



# Biotech Daily

Tuesday June 21, 2011

*Daily news on ASX-listed biotechnology companies*

**\* ASX, BIOTECH UP: BIOTA UP 10%, CATHRX, LBT DOWN 20%**

**\* NHMRC-CALIFORNIA CALL FOR GRANT APPLICATIONS**

**\* ELLEX MOVES SACRAMENTO PRODUCTION TO ADELAIDE**

**\* TISSUE THERAPIES PAYS CONSULTANT WITH 55.5k SHARES**

## MARKET REPORT

The Australian stock market recovered 1.27 percent on Tuesday June 21, 2011 with the S&P ASX 200 up 56.5 points to 4,508.2 points.

Fourteen of the Biotech Daily Top 40 stocks were up, 13 fell, eight traded unchanged and five were untraded. All three Big Caps were up.

Biota was the best, up 10 cents or 10.1 percent to \$1.09 with 564,799 shares traded, followed by Impedimed up 6.25 percent to 59.5 cents with 107,468 shares traded.

Prana climbed 5.6 percent; Patrys, QRX and Universal Biosensors rose more than two percent; Tissue Therapies rose 2.1 percent; Pharmaxis, Prima, Resmed, Sirtex and Tissue Therapies were up more than one percent; with Acrux, Cellestis, Cochlear, CSL, Nanosonics and Psivida up by less than one percent.

Cathrx and LBT led the falls, down 20 percent to 12 cents and four cents, respectively, with 72,000 and 70,000 shares traded, respectively, followed by Antisense down 11.1 percent to 0.8 cents with eight million shares traded.

Cellmid lost 8.3 percent; Genetic Technologies fell 5.1 percent; Benitec was down 3.3 percent; Living Cell and Viralytics shed more than two percent; with Bionomics, Starpharma and Sunshine Heart down more than one percent.

## NATIONAL HEALTH AND MEDICAL RESEARCH COUNCIL

The National Health and Medical Research Council and the Californian Institute of Regenerative Medicine says pre-applications for stem cell funding open on June 30, 2011. The NHMRC said preliminary information about the pre-applications for the first translational stem cell funding is on the CIRM website: <http://www.cirm.ca.gov>.

Separately, the State of Victoria and CIRM created the Stem Cell Alliance in 2008 and have six active projects (BD: June 19, 2008).

A Victoria Government media release at that time said the collaboration between Victoria and the California Institute of Regenerative Medicine would empower California scientists to help turn Victorian discoveries into worldwide treatments.

## ELLEX MEDICAL LASERS

Ellex says it will consolidate the manufacture of its laser and ultrasound products at its manufacturing facility in Adelaide.

Ellex said it would transfer the Sacramento-based manufacturing activities for the Eye Cubed diagnostic ultrasound system to Adelaide, which manufactured its laser products. The company said the closure of the Sacramento facility was expected to deliver considerable cost reductions and production efficiencies and ensure optimal use of the Adelaide manufacturing infrastructure and resources.

Ellex chief executive officer Tom Spurling said the Adelaide facility and the technical expertise of the team were “developed to the extent that we can integrate our laser and ultrasound production processes”.

“Not only will this allow us to leverage the extensive manufacturing expertise we have developed in Adelaide, it will also deliver a significant reduction in manufacturing costs,” Mr Spurling said. “In order to facilitate a smooth transition, key personnel from the Sacramento facility will be retained in order to manage the transfer of skills to our Adelaide team over the coming months, with work already underway in this area.”

Ellex said the Eye Cubed was one of its best-selling products, with thousands of systems installed worldwide.

The company said that since acquiring the Sacramento-based ophthalmic ultrasound developer Innovative Imaging in 2006, it had expanded the Eye Cubed to Europe and Asia, contributing to increased market share worldwide.

“This is an obvious next step for our ultrasound business,” Mr Spurling said.

“In 2007 we established the Adelaide-based engineering and development team for the Eye Cubed and the opportunity to now closely align the activities of this team with the manufacture of the Eye Cubed will ensure improved efficiency across both engineering and production moving forwards,” Mr Spurling said.

Mr Spurling told Biotech Daily that 13 staff were employed in Sacramento and the manufacturing staff would be retained “over the coming months in order to support this transition”.

Mr Spurling said two or three additional staff would be required at the Minneapolis sales and distribution office.

He said with the consolidation in Adelaide the company would assess total manufacturing resource requirements as demand for all medical laser and ultrasound products changed.

“Our current view is that two or three people will be required to manufacture the ultrasound product in Adelaide,” Mr Spurling said.

Ellex said it expected to begin Adelaide-based production of the Eye Cubed from October 2011, with customer service support managed by regional sales subsidiaries.

Ellex fell 1.5 cents or 8.8 percent to 15.5 cents.

## TISSUE THERAPIES

Tissue Therapies has issued 55,511 shares to consultant Geoff Morris for assistance on the selection of potential partners and the facilitation of negotiations.

Tissue Therapies said the shares were issued to a “consultant under contract for the provision of consultancy services relating to the negotiation of commercial agreements for the sale of Vitrogro”.

Tissue Therapies has developed and is commercializing Vitrogro for wound treatment in particular venous and diabetic ulcers.

Tissue Therapies was up half a cent or one percent to 49.5 cents.