



Biotech Daily

Monday January 17, 2011

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH DOWN: GENETIC TECH UP 15%; ANTISENSE DOWN 12.5%**
- * **QUEENSLAND BIOTECHS ESCAPE FLOODS ALMOST UNSCATHED**
- * **GENETIC TECHNOLOGIES, SUNRISE MEDICAL SETTLE PATENT DISPUTE**
- * **NORTHCAPE TAKES 5% OF PHARMAXIS**
- * **TRANSOCEAN CEASES SUBSTANTIAL IN ANTEO**
- * **FIRST CAPE TAKES 15% OF ANTEO**
- * **IMMURON APPOINTS AVEXA'S JOE BAINI INTERIM CEO**

MARKET REPORT

The Australian stock market fell 0.8 percent on Monday January 17, 2011 with the S&P ASX 200 down 38.4 points to 4676.2 points.

Thirteen of the Biotech Daily Top 40 stocks were up, 17 fell, nine traded unchanged and one was untraded.

Genetic Technologies was best, up 1.3 cents or 15.1 percent to 9.9 cents with 2.8 million shares traded, followed by Immuron up 9.6 percent to eight cents, with 120,666 shares traded.

Circadian climbed 6.5 percent; Cellmid and Tissue Therapies were up more than five percent; Genera and Prana were up four percent or more; Phylogica rose 3.9 percent; with Bionomics and Chemgenex up more than two percent.

Antisense led the falls, down 0.4 cents or 5.7 percent to 6.6 cents with 23,340 shares traded.

Optiscan, Pharmaxis, Phosphagenics, Prima and Virax lost three percent or more; Cellestis, Heartware and Viralytics shed more than two percent; with Biota, Cochlear and QRX down more than one percent.

QUEENSLAND FLOODS

The flooding of the City of Brisbane last week caused some minor disruption to the activities of biotechnology companies.

Biotech Daily has called the offices of most Queensland biotechnology companies and nearly all have reported that they are high and dry and unaffected by the floods.

Leo Pharma's Brisbane Peplin office reported that it had services shut down over the weekend and the venture capital company QBF had its basement flooded.

Progen says its head office in the flood-affected suburb of Toowong and the Pharmasynth contracting manufacturing facility in Darra were unaffected by flood waters, but the facilities were closed last week to ensure staff safety and both facilities resumed business today.

Progen said it expected minimal impact on current projects, but some staff had been affected by the flooding and the company would provide support where possible.

Alchemia, Anteo, Biopropect, CBio, CM Capital, Impedimed, the Queensland Clinical Trials Network, Tissue Therapies and Xenome all reported that they had no flooding or disruption.

Biotech Daily supports the Progen statement: "For those that are affected, our thoughts are with you."

GENETIC TECHNOLOGIES

Genetic Technologies says it has settled its dispute with the Hicksville, New York-based Sunrise Medical Laboratories over non-coding DNA patent infringement.

Genetic Technologies said that Sunrise was associated with Sonic Healthcare and had entered into a settlement agreement with Genetic Technologies.

The company said Sunrise was one of the original parties to the patent infringement law suit filed by Genetic Technologies in the US District Court, Western District of Wisconsin last year (BD: Feb 16, 2010).

Genetic Technologies said it was also engaged in discussions with other parties relating to the legal action and was engaged in negotiations with other parties, separate for the legal action.

Genetic Technologies was up 1.3 cents or 15.1 percent to 9.9 cents with 2.8 million shares traded.

PHARMAXIS

Northcape Capital has become a substantial shareholder in Pharmaxis with the acquisition of 11,326,715 shares or 5.01 percent of the company.

The initial substantial shareholder notice said Northcape had acquired 12,829,227 shares for \$33,675,006 or \$2.62 a share and sold 1,502,512 shares for \$3,920,781 or \$2.61 a share.

Pharmaxis fell nine cents or three percent to \$2.91.

ANTEO DIAGNOSTICS

First Cape Management has increased its substantial shareholding in Anteo from 82,264,671 shares (12.45%) to 100,185,375 shares (14.98%).

The Sydney-based First Cape said the change was through a distribution and the 17,920,704 shares were acquired for \$1,612,863 or nine cents a share.

Anteo fell 0.6 cents or 7.4 percent to 7.5 cents with 9.9 million shares traded.

ANTEO DIAGNOSTICS

Transocean Securities has ceased its substantial holding in Anteo.

The Sydney-based Transocean said it had sold 8,946,361 shares for \$743,287 or an average price of 8.3 cents a share.

In its previous substantial shareholder notice Transocean increased its investment in Anteo from 37,742,227 shares (9.4%) to 41,060,444 shares but was diluted to 6.8 percent (BD: Oct 6, 2010).

Transocean is a company associated with Anteo chairman James Henderson and director Laura Iacusso.

In October Transocean said it sold 22,000,000 shares for \$979,372 or 4.45 cents a share and had exercised 24,318,275 options at 1.2 cent each, raising \$303,819 for Anteo.

IMMURON

Immuron has appointed Avexa chairman Joe Baini as its interim chief executive officer with Dr Grant Rawlin continuing as chief scientific officer.

Immuron said Mr Baini would focus on developing new markets for the diarrhoea treatment Travelan and "building opportunities for its extremely promising first-in-class biopharmaceutical product to treat fatty liver disease, also known as non-alcoholic steatohepatitis".

Immuron said Dr Rawlin would manage the clinical trials associated with the liver disease product, management of the influenza project and overall management of Immuron's platform technology.

Immuron chairman Prof Colin Chapman said the changes were important as the company moved into the next stage of its development.

"These are exciting times for Immuron," Prof Chapman said.

"Our product pipeline is rapidly advancing and we have a promising late phase II trial program planned in 2011 for the Company's main drug candidate," Prof Chapman said.

"Engaging a person of Mr Baini's calibre will enable Immuron to rapidly gain momentum," Prof Chapman said.

Mr Baini previously served as general manager of Gilead Sciences in Australia, New Zealand and Asia.

Immuron was up 0.7 cents or 9.6 percent to eight cents.