



Biotech Daily

Wednesday June 3, 2009

Daily news on ASX-listed biotechnology companies

- * **ASX UP, BIOTECH DOWN; NANOSONICS UP 10%, PHYLOGICA DOWN 7%**
- * **NANOSONICS LAUNCHES TROPHON EPR IN EUROPE**
- * **COMPUMEDICS 'GRAEL' DIAGNOSTIC WINS POWERHOUSE GONG**
- * **ITL CUTS COSTS, MOVES TO MELBOURNE, INCREASES REVENUE**
- * **SHIRE CANADA DILUTED TO 6% OF AVEXA**
- * **BONE LOSES M-D TROELS JORDANSEN**
- * **FLUOROTECHNICS CEO JAMES WALKER STARTS ON \$200k**
- * **CIRCADIAN SPONSORS HELSINKI ANGIOGENESIS CONFERENCE**

MARKET REPORT

The Australian stock market climbed 1.56 percent on Wednesday June 3, 2009 with the S&P ASX 200 up 61.9 points to 4,017.2 points.

Twelve of the Biotech Daily Top 40 stocks were up, 13 fell, 11 traded unchanged and four were untraded.

Nanosonics was best, up four cents or 9.76 percent to 45 cents with 220,937 shares traded, followed by Mesoblast up 9.5 percent to 81 cents.

Prana climbed 8.1 percent; Benitec was up 6.7 percent; Alchemia rose 5.4 percent; Resmed was up 4.9 percent; Avexa, Optiscan and Phosphagenics were up more than three percent; Cochlear and Living Cell rose more than two percent; Cellestis was up 1.7 percent; with Arana and Circadian up by less than one percent.

Phylogica led the falls, down half a cent or 7.1 percent to 6.5 cents with 168,241 shares traded, followed by Viralytics down 5.4 percent to 3.5 cents.

Clinuvel and Impedimed lost four percent or more; Genera and Tyrian fell more than three percent; Bionomics, Chemgenex and Heartware shed more than two percent; Genetic Technologies, Novogen, Progen and Starpharma were down more than one percent; with CSL slipping 0.2 percent.

NANOSONICS

Nanosonics says it has begun shipment of its Trophon EPR ultrasound probe disinfection device and associated consumables into Europe.

Nanosonics said the initial shipment to France of the device, designed to disinfect intra-cavity and surface ultrasound transducers, would fulfill customer orders already received by the company's French distribution partner, Euro Diffusion Medicale.

The company said that demand for the Trophon device was being additionally driven by a move banning the use of aldehydes in French hospitals.

Nanosonics said the installation of the Trophon EPR (environmental probe reprocessing) would enable customers to increase the efficacy of disinfection, while at the same time allowing staff to remove toxic chemicals currently in use.

The company said the release of the Trophon EPR into the targeted markets of Germany and Britain would begin this month.

Sales to other European countries will begin this month.

Nanosonics said it had submitted its 510K submission for US Food and Drug Administration regulatory approval and pending approval, sales are expected by July 2010.

The company said it was "in advanced discussions with potential distribution partners for the US and Canada".

Regulatory submission to the Japanese Ministry of Health remains scheduled for submission for early 2010.

Nanosonics climbed four cents or 9.76 percent to 45 cents.

COMPUMEDICS

Compumedics says it has won the Powerhouse Museum Award for GraeL, its most recent sleep and neurology recording system.

Compumedics said the award was for design excellence and innovative use of technologies and added "further momentum to the company's export drive".

Compumedics said GraeL was the world's first high definition polysomnography and electroencephalography (PSG/EEG) recording system and would be an important component of the company's recently announced growth plans for its sleep diagnostics business in Europe (BD: Apr 1, 2009).

Chairman David Burton told Biotech Daily that the GraeL was "the culmination of 20 years work and the first time Compumedics had changed platforms in nine years".

Mr Burton said the name was derived from "the teams' continued search for the ultimate or holy grail of sleep diagnostics".

