



# Biotech Daily

Wednesday August 1, 2012

*Daily news on ASX-listed biotechnology companies*

- \* **BDI-40 MAINTAINS STRONG LEAD OVER ASX200**
  - JULY BDI-40 UP 2%, ASX200 UP 4%, BIG CAPS UP 6%
- \* **TODAY: ASX, BIOTECH EVEN: BIONOMICS UP 16%, PHYLOGICA DOWN 8%**
- \* **PHOSPHAGENICS APPOINTS NEURA GROUP FOR PAIN CONSULTING**
- \* **IMUGENE TAKES LINGUET, CONSEGNA TAKES 29% OF IMUGENE**
- \* **CONSEGA HAS LESS THAN ONE QUARTER CASH; \$6m FACILITY**
- \* **PHARMAUST HAS LESS THAN ONE QUARTER CASH; \$1m PLACEMENT**
- \* **ISONEA HAS ONE QUARTER CASH; OPTIONS OPEN**
- \* **SELECT VACCINES GONE COAL, URANIUM MINING IN AFRICA**

## MARKET REPORT

The Australian stock market slipped 0.15 percent on Wednesday August 1, 2012 with the S&P ASX 200 down 6.4 points to 4,262.8 points.

Eleven of the Biotech Daily Top 40 stocks were up, 11 fell, eight traded unchanged and 10 were untraded. All three Big Caps fell.

Bionomics was the best, up four cents or 16.0 percent to 29 cents with 96,191 shares traded.

Prima and Viralytics climbed more than four percent; Bioniche, Phosphagenics and Prana were up more than three percent; Pharmaxis and QRX rose more than two percent; with Clinuvel, Mesoblast and Sirtex up by less than one percent.

Phylogica led the falls, down 0.4 cents or 11.1 percent to 3.2 cents with 602,571 shares traded, followed by Patrys down 9.1 percent to two cents with 500,000 shares traded.

Anteo lost 7.25 percent; Antisense was down 6.25 percent; Benitec and Cellmid fell more than five percent; Psivida was down 3.6 percent; Impedimed shed 2.3 percent; Acrux and Starpharma were down more than one percent; with Cochlear, CSL, Heartware and Resmed down by less than one percent.

### BIOTECH DAILY TOP 40 INDEX (BDI-40)

Both the Biotech Daily Top 40 Index (BDI-40) and the S&P ASX200 were up in July, climbing 2.2 percent and 4.2 percent, respectively.

While the BDI-40 has maintained its strong six-year lead over the benchmark index, the charts below show that, for the last 12 months, the two indices are roughly synchronized for the first time, implying that the leading biotechnology companies have suffered the same US and European vagaries as the ASX, despite the economic disconnect.

But the three Big Caps of Cochlear, CSL and Resmed (which are not included in the BDI-40) have told a different story, rising a collective 5.6 percent for the month and 23.1 percent for the year, compared to the BDI-40 and ASX200 falling for the 12 months to July 31, 2012. The BDI-40 lost 14.6 percent for the year and the ASX200 fell 3.5 percent.

CSL was up 33.5 percent to a market capitalization of \$21,632 million, for the year to July 31, 2012, while Cochlear fell 6.7 percent and Resmed improved 11.7 percent. In July, Cochlear climbed 2.3 percent and Resmed slipped 0.3 percent.

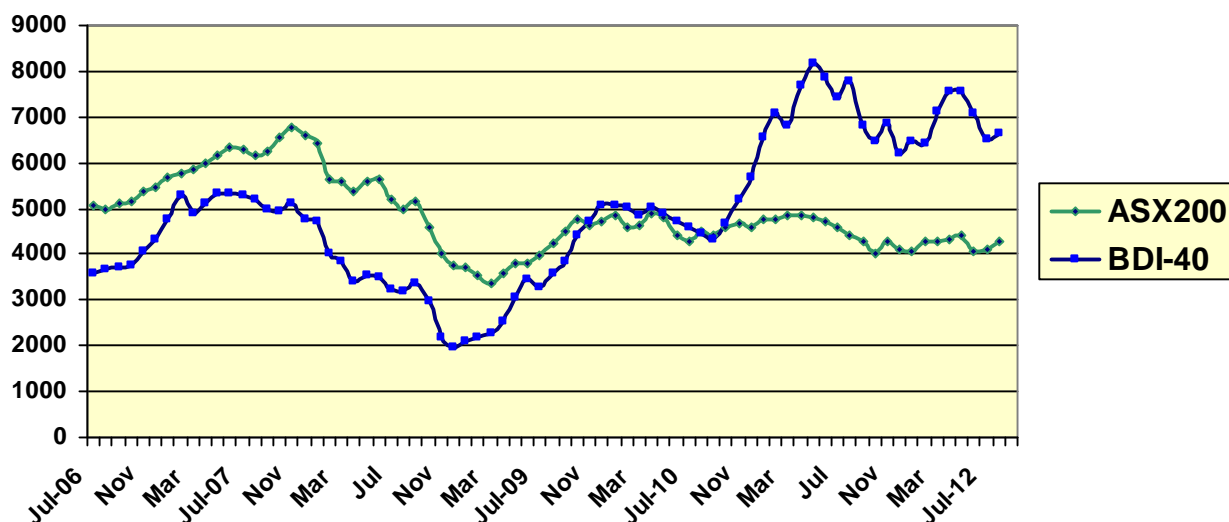
For the 73 months since inception on June 30, 2006, the BDI-40 was up 86.5 percent, compared to the S&P ASX200 falling 15.9 percent.

