



Biotech Daily

Friday January 21, 2011

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH DOWN: CIRCADIAN UP 4%; GENETIC TECHNO DOWN 23%**
- * **BLUECHIIP HIRES ST MICROELECTRONICS FOR TRACKING TAGS**
- * **JAMES BESSER BELOW 5% IN GENETIC TECHNO; TAKES \$1m PROFIT**
- * **NEURODISCOVERY OPTION PLACEMENT, RIGHTS ISSUE FOR \$685k**
- * **NEURODISCOVERY TO ASX: FUNDING MAY HAVE PUSHED PRICE 60%**
- * **NASDAQ EXTENDS NOVOGEN'S COMPLIANCE PERIOD 180 DAYS**

MARKET REPORT

The Australian stock market fell 0.59 percent on Friday January 21, 2011 with the S&P ASX 200 down 28.0 points to 4755.7 points.

Ten of the Biotech Daily Top 40 stocks were up, 16 fell, nine traded unchanged and five were untraded.

Circadian was the best, up three cents or 4.3 percent to 73 cents with 34,000 shares traded.

Bionomics, Phosphagenics and QRX were up more than three percent; Mesoblast and Patrys rose more than two percent; with Starpharma up 1.8 percent.

Genetic Technologies led the falls, down 3.5 cents or 23.3 percent to 11.5 cents with 3.6 million shares traded, followed by Prana down 7.1 percent to 13 cents with 43,000 shares traded.

Virax lost 6.7 percent; Benitec, Cellmid, Phylogica and Tissue Therapies fell more than five percent; Biota fell 4.6 percent; Genera, Immuron and Universal Biosensors were down more than three percent; CSL and Sirtex shed more than two percent; with Acrux, Alchemia and Clinuvel down more than one percent.

BLUECHIIP

Bluechiip says it has signed an agreement with Geneva-based ST Microelectronics for the manufacture of micro-electro-mechanical systems (MEMS)-based tracking tags.

Bluechiip is undertaking an initial public offer to raise \$6 million to list on the ASX to develop the medical tracking devices (BD: November 12, 2010).

The company said ST Microelectronics was the world's leading supplier of MEMS devices for consumer and portable applications.

Bluechiip said ST Microelectronics would manufacture tracking tags aimed at a range of different markets, but initially in healthcare, such as biobanks.

The company said the offer of 24 million shares at 25 cents closes on February 28, 2011.

Bluechiip chief executive officer Brett Schwartz said "ST's extensive experience in MEMS technologies and its solid manufacturing capabilities make it the perfect partner to Bluechiip in industrializing its innovative tracking tag".

GENETIC TECHNOLOGIES

James Edward Besser has ceased his substantial holding in Genetic Technologies.

The Boston Massachusetts-based Mr Besser said he had sold 8,148,634 shares for \$1,336,426 or an average price of 16.4 cents a share.

A previous substantial shareholder notice said that Mr Besser acquired 27,940,530 shares at an average price of 3.9 cents a share, implying a profit of \$1,018,579 on the trade.

Genetic Technologies' chief financial officer Tom Howitt told Biotech Daily the shares were traded on Nasdaq.

Mr Howitt said that while Genetic Technologies Australian share price recently peaked at 15.5 cents on January 19, on the Nasdaq later the same day, shares traded in a range equivalent to about 12.5 cents to 23 cents with 2.45 million America depository receipts traded, equivalent to 74 million Australian shares or 18 percent of the company's issued share capital.

Genetic Technologies fell 3.5 cents or 23.3 percent to 11.5 cents with 3.6 million shares traded.

NEURODISCOVERY

Neurodiscovery says it hopes to raise \$684,896 through the placement of up to 20 million options and a rights issue of one option for every two shares held.

All options will cost one cent each, exercisable by January 31, 2011 at six cents each.

Neurodiscovery said the placement was subject to shareholder approval.

The company said the funds were for working capital.

The company did not provide any further details about the placement or rights issue.

NEURODISCOVERY

Neurodiscovery has told the ASX that a decision "to conduct an entitlements issue and placement of options" may have pushed its share price 60 percent.

The ASX said the company's share price rose from 4.7 cents on January 5, 2011 to 7.5 cents, a 59.6 percent increase, on January 20, 2011, and noted an increase in trading volume.

Neurodiscovery said that apart from the decision it was not aware of any information it has not announced which, if known, could explain recent trading in its securities.

Neurodiscovery fell 1.3 cents or 17.3 percent to 6.2 cents with 2.4 million shares traded.

NOVOGEN

Novogen says the Nasdaq has granted it an additional 180 calendar days, or until July 18, 2011, to comply with minimum price compliance measures.

Novogen's has American depository receipts listed on the Nasdaq Capital Market and each ADR represents five of the company's ASX-listed shares.

Last year Nasdaq said Novogen was no longer in compliance with the Nasdaq listing requirements requiring a share price above \$US1 and allowed 180 days in which to correct the non-compliance (BD: Jul 23, 2010).

The company said today it had received a further letter from Nasdaq advising that it has been granted an additional 180 calendar days to regain compliance and its ADRs must maintain a minimum bid closing price of at least \$US1.00 per share for a minimum of 10 consecutive business days during the grace period.

Novogen said the Nasdaq notification had no bearing on the ASX listing.

Novogen last traded up 12.43 percent to 73 US cents on the Nasdaq on January 20, 2011 having fallen from more than \$2.80 12 months ago, to as low as 41 cents on November 18, 2010.

Novogen's 70 percent subsidiary Marshall Edwards also fell from \$US7.35 12 months ago to a low of 76 US cents in August, but has recovered in the past month.

Last night Marshall Edwards was up 51.5 US cents or 39.5 percent to \$1.82.

On the ASX, Novogen fell half a cent or four percent to 12 cents.