



# Biotech Daily

Monday September 3, 2012

*Daily news on ASX-listed biotechnology companies*

- \* **AUGUST BDI-40 UP 1.2%, ASX200 UP 1.1%, BIG CAPS UP 6%**  
- CSL UP 50% YTD, SUNSHINE HEART UP 56%, PHYLOGICA DOWN 25%
- \* **TODAY: ASX, BIOTECH UP:**  
- LIVING CELL UP 13%, COMPUMEDICS DOWN 19%
- \* **OPTISCAN RAISES \$1m, BERGEN AGREES TO END DRAW-DOWN FACILITY**
- \* **IMMURON SALES UP 110%, REVENUE UP 56%, LOSS DOWN 12%**
- \* **CIRCADIAN REVENUE DOWN 19% TO \$1.5m, LOSS DOWN 53% TO \$5m**
- \* **ADVANCED SURGICAL REVENUE UP 18% to \$9m, LOSS DOWN 95%**
- \* **US PATENT FOR HEALTHLINX TUMOR BIOMARKER AGR2**
- \* **ALLIED HEALTH REVENUE DOWN 5% TO \$6.5m, LOSS UP 411% TO \$10m**
- \* **AVITA REQUESTS CAPITAL RAISING TRADING HALT**
- \* **PRIMA CEO MATTHEW LEHMAN STARTS ON \$316k**
- \* **PRIMA'S MARTIN ROGERS JOINS CONSEGNA'S CHANGING BOARD**

## MARKET REPORT

The Australian stock market was up 0.32 percent on Monday September 3, 2012 with the S&P ASX 200 up 13.6 points to 4,329.7 points. Sixteen of the Biotech Daily Top 40 stocks were up, 12 fell, six traded unchanged and six were untraded. All three Big Caps were up.

Living Cell was the best, up 0.6 cents or 12.8 percent to 5.3 cents with 160,000 shares traded, followed by Prima up 11.1 percent to 15 cents with 4.5 million shares traded. Pharmaxis climbed 7.4 percent; Benitec was up 6.25 percent; Alchemia climbed 5.3 percent; Ellex, Prana, Starpharma, Sunshine Heart and Universal Biosensors rose more than two percent; with Acrux, Bionomics, Mesoblast, QRX, Resmed, Sirtex and Tissue Therapies up more than one percent.

Compumedics led the falls, down two cents or 19.1 percent to 8.5 cents with 379,297 shares traded. Genetic Technologies lost 8.7 percent; Cellmid was down 6.25 percent; Neuren fell 4.35 percent; Optiscan and Phosphagenics were down more than three percent; with Anteo, Circadian, Clinuvel and Heartware down more than one percent.

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

The Biotech Daily Top 40 Index (BDI-40) was slightly better than the S&P ASX200 in August, climbing 1.2 percent and 1.1 percent, respectively.

But the three Big Caps of Cochlear, CSL and Resmed (which are not included in the BDI-40) have again risen a collective 5.6 percent for the month and are up 34.9 percent on August 31, 2011, with CSL the main driver, up 50.1 percent, despite chief executive officer Dr Brian McNamee's ongoing complaints about "currency headwinds".

Resmed was up 27.5 percent for the 12-months to \$5,634 million, with Cochlear down 9.95 percent compared to August 31, 2011, at \$3,874 million. Last September, Cochlear fell significantly on a product recall, and is at its highest level, since then. In August, CSL was up a further 3.0 percent to \$22,286 million.

The BDI-40 lost 1.1 percent for the year to August 31, with the ASX200 up 0.4 percent.

