



Biotech Daily

Friday March 1, 2013

Daily news on ASX-listed biotechnology companies

- * **FEBRUARY BDI-40 UP 2%, ASX200 UP 4.6%, BIG CAPS UP 5.5%**
- **CELLMID UP 55%, PHARMAXIS DOWN 19%**
- * **TODAY: ASX, BIOTECH DOWN: CIRCADIAN UP 17%, CELLMID DOWN 9%**
- * **MONASH DISCOVERS STI SUSCEPTIBILITY PROTEIN**
- * **PROGEN LICENCES PG454 TO MEDIGEN**
- * **COMPUMEDICS H1 REVENUE DOWN 11% TO \$13m, PROFIT TO \$767k LOSS**
- * **RESONANCE H1 REVENUE DOWN 27% TO \$658k, LOSS UP 80% TO \$431k**
- * **BRAIN H1 REVENUE DOWN 56%, PROFIT TO \$1m LOSS, \$1m PLACEMENT**
- * **BIO-MELBOURNE 'PROTECT R&D' BREAKFAST**

MARKET REPORT

The Australian stock market fell 0.35 percent on Friday March 1, 2013 with the S&P ASX 200 down 18.0 points to 5,086.1 points.

Nine of the Biotech Daily Top 40 stocks were up, 15 fell, nine traded unchanged and seven were untraded.

Circadian was the best, up 4.5 cents or 17.0 percent to 31 cents with 43,495 shares traded, followed by Atcor up 10 percent to 11 cents with 6.9 million shares traded.

Psivida climbed 9.3 percent; Impedimed was up 5.4 percent; Clinuvel and Osprey were up four percent or more; Alchemia was up 3.1 percent; Anteo and GI Dynamics were up more than one percent; with Resmed up 0.9 percent.

Cellmid led the falls, down 0.3 cents or 9.4 percent to 2.9 cents with 20.9 million shares traded.

Pharmaxis fell 8.1 percent; Allied Health lost 6.25 percent; Neuren was down 5.1 percent; Prana and Prima fell more than four percent; Medical Developments, Tissue Therapies and Viralytics were down more than three percent; Mesoblast shed 2.4 percent; Cochlear, Genetic Technologies and Sirtex were down more than one percent; with CSL, Heartware, Starpharma and Universal Biosensors down by less than one percent.

BIOTECH DAILY TOP 40 INDEX (BDI-40)

The ASX200 ended February up 4.6 percent at 5,104, while the Biotech Daily Top 40 index (BDI-40) was up 2.0 percent to a collective market capitalization of \$7,111 million.

The three Big Caps of Cochlear, CSL and Resmed, (which are not included in the BDI-40) were up 5.5 percent in February and 63.7 percent for the year to February 28, 2013 compared to the ASX200 up 18.75 percent and the BDI-40 down 0.3 percent for the year.

Cochlear retreated 12.25 percent in February following its half-yearly report, while CSL climbed 9.2 percent and Resmed was up 2.6 percent for the month.

Twenty of the Biotech Daily Top 40 index (BDI-40) companies were up, 14 fell and six were unchanged in February.

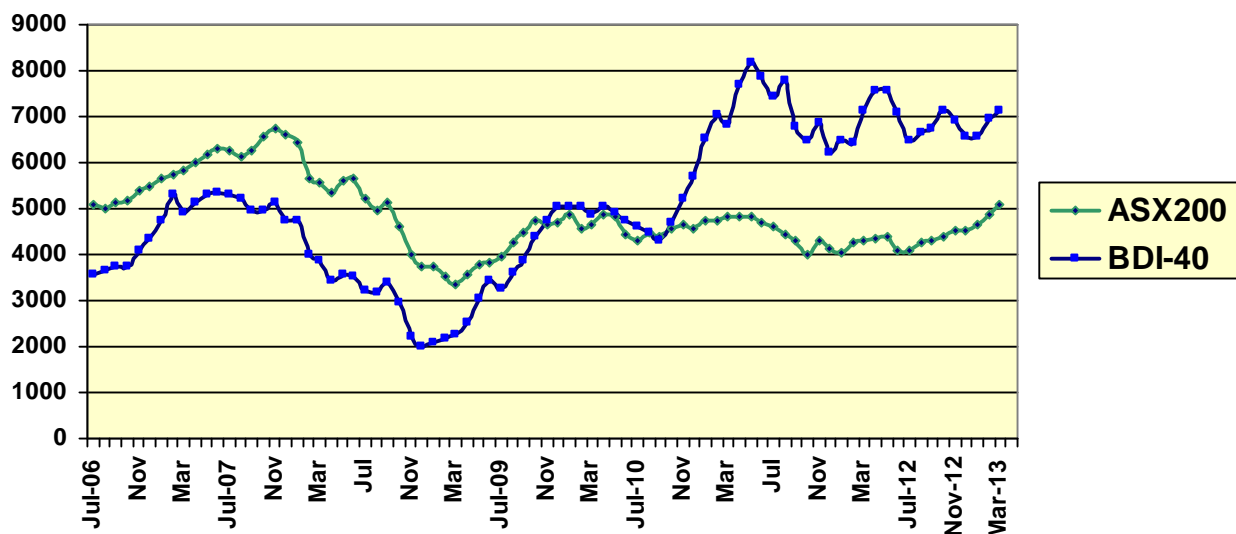
Cellmid was the best from a low base on no news, up 54.5 percent to \$17 million, followed by Allied Health up 37.5 percent to \$33 million, Psivida (30.3%), Ellex (28.6%), Reva (27.6%), Acrux (17.4%), Atcor (15.4%), Neuren (12.2%), Optiscan (11.8%), Patrys (11.1%) and Mesoblast (10.7%).