In July, 24 of the BDI-40 companies were up, 14 fell and two were unchanged. Mesoblast's \$85 million increase compensated for Acrux's \$71 million fall, with Pharmaxis, Starpharma and Prima adding \$26 million, \$25 million and \$21 million, respectively.

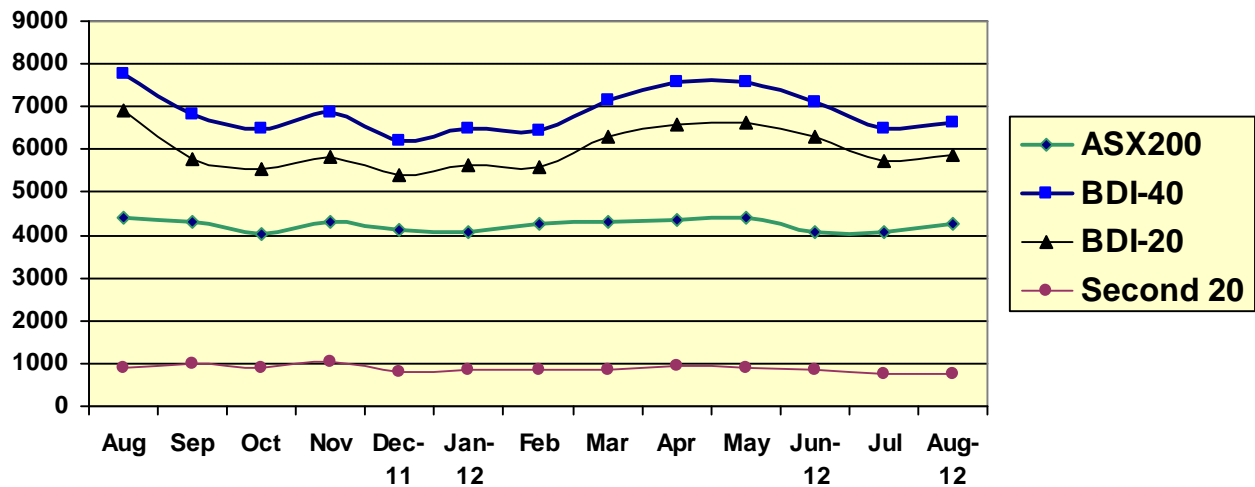
Sunshine Heart was July's best, up 72.0 percent to \$43 million; followed by Ellex up 54.5 percent to \$17 million; and Bioniche recovering 41.5 percent to \$58 million. Cellmid and Patrys were both up 28.6 percent from low bases; Compumedics and Uscom were up 20 percent; Prima (19.6%); QRX (18.4%); Clinuvel (16.0%); and Psivida (13.0%).

Phylogica led the falls, down 20 percent to \$16 million; followed by Optiscan (15.4%); Avita, Bionomics and Impedimed all fell 11.3 percent; Reva (11.2%) and Acrux (10.1%).

BDI-40 v ASX200 June 30, 2006 To July 31, 2012



BDI-40 v ASX200 July 31, 2011 To July 31, 2012



### PHOSPHAGENICS

Phosphagenics says it has appointed pain consulting company, Neura Group for commercial and development advice for its TPM-oxycodone patch program.

Phosphagenics said the US-based Neura Group was the consulting unit of pain specialty company, Neura Therapeutik, established by former Johnson & Johnson, Pfizer and King Pharmaceuticals executives in 2010 and had experience in the commercialization and development of analgesics.

The company said that members of Neura's management team had launched some of the largest US analgesic brands, including the first transdermal pain patch, Duragesic and Vicodin ES tablets.

Phosphagenics chief executive officer Dr Esra Ogru said the partnership would assist with development, approval, partnering and marketing and the companies would collaborate to ensure all appropriate commercial parameters were considered in the design of the pivotal phase III tocopheryl phosphate mixture (TPM) oxycodone program.

"Together with our existing pain advisory board ... the appointment of Neura will ensure the development of a commercially relevant product," Dr Ogru said.

Phosphagenics said that ongoing patch optimization by Germany's Labtec GmbH had shown "very promising results .... in in-vitro studies, undertaken to validate the delivery and stability attributes of the patch".

Dr Ogru said that a returning to the clinic before the end of the year with an improved patch that had no crystallization issues was on-track.

Phosphagenics was up half a cent or 3.6 percent to 14.5 cents.

### CONSEGNA, IMUGENE

Consegna says it has completed the sale of its Linguet technology to Imugene for 100,000,000 Imugene shares.

Consegna said that it was a substantial shareholder in Imugene with 29 percent of the company and that Consegna chief executive officer Fabio Panutti had been appointed Imugene chairman replacing Graham Dowland.