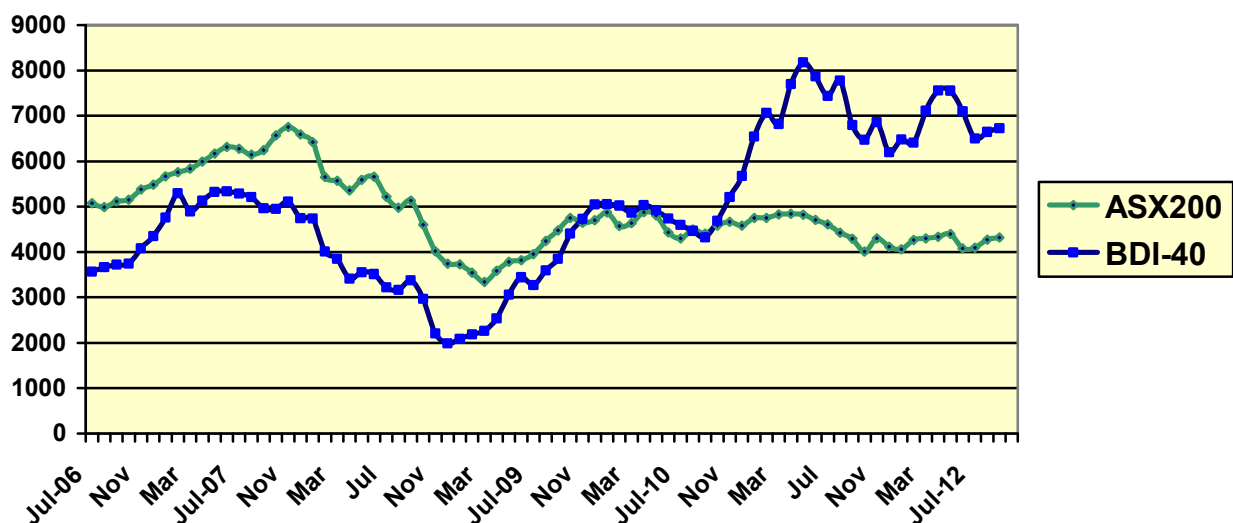
In August, 19 of the BDI-40 companies were up, 17 fell and four were unchanged. Sirtex's \$75 million increase in market capitalization to \$429 million compensated for Acrux's further \$67 million fall, attributed to a delay in the first Axiron sales' milestone payment.

Sunshine Heart was the best for the second month in a row, up 55.8 percent to \$67 million on a \$17 million capital raising; followed by Uscom up 50 percent on small volumes; Allied Health (46.7%); Compumedics (41.7%); Sirtex (21.2%); Prana (20%); Bionomics (18.6%); Optiscan (18.2%); Prima (12.5%); and Alchemia (11.5%).

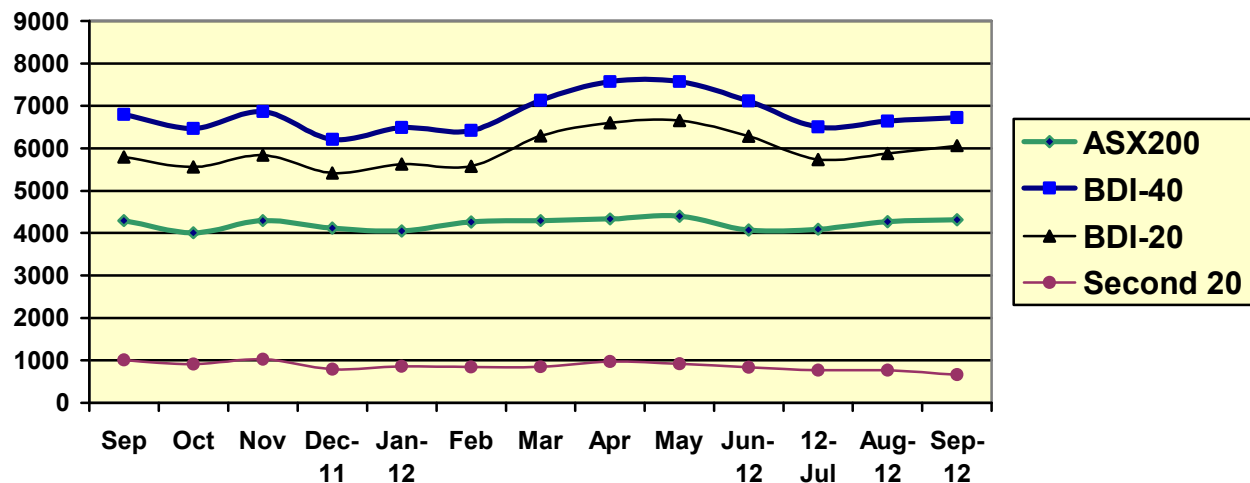
Phylogica led the falls for the second month in a row, down 25 percent to \$12 million; followed by Anteo (20.8%); Avita and Impedimed (15.4%); and Acrux (10.6%).

There are six changes within the BDI-40. Neuren is promoted into the BDI-20 in place of Living Cell, which has moved its very high risk/very high reward xeno-transplant technology into a joint venture; Benitec swaps with Phylogica; and Reva is promoted into the Top 20, while QRX joins the Second 20, awaiting FDA Moxduo approval.

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



## BDI-40 v ASX200 August 31, 2011 To August 31, 2012



## OPTISCAN

Optiscan says it has raised \$1 million through the issue of 13,333,333 shares at 7.5 cents a share.

