



Biotech Daily

Thursday August 30, 2012

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH DOWN: GENETIC TECHNO UP 28%, PRIMA DOWN 10%**
- * **FOX FOUNDATION PAYS PRANA \$199k PBT434 PARKINSON'S MILESTONE**
- * **ELLEX REVENUE UP 10% to \$48m, LOSS TURNS TO \$1m PROFIT**
- * **LIVING CELL REVENUE UP 115% TO \$3.8m, TURNAROUND \$6.3m PROFIT**
- * **GI DYNAMICS H1 REVENUE UP 298% TO \$220k, LOSS FLAT AT \$11m**
- * **GENETIC TECHNOLOGIES SUES REPRODUCTIVE GENETICS INSTITUTE**
- * **CBIO APPROVES INVERSEON MERGER VOTES TO BECOME INVION**
- * **CLARIFICATION: CBIO**
- * **PARADICE FALLS BELOW 5% OF ACRUX**

MARKET REPORT

The Australian stock market fell 0.93 percent on Thursday August 30, 2012 with the S&P ASX 200 down 40.7 points to 4,315.7 points.

Ten of the Biotech Daily Top 40 stocks were up, 14 fell, nine traded unchanged and seven were untraded.

Genetic Technologies was the best, up 2.6 cents or 27.7 percent to 12 cents with 4.5 million shares traded, followed by Uscom up 17.2 percent to 17 cents with 30,000 shares traded and Impedimed up 12.5 percent to 18 cents with 88,800 shares traded.

Sunshine Heart climbed 6.25 percent; Prana was up 5.9 percent; Tissue Therapies was up 3.6 percent; Nanosonics and Sirtex rose more than two percent; CSL was up 1.9 percent; with Biota, Mesoblast and Resmed up by less than one percent.

Prima led the falls, down 1.5 cents or 10.0 percent to 13.5 cents with 6.1 million shares traded.

Patrys lost 8.7 percent; Psivida was down 6.3 percent; Cellmid lost 5.9 percent; Clinuvel fell 4.6 percent; Allied Health, Anteo, Pharmaxis and Phylogica were down more than three percent; Alchemia, Bionomics and Universal Biosensors were down more than one percent; with Acrux, Cochlear and Heartware down by less than one percent.

PRANA BIOTECHNOLOGY

Prana says the Michael J. Fox Foundation has paid a \$US206,000 (\$A199,000) milestone for progressing Parkinson's compound PBT434 through preclinical development studies. Prana said PBT434 had achieved all of its milestones in preclinical toxicology studies, geno-toxicity and safety pharmacology, allowing the compound to be positioned for larger scale animal toxicology studies prior to commencing clinical trials.

The company said that PBT434 was an orally available compound that easily crossed into the brain and was able to exert potent neuro-protective properties.

Prana said that PBT434 preserved the substantia nigra brain tissue in Parkinson's disease that degenerated over time.

Prana said that by preserving the substantia nigra its scientists had demonstrated significant restoration of motor coordination and strength in animal models.

The company said that PBT434 has been shown to impede the iron-induced oxidative damage and neuro-toxic cascade that kills the substantia nigra and its mechanism of action offered a novel disease modifying therapeutic strategy in contrast to the currently marketed symptomatic agents that, at best, serve to reduce the side effects of the disease rather than alter its course.

Prana executive chairman Geoffrey Kempler said that based on the efficacy studies and the completion of preclinical development assessments, "Prana will look to move PBT434 into longer term toxicology studies in parallel to our scale up manufacturing plans"

"All being well, we could file an [investigational new drug application] by the end of next year and commence clinical trials in 2014," Mr Kempler said.

Prana was up one cent or 5.9 percent to 18 cents.

ELLEX MEDICAL LASERS

Ellex says that revenue for the 12 months to June 30, 2012 was up 10 percent to \$47,504,000, turning last year's \$700,000 loss to a net profit after tax of \$1,050,000.

The company said that net tangible asset backing per share was up 4.7 percent to 19.8 cents and diluted earnings per share was 1.2 cents for the year to June 30, 2012 compared to a loss of 0.8 cents for the previous corresponding period.

Ellex said it had \$1,849,000 in cash and cash equivalents at June 30, 2012, compared to \$1,744,000 at the end of the previous financial year.

Ellex was unchanged at 19 cents.

