.

Norwood fell 0.2 cents or 9.09 percent to 2.0 cents with 1.6 million shares traded.

VIRALYTICS

Viralytics has appointed Dr Phillip Altman, as an executive director responsible for clinical and regulatory affairs.

Viralytics said Dr Altman was "a well-known Australian authority on clinical trials and regulatory affairs" with more than 30 years experience.

He has worked in senior managerial positions for Merrell-Dow, Hoechst, Roussel and GD Searle and established one of Australia's first contract research organizations, Pharmaco.

Dr Altman has been involved in more than 100 clinical trials and he has been personally responsible for the market approval of numerous new drugs and dosage forms since joining the pharmaceutical industry in 1974.

Viralytics was up 0.2 cents or 2.47 percent to 8.3 cents.

Biotech Daily can be contacted at: PO Box 5000, Carlton, Victoria, Australia, 3053
email: editor@biotechdaily.com.au
telephone: +613 9372 2990