



# Biotech Daily

Friday July 27, 2012

*Daily news on ASX-listed biotechnology companies*

- \* **ASX, BIOTECH UP: OPTISCAN UP 15%, GENETIC TECHNO DOWN 21%**
- \* **SUNSHINE HEART TO RAISE \$28m FOR PIVOTAL C-PULSE TRIAL**
- \* **UNIVERSAL BIOSENSORS \$1.5m SIEMENS TEST STRIP MILESTONE**
- \* **GERMANY APPROVES PSIVIDA'S ILUVIEN**
- \* **CORRECTION: CELLMID**
- \* **KAI MEDICAL SLEEP TREATMENT BACKDOORS INTO NOVOGEN**
- \* **USCOM HAS LESS THAN TWO QUARTERS CASH; MORE COMING**
- \* **ACTINOGEN HAS ONE QUARTER CASH; MORE COMING**
- \* **DR STEWART WASHER REPLACES ISONEA CHAIR ROSS HAGHIGHAT**

## MARKET REPORT

The Australian stock market climbed 1.5 percent on Friday July 27, 2012 with the S&P ASX 200 up 62.1 points to 4,209.8 points.

Sixteen of the Biotech Daily Top 40 stocks were up, six fell, 10 traded unchanged and eight were untraded.

Optiscan was the best, up one cent or 15.4 percent to 7.5 cents with 190,000 shares traded, followed by Patrys up 10.5 percent to 2.1 cents with 50,000 shares traded.

Cellmid climbed 6.7 percent; Impedimed and Universal Biosensors were up more than four percent; Alchemia and Avita were up more than three percent; Acrux, Cochlear, CSL, Mesoblast, QRX, Starpharma and Viralytics rose two percent or more; with Circadian, Clinuvel, Nanosonics and Tissue Therapies up more than one percent.

Yesterday's 21.7 percent best, Genetic Technologies, led the falls, down three cents or 21.4 percent to 11 cents with 953,165 traded, followed by Sunshine Heart down 11.5 percent to 4.6 cents with one million shares traded.

Benitec lost 5.6 percent; Prima fell four percent; Biota shed 2.9 percent; with Heartware down 1.6 percent.

## SUNSHINE HEART

Sunshine Heart wants shareholders to approve a capital raising of \$US28,750,000 (\$A27,663,000) for a pivotal trial of the C-Pulse aorta cuff heart pump.

In documents filed to the ASX on July 18 and today, entitled 'Overseas filing', Sunshine Heart, which last night had a market capitalization of \$53.5 million, said it would ask shareholders to approve the issue of up to 10,000,000 US shares of common stock, equivalent to 2,000,000,000 Chess depositary interests (CDIs) for the trial and operations. Sunshine Heart chief financial officer Jeff Mathieson told Biotech Daily that the company requested the flexibility to issue up to 10,000,000 shares of common stock, but would only need to issue shares for the funds required.

Mr Mathieson said that the US Securities and Exchange Commission would not allow the company to notify Australian shareholders through the ASX, in plain language, that it was raising capital for the pivotal trial, other than in the SEC forms provided.

Mr Mathieson said that annual general meeting was scheduled for August 9, 2012 in Minneapolis, Minnesota, and the capital raising was expected to be completed at the same time as the meeting or shortly after, pending SEC review processes.

Mr Mathieson said the company expected to file its investigational device exemption application to the US Food and Drug Administration and begin the trial by the end of 2012. The meeting will also ask shareholders to elect directors chief executive officer Dave Rosa and GBS Venture Partners' managing partner, Dr Geoff Brooke.

Other resolutions include the issue of 256,875 US shares and 85,616 warrants (options) to investors, Summer Street research Partners, in relation to the \$2.1 million February placement and approve the equity incentive plan (BD: Feb 9, 2012).

The meeting will be held on August 9, 2012 at Faegre Baker Daniels LLP, 2200 Wells Fargo Center, 90 South Seventh Street, Minneapolis, Minnesota at 8am US CDT (11pm AEST).

Sunshine Heart fell 0.6 cents or 11.5 percent to 4.6 cents with one million shares traded.

## UNIVERSAL BIOSENSORS

Universal Biosensors says it has earned \$US1.5 million for its second milestone in its point-of-care coagulation testing collaboration with Siemens Healthcare Diagnostics.

Universal Biosensors said the milestone related to proof-of-technical-feasibility of a third test strip for the commercialization of a range of novel handheld analyzers.

The company said the \$US1.5 million milestone, brought the total milestone payments from Siemens, to date, to \$US6 million.

Universal Biosensors said the 2011 agreement, provided for it to develop a range of test strips and reader products for Siemens (BD: Sep 9, 2011).

The company said that Siemens contributed to development costs through the \$3 million up-front fee as well as a series of six milestone payments.