With an inauspicious entry to BDI-20, Osprey fell 28.6 percent from a high of \$70 million to \$50 million, but will replace fellow cardiac device company Sunshine Heart which delists from the ASX in May and has most of its shares and trading on the Nasdaq.

Circadian fell 18.75 percent to a market capitalization of \$13 million, followed by Pharmaxis, down a further 18.6 percent to \$171 million, Antisense (15.0%), Benitec (12.5%), Starpharma (11.2%), Impedimed (10.5%) and Sirtex (9.8%).

Along with the Osprey promotion to the BDI-20, Genera is facing a number of challenges and will be replaced in the Second 20 by Atcor. Outside the BDI-40, Mayne Pharma has continued to impress, with Bluechiip, Cryosite, Invion and Novogen all improving.

BDI-40 v ASX200 June 30, 2006 To February 28, 2013



MONASH INSTITUTE OF MEDICAL RESEARCH

Monash Institute of Medical Research says its scientists have found a protein in the female reproductive tract that protects against sexually transmitted diseases.

The Institute said that about 450 million people worldwide were infected with sexually transmitted infections such as chlamydia and herpes simplex virus each year.

The Institute said that research, entitled 'Interferon-epsilon Protects the Female Reproductive Tract from Viral and Bacterial Infection' was published in the journal Science, was led by Monash University's Prof Paul Hertzog and said that, a protein, which Prof Hertzog's team called "interferon epsilon", played an important role in protecting females against infections.

An abstract is available at: <http://www.sciencemag.org/content/339/6123/1088.short>.

The Institute said that interferon epsilon (IFNe) could have clinical potential to determine which women may be more or less susceptible to disease or to boost protective immunity and the protein IFNe could be used to treat infections or other inflammatory diseases.

"One way this protein is unusual is because of the way it's produced," Prof Hertzog said.

"Most proteins protecting us against infection are produced only after we're exposed to a virus or bacteria," Prof Hertzog said.

"But this protein is produced normally and is instead regulated by hormones so its levels change during the oestrous cycle, an animal's menstrual cycle, and is switched off at implantation in pregnancy and at other times like menopause," Prof Hertzog said.

"Some of these times when normal IFNe is lowest, correlate with when women are most susceptible to [sexually transmitted infections] so this might be an important link to new therapeutic opportunities," Prof Hertzog said.

"IFNe follows different rules to normal immuno-modulatory proteins and therefore this might also be important to vaccines and the way they're formulated to boost our protective immunity," Prof Hertzog said.

"Since this protein boosts female reproductive tract immune responses, it's likely, although we haven't addressed it directly, that this finding will be important for other infectious diseases like HIV and [human papillomavirus] and other diseases," Prof Hertzog said.

He said that sexually transmitted infections were "a critical global health and socioeconomic problem".

The Institute said that chlamydia had the highest infection rates of the notifiable sexually transmitted infections and infection rates more than tripled over the past decade.

Prof Hertzog said the next step would be to work towards clinical studies within the next five years, and determine whether the research could be applied across other diseases including cancer, female reproductive tract related disorders including endometriosis and pelvic inflammatory disease, as well as other non reproductive tract diseases.

PROGEN PHARMACEUTICALS

Progen says it has signed a confidential binding term sheet with Taiwan's Medigen Biotechnology Corp to develop and commercialize PG454 (BD: Jan 20, 2013).

Progen said its directors were "delighted" with the agreement on PG545 for the prevention and treatment of hepatocellular carcinoma and non-oncology indications globally.

Progen has a long history with Medigen including the licencing of liver cancer drug PI-88 and ownership of the company (BD: Nov 10, 2009; Jun 30, 2010; Jun 16, 2011)

Progen said it retained the rights for all other oncology indications for PG545.

The company said that the agreement was confidential but it received \$400,000 as an upfront payment and would receive milestone payments and royalty payments from sales.