Consegna fell 0.2 cents or 11.1 percent to 1.6 cents.

Imugene was untraded at 1.4 cents.

### CONSEGNA GROUP

Consegna says its net operating cash burn for the three months to June 30, 2012 was \$1,188,000 with cash at the end of the quarter of \$449,000.

Last month Consegna said it had a \$5,675,000 equity draw down facility with the New York-based Lind Partners (BD: Jul 16, 2012).

### PHARMAUST

Pharmaust says its net operating cash burn for the three months to June 30, 2012 was \$180,000 with cash at the end of the quarter of \$123,000.

Yesterday, Pharmaust said it hoped to raise \$1 million in a placement (BD: Jul 31, 2012). Pharmaust was unchanged at 1.2 cents.

### ISONEA

Isona says its net operating cash burn for the three months to June 30, 2012 was \$1,122,000 with cash at the end of the quarter of \$1,336,000.

Last month Isona received shareholder approval to raise about \$300,000.

Isona chairman Dr Stewart Washer told Biotech Daily that the company was considering all options including a potential capital raising, at the appropriate time.

Isona was up 0.4 cents or eight percent to 5.4 cents.

### SELECT VACCINES

Select Vaccines has been suspended from trading following overwhelming shareholder approval to become Select Exploration and mine coal and uranium in Africa.

In 2007, Select Vaccines said it would collaborate with Avant Immunotherapeutics of Massachusetts, to develop and commercialize products using virus-like particle technology, but Avant entered a merger agreement with Celldex Therapeutics and the licence with Select Vaccine was terminated "due to strategic considerations in the new merged entity rather than technical reasons" (BD: Feb 12, Nov 5, 2007).

Later that year, the company said it had produced a virus-like particle vaccine candidate containing a protein targeted by vaccine companies because it had the potential for cross-protection against all strains of type A flu, including the bird flu, H5N1 (BD: Dec 21, 2007).

In 2008, Select said its Anavax H5 avian influenza vaccine candidate "successfully produced an immune response in mice" (BD: Jul 8, 2008) and later that year sought to partner the vaccine.

In 2010, Select's former chief executive officer Martin Soust was disqualified from managing corporations for 10 years, fined \$80,000 and ordered to pay legal costs for market manipulation on December 31, 2007, in an attempt to secure a \$24,500 bonus, by buying shares in his mother's name (BD: Jan 16, 2009; Feb 16, Apr 10, 2010).

Dr Soust resigned as chief executive officer on August 31, 2008.

In September 2008, Julie Nutting, now Biodiem chief executive officer Julie Phillips, was appointed chief executive officer.

In July 2009, Robin Beaumont resigned as a director and chairman and in September 2010, current and continuing directors Ian MacIver and Mark Titchener and company secretary Phil Warren were appointed.

According to ASX data, Select traded as high as 28.5 cents in 2003, falling to 2.4 cents in July 2006 and down to its present 0.4 cents.

## BIOTECH DAILY'S TOP 40 WITH MARKET CAPITALIZATION

<b>Company \$Am</b>	<b>Aug-2011</b>	<b>Jul-2012</b>	<b>Aug-2012</b>
Cochlear	4,022	3,671	3,754
CSL	16,203	20,099	21,632
Resmed	4,220	4,731	4,715
<b>BDI-20</b>			
Acrux	683	704	633
Alchemia	136	126	139
Bionomics	221	97	86
Biota	175	129	123
Clinuvel	52	50	58
Genetic Technologies	86	58	56
Heartware	892	1,221	1,227
Impedimed	102	44	39
Living Cell	20	19	18
Mesoblast	2,549	1,704	1,789
Nanosonics	177	133	133
Pharmaxis	251	317	343
Phylogica	28	20	16
Prima	261	107	128
QRX Pharma	207	87	103
Sirtex	284	340	354
Starpharma	383	388	413
Sunshine Heart	39	25	43
Tissue Therapies	95	76	81
Universal Biosensors	172	89	95
<b>Second 20</b>			
Allied Health	34	14	15
Anteo	56	57	53
Antisense	8	23	21
Avita	30	44	39
Benitec	25	17	18
Bioniche	96	41	58
Cellmid	9	7	9
Circadian	27	17	19
Compumedics	13	10	12
Ellex	15	11	17
Genera	11	13	13
Neuren	15	26	27
Optiscan	13	13	11
Patrys	21	7	9
Phosphagenics	107	148	143
Prana	45	43	45
Psivida	88	46	52
Reva	256	205	182
Uscom	11	5	6
Viralytics	36	19	18

\* Biotech Daily editor, David Langsam, owns shares in Alchemia, Allied Health, Biota, Neuren, Pharmaxis and non-biotechnology stocks. Through Australian Ethical Superannuation he has an indirect interest in Atcor, Avita, Circadian, Pharmaxis and QRX. These holdings are liable to change.

**Biotech Daily can be contacted at: PO Box 5000, Carlton, Victoria, Australia, 3053**  
**email: [editor@biotechdaily.com.au](mailto:editor@biotechdaily.com.au); [www.biotechdaily.com.au](http://www.biotechdaily.com.au); twitter: @biotech\_daily**