



# Biotech Daily

Friday August 19, 2011

*Daily news on ASX-listed biotechnology companies*

- \* **ASX, BIOTECH WAY DOWN: CATHRX UP 50%, PRIMA DOWN 10%**
- \* **CATHRX SIGNS EUROPEAN COMMERCIALIZATION TERM SHEET**
- \* **COMPUMEDICS EXPECTS SMALL PROFIT**
- \* **NOMINATIONS OPEN FOR \$50k AIPS, CSL FLOREY MEDAL**
- \* **BAILLIE GIFFORD, ASSOCIATES TAKE 5% OF COCHLEAR**
- \* **MANNING & NAPIER TAKES 5% OR 5.5% OF COCHLEAR**
- \* **BONE LOSES DIRECTOR DR BARRY WALKER**
- \* **PHARMAUST (GOING MINING) ADDS GEOLOGIST DIRECTOR**

## MARKET REPORT

The Australian stock market tumbled 3.51 percent on Friday August 19, 2011 with the S&P ASX 200 down 149.3 points to 4101.9 points.

Five of the Biotech Daily Top 40 stocks were up, 26 fell, five traded unchanged and four were untraded. All three Big Caps fell.

Cathrx was the best of the few, up four cents or 50 percent to 12 cents with 234,413 shares traded, followed by Compumedics up one cent or 12.5 percent to nine cents with 256,000 shares traded.

Allied Health climbed 9.3 percent; LBT was up 5.3 percent; with Circadian up one percent.

Prima led the falls, down two cents or 10 percent to 18 cents with 35 million shares traded.

Living Cell, Mesoblast and Optiscan lost more than nine percent; Genetic Technologies fell 8.6 percent; Alchemia, Nanosonics, Patrys and Pharmaxis were down more than six percent; Acrux, Benitec, Phosphagenics, Phylogica, Starpharma, Tissue Therapies and Viralytics fell four percent or more; CSL, Prana and Resmed were down more than three percent; Advanced Surgical, Anteo, Heartware, QRX and Sunshine Heart shed more than two percent; with Biota, Sirtex and Universal Biosensors down more than one percent.

### CATHRX

Cathrx says it has signed a detailed term sheet with an unnamed prospective licensee for the development and commercialization of its catheters in Europe.

The company said the parties would begin the process of due diligence and negotiations for a definitive commercial agreement relating to its re-processable cardiac catheters.

Cathrx chief executive officer Jeff Goodman said he was "extremely pleased with the progress of the negotiations" and looked forward to signing a definitive agreement.

"Until due diligence is satisfactorily completed and a definitive agreement is entered into, the terms of the term sheet remain non-binding with the exception of confidentiality," Mr Goodman said.

Cathrx said it was continuing its discussions with a second prospective licensee.

Cathrx was up four cents or 50 percent to 12 cents.

### COMPUMEDICS

Compumedics says it is expecting to post "a small profit" subject to audit for the 12 months to June 30, 2011, on revenues down five percent to about \$31 million.

The company said that on a constant currency basis its revenues were up six percent and the company's sales were increasing compared to the previous year.

Compumedics said its US sleep and neuro-diagnostic business was up 20 percent in US dollars compared to the previous year and its long term monitoring business had sales of \$1.1 million compared to "almost zero" the previous year.

Compumedics said cash was constant at \$1.4 million.

Compumedics was up one cent or 12.5 percent to nine cents.

### AUSTRALIAN INSTITUTE OF POLICY AND SCIENCE

The Australian Institute of Policy and Science says nomination have opened for the 2011 CSL Florey Medal worth \$50,000.

The Institute's executive director Elektra Spathopoulos said the CSL-funded biennial award was for people "who have made significant achievements in biomedical science and human health advancement".

An Institute media release said the medal was established in 1998 in honor of Prof Howard Florey, who took penicillin from an idea to a drug that has saved millions of lives.

"The Florey Medal has become an indicator of those Australians whose work will go on to have global impact and inspire the next generation," Ms Spathopoulos said.

"We honored Barry Marshall and Robin Warren in 1998, seven years before they went on to win a Nobel Prize for their work showing that stomach ulcers are caused by bacteria, not by stress," Ms Spathopoulos said. "In 2004 we recognized Peter Colman whose work led to the anti-influenza drugs Relenza and Tamiflu," Ms Spathopoulos said.

"We recognized Ian Frazer in 2006 for his life-saving cervical cancer vaccines," she said.

Ms Spathopoulos said other winners included Prof Jacques Miller, whose discovery of the function of the thymus transformed immunology, Prof Colin Masters for his work on Alzheimer' disease and Prof John Hopwood for his research into genetically inherited disorders affecting children.

She said the prize money had doubled this year thanks to the support of CSL.

Nominations close on September 16, 2011 and the medal will be presented in Parliament House, Canberra on November 21, 2011.

For further information go to: [www.aips.net.au](http://www.aips.net.au) or contact Ms Spathopoulos by telephone on +612 9351 0819 or email: [director@aips.net.au](mailto:director@aips.net.au).

### COCHLEAR

Biallie Gifford & Co and its associates have become substantial shareholders in Cochlear with the acquisition of 2,903,127 shares or 5.11 percent of the company.

The initial substantial shareholder notice said the Edinburgh, Scotland-based Baillie Gifford acquired the shares between April 19 and August 17, 2011 with the most recent purchase 65,000 shares bought for GBP3,024,471 or \$A73.99 a share.

Cochlear fell 68 cents or 0.9 percent to \$71.34.

### COCHLEAR

Manning & Napier Advisors has become substantial shareholders in Cochlear with the acquisition of 3,116,211 shares.

The initial substantial shareholder notice said the Fairport, New York-based company acquired 3,116,211 shares between April 16 and August 16, 2011 for an average price of \$71.85 a share.

Manning & Napier said that although it had acquired 3,116,211 Cochlear shares (5.49%) its voting entitlement was 2,841,292 shares (5.00%), but provided no explanation for the discrepancy.

Cochlear chief financial officer Neville Mitchell told Biotech Daily that the company was not aware of any reason for the discrepancy.

### BONE MEDICAL

Bone says Dr Barry Walker has resigned as a director after many years of service.

The company said Dr Walker's decision was "influenced by personal health considerations" but he would continue to offer his expert advice on an ad hoc basis.

Bone fell 0.2 cents or 11.1 percent to 1.6 cents.

### PHARMAUST

Pharmaust says geologist Greg Cunnold has been appointed as a technical director to the board.

Pharmaust said Mr Cunnold had more than 18 years experience in the international exploration industry, including a range of precious metal, base metal and industrial mineral projects.

Pharmaust describes itself as "a pharmaceutical company involved in a range of activities, from contract drug discovery and development, to manufacturing, sales, and marketing of healthcare and pharmaceutical products" and owns Epichem which provides products and services in synthetic and medicinal chemistry to the drug discovery and pharmaceutical industries.

Today, Pharmaust said it had acquired Pela Resources for 150,000,000 shares.

Pharmaust said Pela had rights to a European exploration project.

Pharmaust was untraded at 2.7 cents.