LIVING CELL TECHNOLOGIES

Living Cell has declared a net profit after tax for the 12 months to June 30, 2012 of \$6,348,000 on revenue up 115 percent to \$3,837,000.

Living Cell said that the turnaround "was mainly due to the gain on sale of intellectual property to [Diatranz Otsuka] of \$11,183,000" partially offset by the 50 percent share of Diatranz Otsuka's loss for the eight months.

Living Cell said that revenue for the year was \$3,837,000 compared to \$307,000 in the previous year and came from research and development and administrative services provided to Diatranz Otsuka from November 1, 2011.

The company said diluted earnings per share was 1.7 cents compared to the previous year's loss of 2.3 cents a share.

Living Cell said it had \$3,170,000 in cash and cash equivalents at June 30, 2012, compared to \$4,711,000 at June 30, 2011.

Living Cell was unchanged at 4.7 cents.

GI DYNAMICS

GI Dynamics says that revenue for the six months to June 30, 2012, was up 298.2 percent to \$US227,000 (\$A220,000), with the net loss after tax up 0.3 percent to \$US11,112,000 (\$A10,751,000).

GI Dynamics said the increased revenue was a result of increased sales of its Endobarrier obesity and type 2 diabetes treatment.

The company said that net tangible assets per share of US common stock was up 66.1 percent to 98 US cents at June 30, 2012 compared to 59 US cents at June 30, 2011.

GI Dynamics said its diluted loss per US share fell 93.9 percent from \$US3.28 at June 30, 2011 to 20 US cents at June 30, 2012.

GI Dynamics issued a large number of shares last year related to its listing on the ASX (BD: Aug 30, 2011).

The company said that it had cash and cash equivalents of \$US55,383,000 at June 30, 2012 compared to \$US66,152,000 at June 30, 2011.

GI Dynamics fell three cents or 3.5 percent to 82 cents.

GENETIC TECHNOLOGIES

Genetic Technologies says it has filed a patent infringement suit relating to its non-coding DNA technologies against the Chicago-based Reproductive Genetics Institute Inc.

Genetic Technologies said the legal action was filed in the US District Court for the Northern District of Illinois, Eastern Division.

Genetic Technologies was up 2.6 cents or 27.7 percent to 12 cents with 4.5 million shares traded.

CBIO

CBio says that all resolutions at its extraordinary general meeting to merge with Inversion and change name to Invion have been approved (BD: Aug 29, 2012).

The closest vote, to issue shares to non-Inverseon associates was passed with 69,314,327 proxy votes (78.1%) in favor with 19,402,808 proxy votes (21.9%) against.

The resolution to change the company name was passed by a similar margin, just above the 75 percent minimum required for the resolution.

The meeting voted to approve Inversion's Dr William Garner and Dr Mitchell Glass as directors along with Dr James Campbell and Brett Heading.

CBio company secretary Melanie Farris told Biotech Daily that the company expected the merger and name change to be completed within the next two weeks.

CBio was untraded at 4.5 cents.

CBIO

Last night's edition reported ASX data that at September 15, 2011, Basildene Pty Ltd, a company associated with director Warren Brown had reduced from 5.50 percent to 2.94 percent.

CBio has told Biotech Daily that Basildene was part of a shareholder action group that worked together to remove the previous board after XToll failed to meet its phase II trial for rheumatoid arthritis primary endpoint and Basildene had not reduced its holding.

CBio said today that Basildene held 2.97 percent of the company and Mr Brown's entire direct and indirect holding was currently 3.79 percent.

ACRUX

Paradise Investment Management has ceased its substantial shareholder in Acrux with the acquisition of 10,460,036 shares or 6.28 percent.

In its substantial shareholder notice, Paradise said it bought shares from May 4 to July 18 and sold shares from June 29 to August 27, 2012.

The single largest sale was on August 24 with 1,283,770 shares sold for \$4,342,452 or an average price of \$3.38 a share.

In May an initial substantial shareholder notice said that most recently, between March 22 and May 2, 2012, the Sydney-based fund acquired 7,872,063 shares for \$31,453,793 or an average price of \$4.00 a share (BD: May 8, 2012).

The May notice said that the shares were held by National Nominees, JP Morgan Nominees and HSBC Nominees.

Acrux fell two cents or 0.6 percent to \$3.40 with 2.1 million shares traded.