Optiscan said the funds, "together with other near term income anticipated from sales, milestones and grants will place the company on a sound commercial footing".

The company said that the improved financial status allowed it to terminate the funding facility with Bergen Global Opportunity Fund by mutual consent.

Optiscan said Bergen's equity draw down facility was "invaluable and has facilitated the development of the company" and acknowledged Bergen's flexibility in winding down the facility before the end of its contractual term.

Optiscan said Bergen's outstanding convertible note with a face value of \$200,000 had been increased to \$250,000 and Bergen agreed not to sell those shares for two months.

Optiscan said it would invest more in regulatory resources to facilitate sales; invest in stock and related commitments to allow delivery on time and in volume; and take advantage of technology and market developments over the past 18 months.

Optiscan fell 0.3 cents or 3.3 percent to 8.7 cents.

## IMMURON

Immuron says that revenue the year to June 30, 2012, was up 55.5 percent to \$463,261 reducing its net loss after tax 11.5 percent to \$2,297,520.

Immuron said that sales of Travelan were increasing through distribution agreements with partners for overseas markets and in November 2011, the company received its first upfront licence fee of \$480,215 from Paladin Labs for an initial 15 year licence for the territories of Canada, Latin America and a number of sub-Saharan African countries.

The company said that Travelan volume sales increased in Australia by 112 percent, with a 109.9 percent increase in sales revenues to \$449,012.

Immuron said that diluted loss per share fell 18.3 percent from 0.82 cents in the previous year to 0.67 cents for the year to June 30, 2012.

The company said it had cash and cash equivalents of \$1,443,928 at June 30, 2012, compared to \$750,814 at June 30, 2011.

Immuron said that net tangible assets per share rose 1900 percent from 0.01 cents at June 30, 2011 to 0.2 cents at June 30, 2012.

Immuron fell 0.1 cents or 5.6 percent to 1.7 cents.

### CIRCADIAN

Circadian says its net loss after tax for the 12 months to June 30, 2012 was reduced 52.9 percent to \$4,837,253 on revenue down 19.0 percent to \$1,485,832.

Circadian chief executive officer Robert Klupacs told Biotech Daily that the company earned royalties and licencing income from Eli Lilly for vascular endothelial growth factor (VEGF) receptor antibodies, as well as from the sale of research reagents to other companies.

Royalties and licence fees were up 14.4 percent to \$510,270.

Circadian said that net tangible asset per share fell 12.8 percent from 47 cents at June 30, 2011 to 41 cents at June 30, 2012.

The company said diluted loss per share was 10.39 cents compared with 22.2 cents in the previous corresponding period.

Circadian said it had cash and equivalents of \$16,439,225 at June 30, 2012 compared to \$22,104,414 at June 30, 2011.

Circadian fell half a cent or 1.4 percent to 34.5 cents.

### ADVANCED SURGICAL DESIGN & MANUFACTURE

Advanced Surgical says that revenue the year to June 30, 2012, was up 17.6 percent to \$8,669,000 reducing its net loss after tax 94.7 percent to \$173,000.

Advanced Surgical said that diluted loss per share fell 94.7 percent from 9.25 cents in the previous year to 0.49 cents for the year to June 30, 2012.

The company said it had cash and cash equivalents of \$1,000 at June 30, 2012, compared to \$16,000 at June 30, 2011.

Advanced Surgical said that net tangible assets per share fell 4.7 percent from 11.24 cents at June 30, 2011 to 10.71 cents at June 30, 2012.

Advanced Surgical was untraded at 14.5 cents.

### HEALTHLINX

Healthlinx says the US Patent Office has allowed the patent application entitled 'Antibodies to an epitope of AGR2, assays and hybridomas'.

Healthlinx said AGR2 was a tumor biomarker implicated as having a role in a variety of human tumors including ovarian and prostate cancers.

The company said that the patent covered the generation of antibodies to a unique region of the AGR2 molecule that allowed it to be distinguished from the closely related AGR3 protein.

Healthlinx said the intellectual property protected its rights to develop unique diagnostic tools to the protein that could serve as an important biomarker and/or prognostic marker for several human cancers.

The company said that the AGR2 patent family was owned by the UK's University of Liverpool and was exclusively licenced to Healthlinx on November 9, 2007 for the field of pathology diagnostics and prognostics of cancer and other diseases and would include, but was not be limited to immuno-histochemistry application, multiplex application, enzyme-linked immunosorbent assay (Elisa), mass spectrometry applications and any other undefined platforms or applications.

Healthlinx said the patent had been granted in Europe, Australia and the US and significantly strengthened its position with respect to further development of diagnostic tools to this biomarker and an application was pending examination in Canada.