He said the GraeL was about half the size of a standard laptop computer and the base model price would retail at \$US12,000 to \$US20,000.

The company said GraeL would make its US debut at "the largest annual American sleep trade show", the Associated Professional Sleep Societies meeting this weekend in Seattle. Powerhouse Museum curator of product design, Erika Dicker said GraeL received the award "for its smart and streamlined design, which integrates innovation, sustainability, and user awareness".

"It is an Australian product that has the potential to make a significant impact to the quality of health and wellbeing for those suffering sleep disorders," Ms Dicker said.

Compumedics was up three cents or 21.43 percent to 17 cents.

ITL LTD

ITL Limited says costs have been cut and it expects increased sales.

ITL said it had relocated its head office from Canberra to Melbourne - shared with the Healthcare Australia business unit - which "has yielded immediate benefits" with cost savings of \$300,000 a year.

The company said its hospital supplies business in Malaysia has reduced its dependency on the sale of high value capital equipment with the commencement of the distribution of orthopaedic implants manufactured by Stryker Corp.

ITL said the Malaysian business was generating monthly sales of MYR1.2 million (\$A418,930).

The company said the sales "coupled with recent Malaysian government economic stimulus packages centred on major healthcare infrastructure, the company is well positioned with an outlook for sustained growth".

ITL said its manufacturing, research and development and sales and marketing operations, "continued to deliver consistent results that have been enhanced by a favorable exchange rate against the US dollar".

Full year sales growth is expected to be more than 25 percent over last year.

ITL climbed 2.6 cents or 35.6 percent to 9.9 cents.

AVEXA

Shire Canada's substantial shareholding in Avexa has been diluted from 10.36 percent to 6.95 percent following the recent placement (BD: Apr 30; May 29, 2009).

Shire participated in the rights issue increasing its holding from 43,613,471 shares to 47,341,839 shares.

Avexa was up 0.5 cents or 3.85 percent to 13.5 cents with 2.2 million shares traded.

BONE MEDICAL

Bone says managing director Troels Jordansen has resigned effective from yesterday.

In a media release to the ASX after the market closed Bone said chairman Leif Jensen and director Leon Ivory would assume the roles of joint chief executive officers in Europe and Australia, respectively.

Bone said a new US-based chief executive officer was expected to be appointed shortly.

Mr Jordansen was appointed managing director in July 2007 and had been involved with the company since 2006 (BD: Jul 18, 2007).

Mr Jordansen resigned as chief executive officer of Clinical Cell Culture on May 17, 2006.

Bone was unchanged at 20 cents.

FLUOROTECHNICS

Fluorotechnics says chief executive officer James Walker's base salary is \$200,000 a year but can increase by up to 25 percent, pending achievement of sales targets.

Fluorotechnics said it had the discretion to set other incentives.

The company said that if sales of \$4.1 million were achieved in the 2009 financial year, Mr Walker would receive a performance based bonus of up to 20 percent of his base salary.

For the 2010 financial year, Mr Walker may receive bonuses of up to 75 percent of his base salary depending on sales achieved during the year.

Fluorotechnics fell 1.5 cents or 3.75 percent to 38.5 cents.

CIRCADIAN TECHNOLOGIES

Circadian says it and Astra Zeneca Oncology are the principal sponsors of a conference on angiogenesis research in Helsinki, Finland on June 6 and 7, 2009.

The company said the European School of Haematology conference on angiogenesis would be a meeting of researchers from the pharmaceutical industry and academia.

Circadian said it was "one of the leaders in the development of next-generation inhibitors of angiogenesis as treatments for cancer".

The company said the 2009 conference would see more than 35 presenters, with speakers from other leading companies in the field including Genentech and Regeneron.

The conference will be chaired and hosted by the chairman of Circadian's scientific advisory board, Prof Kari Alitalo of the University of Helsinki.

For more information about the conference, go to: www.esh.org.

Circadian was up 0.5 cents or 0.66 percent to 76 cents.