



# Biotech Daily

Monday June 4, 2012

*Daily news on ASX-listed biotechnology companies*

- \* ASX, BIOTECH DOWN: SUNSHINE HEART UP 8%, ALLIED DOWN 17%**
- \* BDI-40 ADJUSTED FOR REVA DATA**
- \* STARPHARMA PHASE III BACTERIAL VAGINOSIS TRIAL ON-TRACK**
- \* PALADIN FILES IMMURON TRAVELAN CANADA APPLICATION**
- \* FOUR HATS BELOW 5% IN QRX**
- \* AGENIX APPOINTS DR PAUL RESNICK THROMBOVIEW ADVISOR**
- \* OMI REQUESTS ACQUISITION, CAPITAL RAISING TRADING HALT**
- \* ISONEA MONITORS ASTHMA BY SMARTPHONE**

## MARKET REPORT

The Australian stock market fell 1.94 percent on Monday June 4, 2012 with the S&P ASX 200 down 78.9 points to 3,985.0 points.

Just four of the Biotech Daily Top 40 stocks were up, 25 fell, six traded unchanged and five were untraded. All three Big Caps fell.

Sunshine Heart was the best of the few, up 0.2 cents or 8.3 percent to 2.6 cents with 113,861 shares traded. Living Cell climbed 4.2 percent, with Nanosonics and Sirtex up more than one percent.

Allied Health led the falls, down 0.4 cents or 16.7 percent to two cents with 3.7 million shares traded, followed by Genetic Technologies down 15.15 percent to 14 cents, with 184,103 shares traded and Avita down 12.5 percent to 17.5 cents with 568,080 shares traded.

Prima and Viralytics lost more than nine percent; Anteo fell 8.8 percent; Phosphagenics fell 6.1 percent; Benitec, Cellmid, Psivida and Starpharma were down more than five percent; Neuren, Patrys, Tissue Therapies and Universal Biosensors four more than percent; Acrux, Impedimed, Mesoblast, Pharmaxis and Reva were down more than three percent; Biota, Cochlear and Heartware shed more than two percent; with Bionomics and Resmed down more than one percent.

#### BIOTECH DAILY TOP 40 INDEX (BDI-40), REVA MEDICAL

In calculating the monthly market capitalization data for the close at May 31, 2012, Biotech Daily discovered a discrepancy between Reva's published data and that provided by the ASX and its data service providers to Commonwealth Securities.

The market capitalization provided by Commsec at the close of May 31, 2012 was \$198 million, but Reva's most recent Appendix 3B said the company had the equivalent of 330,882,030 Chess depositary interests (CDIs) including 22,801,790 shares as CDIs in escrow.

The closing price of 65 cents implies a market capitalization of \$215.1 million.

While the ASX has understated Reva's market capitalization by 7.9 percent in this case, the data discrepancy is not unusual.

Half of Psivida's shares are held off-shore and not included in ASX data and Bioniche has about 10-fold the number of ASX shares on the Toronto exchange.

Until recently, Nanosonics had half its shares in escrow and overnight – according to the ASX - doubled its market capitalization.

One exception to the rule is Resmed, which was being quoted by the ASX as worth about \$500 million when its real value was more like \$4 billion. Resmed has been able to encourage the ASX to provide the correct data, but other companies have been less successful.

The impact of the recalculation on the Biotech Daily Top 40 index has been negligible, causing a 0.2 percent understatement since Reva was promoted into the Second 20 on September 1, 2011. This has been corrected.

#### STARPHARMA

Starpharma says it has enrolled 60 percent of the patients in its two phase III trials of Vivagel for bacterial vaginosis.

In March 2012 Starpharma said it expected to enroll 220 patients in each of the two US pivotal phase III clinical trials (BD: Mar 22, 2012).

Starpharma said that one of the trials has enrolled more than 80 percent of the targeted enrolment.

The company said that it was on-track to meet its commercial milestones and when the phase III trials were completed, it would submit a new drug application to the US Food and Drug Administration and begin to engage in licencing negotiations.

Starpharma fell eight cents or 5.5 percent to \$1.37 with 1.1 million shares traded.

#### IMMURON

Immuron says that Health Canada has accepted for review Paladin Labs' non-traditional product licence application for Travelan for the prevention of travelers' diarrhea.