Universal Biosensors said the first product, expected to be launched in 2013, was a version of its blood-clotting prothrombin time and international normalized ratio (PT/INR) test used to monitor the application of the anti-coagulant therapy, Warfarin.

The company said that the new test strip had passed technical feasibility in the development milestone and would form the basis of a product to be commercialized by Siemens following the launch of the PT-INR test.

Universal Biosensors chief executive officer Paul Wright said he was "very pleased" the development work with Siemens was on-track and it was "particularly exciting to have laid the groundwork for the commercialization of three point-of-care coagulation tests".

Universal Biosensors was up 2.5 cents or 4.35 percent to 60 cents.

### PSIVIDA

Psivida says Germany has become the fifth European country to grant marketing authorization for Iluvien for diabetic macular oedema.

Psivida said the Bundesministerium für Gesundheit granted the authorization and Iluvien was also approved in Austria, France, Portugal and the UK, with the two remaining concerned members states in the EU decentralized regulatory procedure Italy and Spain. The company said that more than five million people were living with diabetes in Germany, with more than 215,000 people suffering from vision loss associated with diabetic macular oedema.

Psivida has previously said it was entitled to 20 percent of net profits on sales by licensee Alimera and, in the event Alimera sublicences in certain countries, it would be entitled to 20 percent of royalties and 33 percent of non-royalty consideration (BD: Jul 19, 2012).

Psivida was untraded at \$2.30.

### CORRECTION: CELLMID

Last night's edition incorrectly said in the lead headline that Cellmid had fallen 14 percent, despite other references to the share price falling 6.25 percent.

The Lead Headline Sub-Editor has been seconded to the Bank of England to assist with the London Interbank Offer Rate (Libor), where he can do less harm.

Cellmid was up 0.1 cents or 6.7 percent to 1.6 cents with 1.5 million shares traded.

### NOVOGEN

Novogen says it will merge with the Delaware US company Kai Medical to commercialize sleep apnoea devices and wireless respiration monitoring technology.

Novogen said the agreement was subject to conditions including due diligence and shareholder approval.

Novogen chairman William Rueckert said the company was "very pleased to be able to enter into a relationship with Kai Medical that provides Novogen shareholders with an opportunity to participate in the growth and success of Kai Medical's revolutionary sleep apnoea therapy device".

Kai chief executive officer Bob Nakata said his company recently received its Conformité Européenne (CE) mark for Kai Apnea which he described as "more comfortable to use and will likely have higher compliance than most other sleep apnoea devices".

Novogen said that prior to the Kai merger and subject to shareholder approval, it would undertake a capital reduction and in specie distribution to the Novogen shareholders of its shares of MEI Pharma, formerly Marshall Edwards.

Mr Rueckert said the distribution would allow each shareholder to own their proportionate share of the MEI Pharma shares now held by Novogen as well as their Novogen shares after the merger with Kai Medical.

Novogen said the glucan technology assets would not be acquired by Kai Medical and they would be sold to the private US company TR Therapeutics in the next few days.

The company said the shareholders meeting to approve the merger was expected to be held in mid-September 2012.

Novogen was untraded at 7.7 cents.

### USCOM

Uscom says its net operating cash burn for the three months to June 30, 2012 was \$368,997 with cash at the end of the quarter of \$544,463.

Uscom executive chairman Rob Phillips told Biotech Daily that the company had reduced costs and was expecting increasing revenues from the sale of its ultra-sonic cardiac output monitors.

Mr Phillips said Uscom was “in the process of conducting a modest capital raising and expected to have funds, shortly”.

Uscom was untraded at 10 cents.

### ACTINOGEN

Actinogen says its net operating cash burn for the three months to June 30, 2012 was \$190,000 with cash at the end of the quarter of \$204,000.

Actinogen company secretary Shoshanna Zohar told Biotech Daily that the company was expecting a further \$900,000 from rights issue shortfall applications (BD: May 16, 2012).

Actinogen was untraded at 3.5 cents.

### ISONEA

Isona says it has appointed Dr Stewart Washer as chairman, replacing Ross Haghighat who will be the company's vice-executive chairman.

The company's chief executive officer is the US-based Michael Thomas.

Isona said Dr Washer had 15 years experience as a chief executive officer and director of medical device, drug development and agricultural food companies.

The company said Dr Washer was previously a venture partner with Nestlé fund Inventages and was currently investment director with Octa Phillip Bioscience Managers, formerly Intersuisse Biosciences.

Isona said Dr Washer was previously chief executive officer of Calzada, Phylogica and of Celentis and had served as chairman of Resonance Health and Hatchtech and was a director of Iceutica and Ausbiotech.

The company said Dr Washer was formerly a senator at Murdoch University and continued as a director of Immuron.

Isona said Mr Haghighat would focus on US investor relations.

Isona was unchanged at 0.3 cents.