Progen fell half a cent or 2.2 percent to 22 cents.

COMPUMEDICS

Compumedics says its revenue for the six months to December 31, 2012 fell 10.8 percent to \$13,180,000 taking the previous \$152,000 net profit after tax to a loss of \$767,000.

Compumedics said that compared to the six months to June 30, 2012 the most recent six months had an increase in revenue and a decrease in net loss after tax and at December 31, 2012 it was "holding \$6.4 million sales order to ship".

Compumedics said diluted loss per share was 0.001 cents compared to the previous corresponding period's diluted earnings per share of 0.005 cents and it held cash and cash equivalents of \$1,653,000 at December 31, 2012.

Compumedics was untraded at 7.7 cents.

RESONANCE HEALTH

Resonance says revenue for the six months to December 31, 2012 was down 27 percent to \$658,000, with a net loss after tax up 80 percent to \$431,000.

Resonance said that Ferriscan revenue associated with the clinical management of patients grew by 15 percent in the six months to December 31, 2012 but there was a decline in revenue of 34 percent in the clinical trial market due primarily to delays in the commencement of anticipated new contracts.

The company said it received positive reimbursement decisions from insurance payers in the US for Ferriscan expanding US sales revenue by 27 percent.

Resonance said its net tangible assets per share fell 48.8 percent to 0.21 cents and basic loss per share was up 85.7 percent to 0.13 cents and it had cash and cash equivalent of \$1,031,238 at December 31, 2012 compared to \$1,180,174 at June 30, 2012.

Resonance was untraded at 1.6 cents.

BRAIN RESOURCE

Brain Resource says its revenue for the six months to December 31, 2012 fell 55.6 percent to \$1,849,644 taking the previous net profit after tax to a loss of \$1,163,524.

The company said the net tangible asset backing per share fell 12.0 percent to 18.3 cents, diluted loss per share was 1.3 cents compared to the previous corresponding period's diluted earnings per share of 1.7 cents and it held cash and cash equivalents of \$5,106,480 at December 31, 2012 compared to \$9,205,987 at June 30, 2012.

Brain said it would raise \$1 million in a placement to Och-Ziff Capital at 30 cents a share.

Brain Resource was up two cents or 8.5 percent to 25.5 cents.

BIO-MELBOURNE NETWORK

The Bio-Melbourne Network will host Federal Greens deputy leader Adam Bandt and Liberal MHR Kelly O'Dwyer on protecting research and development from funding cuts at the Network's March 5, 2013 Bio-Breakfast.

The Member for Melbourne Mr Bandt and the Member for Higgins Ms O'Dwyer moved and seconded non-binding motions to the House of Representatives to prevent research and development funding cuts to the Federal Budget (BD: Feb 7, 15, 26, 2013)

Mr Bandt and Ms O'Dwyer will discuss Government plans and alternatives with D3 managing director Prof Craig Rayner and Biotech Daily editor David Langsam.

The Bio-Breakfast will be held at the Spring Street Conference Centre, 1 Spring Street, Melbourne with registration 7:15am for an 8am presentation.

For more information go to: <http://www.biomelbourne.org/events/view/263>.

BIOTECH DAILY'S TOP 40 WITH MARKET CAPITALIZATION

Company \$Am	Mar-12	Feb-13	Mar-13
Cochlear	3,480	4,604	4,040
CSL	17,026	27,371	29,892
Resmed	4,295	6,505	6,676
BDI-20			
Acrux	631	574	674
Alchemia	123	93	91
Benitec	17	16	14
Bionomics	157	146	150
Clinuvel	52	83	84
Heartware	958	1,322	1,235
Impedimed	75	19	17
Mesoblast	2,171	1,717	1,900
Nanosonics	127	137	131
Neuren	28	41	46
Osprey	20	70	50
Pharmaxis	318	210	171
Prana	44	72	72
Prima	266	112	123
Psivida	21	33	43
Reva	180	152	194
Sirtex	281	674	608
Starpharma	396	356	316
Tissue Therapies	60	50	47
Universal Biosensors	121	151	141
Second 20			
Allied Health	22	24	33
Anteo	65	49	50
Antisense	23	20	17
Atcor	10	13	15
Avita	43	41	41
Cellmid	6	11	17
Circadian	23	16	13
Compumedics	13	12	12
Ellex	16	14	18
Genetic Technologies	51	38	41
GI Dynamics	292	221	224
Living Cell	24	17	17
Medical Dev	32	113	119
Optiscan	18	17	19
Patrys	13	18	20
Phosphagenics	204	148	153
Phylogica	17	12	12
QRX Pharma	266	145	145
Uscom	5	13	12
Viralytics	28	25	26

* Biotech Daily editor, David Langsam, owns shares in Acrux, Alchemia, Allied Health, Biota, Mesoblast, Nanosonics, Neuren 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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