Healthlinx was up 0.1 cents or 50 percent to 0.3 cents with 1.6 million shares traded.

### ALLIED HEALTH GROUP

Allied Health says its net loss after tax for the 12 months to June 30, 2012 was up 411.8 percent to \$9,995,000 on revenue down 4.6 percent to \$6,460,000.

Allied said that it had "strong sales from its sales and distribution division" generating \$6,460,516 in sales revenue from infusion kits and cardiology supplies, down from \$6,772,776, "primarily due to product range rationalization and some unexpected interruptions to our supply chain .. during the second half of the year".

Allied said that net tangible asset per share fell 55.8 percent from 2.31 cents at June 30, 2011 to 1.02 cents at June 30, 2012.

The company said basic loss per share was 1.507 cents compared with 0.99 cents in the previous corresponding period and it had cash and equivalents of \$2,064,052 at June 30, 2012 compared to \$1,351,518 at June 30, 2011.

Allied Health was unchanged at 2.4 cents.

### AVITA MEDICAL

Avita has requested a trading halt pending the finalizing of a capital raising.

Trading will resume on September 5, 2012 or on an earlier announcement.

Avita last traded at 14 cents.

### PRIMA BIOMED

Prima says Matthew Lehman assumed the role of chief executive officer on September 1, 2012 and starts on a fixed remuneration of \$US325,000 (\$A316,440) a year.

Prima said that along with the fixed remuneration, Mr Lehman would be entitled to a short term incentive and long term incentive, and the company would pay for health insurance, in accordance with US employment conditions, along with the employer contribution for unemployment, Medicare and social security taxes.

The company said that short term incentive payments of up to 10 percent of the fixed remuneration would be available subject to meeting performance hurdles.

Prima said Mr Lehman would be eligible to participate in the issue of options as part of a long term incentive plan, subject to shareholder approval.

Prima was up 1.5 cents or 11.1 percent to 15 cents with 4.5 million shares traded.

### CONSEGNA GROUP

Consegna says former Prima chief executive officer Martin Rogers has been appointed a non-executive director and deputy chairman, effective immediately.

Consegna said chief executive officer Fabio Pannuti would assume the role of executive chairman and chairman Rod Tomlinson would resign from that role and as a non-executive director, but remain chair of the scientific advisory committee.

The company said Mr Rogers was continuing as a director of Prima.

Consegna said Mr Rogers had chemical engineering and science degrees and "a successful track record in incubating companies and publicly listed organizations".

The company said that Mr Rogers had experience in financial, strategic and operational management and had raised more than \$100 million in cash equity.

Consegna said Mr Rogers had been an investor and executive in an advisory business and was on the management committee of the National Breast Cancer Foundation and Trustee of the University of Sydney Physics Foundation and International Science School.

Consegna was up 0.2 cents or 15.4 percent to 1.5 cents with 1.8 million shares traded.

## BIOTECH DAILY'S TOP 40 WITH MARKET CAPITALIZATION

<b>Company \$Am</b>	<b>Sep-11</b>	<b>Aug-12</b>	<b>Sep-12</b>
Cochlear	4,302	3,754	3,874
CSL	14,846	21,632	22,286
Resmed	4,420	4,715	5,634
<b>BDI-20</b>			
Acrux	639	633	566
Alchemia	65	139	149
Benitec	21	18	17
Bionomics	167	86	102
Biota	180	123	125
Clinuvel	44	58	54
Genetic Technologies	88	56	56
Heartware	836	1,227	1,235
Impedimed	91	39	33
Mesoblast	2,229	1,789	1,821
Nanosonics	136	133	130
Neuren	22	27	27
Pharmaxis	212	343	336
Prima	196	128	144
Reva	226	182	182
Sirtex	282	354	429
Starpharma	293	413	421
Sunshine Heart	45	43	67
Tissue Therapies	82	81	74
Universal Biosensors	143	95	92
<b>Second 20</b>			
Allied Health	29	15	22
Anteo	51	53	42
Antisense	8	21	23
Avita	27	39	33
Bioniche	89	58	64
Cellmid	8	9	9
Circadian	28	19	18
Compumedics	15	12	17
Ellex	13	17	16
Genera	10	13	14
Living Cell	20	18	17
Optiscan	13	11	13
Patrys	18	9	10
Phosphagenics	128	143	133
Phylogica	26	16	12
Prana	43	45	54
Psivida	90	52	38
QRX Pharma	192	103	100
Uscom	10	6	9
Viralytics	27	18	20

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

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