Paladin Labs interim chief executive officer Mark Beaudet said he was pleased the application had been accepted and said that most over-the-counter products "only treat the symptoms of traveler's diarrhea".

"We expect that Travelan will benefit Canadians because it helps prevent traveler's diarrhea before it even begins," Mr Beaudet said.

Immuron said that Paladin acquired the exclusive rights to market and sell Travelan in Canada, Latin America and Sub-Saharan Africa in November 2011.

Immuron chief executive officer Joe Bains said the filing was "another important milestone for Travelan and Immuron".

Immuron fell 0.1 cents or 5.3 percent to 1.8 cents with 500,000 shares traded.

### QRX PHARMA

Four Hats Financial Services has ceased its substantial holding in QRX, selling 21,000 shares for \$38,190 or \$1.819 per share.

The Sydney-based Four Hats said it was acting for Nayang Innovation Fund and had not previously issued a substantial shareholder notice.

QRX chief financial officer Chris Campbell told Biotech Daily that Four Hats was a founding investor in September 2002, through the \$2 a share initial public offer in May 2005 and had been a strong and loyal supporter of the company particularly through its late principal Dr Mike Hirshorn (BD: Nov 18, 2011).

With more than \$144.6 million shares on offer, Biotech Daily believes Four Hats is just below the five percent substantial shareholder level.

QRX fell half a cent or 0.3 percent to \$1.81.

### AGENIX

Agenix has appointed Dr Paul Resnick as its business advisor to focus on its blood clot diagnostic, Thromboview.

Agenix described Dr Resnick as an “international biomedical business development expert” and the former head of business development at the US-based Intellikine Inc. Agenix said that at Intellikine, Dr Resnick “played a key role in securing a \$489 million program licencing deal and the subsequent sale of the business in December 2011 to Japan’s Takeda Pharmaceutical Co for \$310 million.

The company said that Dr Resnick was previously Pfizer’s senior director of business development and held roles at Rinat Neuroscience, Intermune, Roche Pharmaceuticals and practiced medicine.

Agenix was unchanged at 0.4 cents with 2.5 million shares traded.

### OMI HOLDINGS

OMI has requested a trading halt pending “an announcement in relation to a proposed acquisition and capital raising”.

Trading will resume on June 6, 2012 or on an earlier announcement.

OMI was formerly known as Occupational and Medical Innovations, went into voluntary administration on December 31, 2009 and in May 2010 entered into a deed of company arrangement with Sun Biomedical.

In September 2010, the company said it hoped to return to trading following two placements to raise \$2,550,000 to continue development of safer needles and related technologies (BD: Sep 21, 2010).

OMI said in November 2010 it returned to trading with \$1.8 million in cash saying that it had an agreement with Chelsea Medical Services to provide services “in particular in relation to the commercialization of the OMI Sharsafe [syringe container]”.

In 2011 OMI said it had acquired a tin project in Uganda (BD: May 19, 31, 2011).

OMI was untraded at 0.3 cents.

### ISONEA (FORMERLY KARMELSONIX)

Isona says it has launched its first asthma management smartphone application, Asthmasense.

Isona said Asthmasense would be available on Apple Iphones and I pads and the Google developed Android mobile telephone system.

Isona said that Asthmasense was “the most comprehensive, easy to use smartphone app designed to help people improve the way they live with and manage asthma”.

The company said the product launch was expected to trigger immediate revenues from application downloads.

Isona said the application would be available from the Apple App Store, Google Play and Amazon App Stores for android users and cost \$US3.99.

The company said that users would be able to input their personalized, physician recommended asthma action plan into the application, which would ensure that users were tracking their own plan with active reminders.

Isona said it enabled symptoms, medication use and lung function testing data to be recorded and would displays the user’s trends in an easy-to-read graphical format.

Isona said that unlike other asthma applications that delivered limited functionality, its Asthmasense was “a comprehensive, personalized tool that brings together everything a person with asthma needs to better manage their condition, including alerts when symptoms suggest that risk of an attack has increased”.

The company said that Asthmasense was the foundation for a family of future asthma management smart applications to be released in the coming months, including one that would combine its Acoustic Respiratory Monitoring sensory technology and diagnostic algorithms into mobile health platforms.

Isona fell 0.1 cents or 25 percent to 0.3 cents with 6.8 million shares traded.