



Biotech Daily

Monday March 10, 2014

Daily news on ASX-listed biotechnology companies

- * **ASX DOWN, BIOTECH UP: NANOSONICS UP 13%, TISSUE THER DOWN 8%**
- * **USCOM APPOINTS AVALON MEDICAL NORWAY, SWEDEN DISTRIBUTOR**
- * **INNATE PLEADS MORGANS REPORT TO ASX 43% QUERY**
- * **ANTEO PLEADS SCHULTZ, ALL ORDS TO ASX 55% QUERY**
- * **FORMER CHAIRMAN JOHN MANUSU TAKES 6% OF NUSEP**
- * **BLACKROCK BELOW 5% OF COCHLEAR, AGAIN**
- * **CB CO, CURRAN SUPER FUND TAKES 14% OF ATCOR**
- * **RHINOMED 40m DIRECTORS' OPTIONS EGM**

MARKET REPORT

The Australian stock market fell 0.93 percent on Monday March 10, 2014 with the S&P ASX 200 down 50.8 points to 5,411.5 points.

Seventeen of the Biotech Daily Top 40 stocks were up, nine fell, seven were unchanged and seven were untraded. All three Big Caps were up.

Nanosonics was the best, up 10 cents or 13.0 percent to 87 cents with 668,398 shares traded, followed by Anteo up 11.9 percent to 23.5 cents with 24.3 million shares traded.

Pharmaxis climbed 9.1 percent; Circadian rose 8.1 percent; Phosphagenics was up five percent; both Genetic Technologies and Viralytics were up 3.2 percent; Acrux, Reva and Universal Biosensors rose more than two percent; Bionomics, Ellex, QRX and Starpharma were up more than one percent; with Benitec, Cochlear, CSL, Mesoblast, Resmed and Sirtex up by less than one percent.

Tissue Therapies led the falls, down three cents or 8.1 percent to 34 cents with 248,943 shares traded.

Patrys lost 6.5 percent; Prima fell 4.3 percent; Admedus, Atcor and Medical Developments were down more than three percent; with Alchemia, GI Dynamics and Prana down by less than one percent.

USCOM

Uscom says it has appointed Avalon Medical AS as a distributor of its ultra-sonic cardiac output monitor, the Uscom 1A, in Norway and Sweden, for three years.

Uscom said that the Oslo, Norway-based Avalon Medical was established in 1997 and operated as a sub-distributor into the Norwegian and Swedish markets for sophisticated medical devices.

The company said that Avalon specialized in high-end patient monitoring devices with a focus on the anaesthesia, neonatology and patient monitoring markets and had product specialists with ultrasound and haemodynamics experience in cardiovascular monitoring. Uscom said that the Norwegian healthcare budget was the second highest per capita in the world, spending about 9.3 percent of GDP on healthcare and the combined Norwegian and Swedish medical device market serviced about 15 million people.

Uscom was unchanged at 20 cents.

INNATE IMMUNOTHERAPEUTICS

Innate has told the ASX that it is not aware of any information it has not announced which, if known, could explain recent trading in its securities.

The ASX said the company's share price climbed from 21 cents on March 3 to 30 cents, a 42.9 percent increase, on March 7, 2014 and noted an increase in trading volumes.

Innate said that Morgans Financial senior analyst Scott Power updated research on the company on March 6, re-presenting information in the company's prospectus, as well as a published study supporting MIS416 therapy for secondary progressive multiple sclerosis. Innate said that its patent attorneys said that its patent for MIS416 "for the prophylactic or therapeutic treatment of radiation exposure, radiation poisoning, and mitigating the toxic effects of radiotherapy had been granted in France, Germany, Italy, Spain and the United Kingdom".

The company said it did not consider the information likely to explain the recent trading because it had not been disclosed outside the company and the details were disclosed in the prospectus noting that the application had been "accepted" in Europe, being the process step immediately preceding "granting".

Innate fell 1.5 cents or 5.4 percent to 26.5 cents.

ANTEO DIAGNOSTICS

Anteo has told the ASX that it is not aware of any information it has not announced which, if known, could explain recent trading in its securities.

The ASX said the company's share price rose 54.5 percent from 16.5 cents on March 3 to 25.5 cents today, March 10, 2014 and noted an increase in trading volume.

Anteo said that last week it was added to the S&P ASX All Ordinaries Index as published to the ASX (BD: Mar 7, 2014).

Anteo was up 2.5 cents or 11.9 percent to 23.5 cents with 24.3 million shares traded.

NUSEP

Nusep former executive chairman John Manus says he has become a substantial shareholder with 10,473,434 shares or 6.1 percent of the company.

The substantial shareholder notice said that most recently Mr Manus acquired 3,333,330 shares for \$149,999 or 4.5 cents a share.

Nusep was untraded at six cents.

COCHLEAR

Blackrock Investment Management says it has ceased its substantial shareholding in Cochlear, again, reducing its holding below five percent.

Last week, the multi-national Blackrock returned to a substantial shareholding with 2,873,128 shares or 5.03 percent, acquired at a range of prices (BD: Mar 7, 2014).

Today, the company said it acquired 98 shares at \$56.95 but disposed of 635,189 shares worth about \$36,167,662 described in its substantial shareholder notice as “in specie” with a “not applicable” consideration to the change.

In 2009, Blackrock became a substantial shareholder in Cochlear with 2,993,832 shares or 5.3 percent and ceased its substantial holding in February 2010 (BD: Dec 15, 2009).

The substantial shareholder notice was signed by William Stockl.

Cochlear was up 50 cents or 0.87 percent to \$57.75 with 195,508 shares traded.

ATCOR MEDICAL

CB Co Pty Ltd for the Curran Superannuation Fund has increased its substantial shareholding in Atcor from 19,000,000 shares (12.85%) to 22,332,347 shares (14.18%).

The substantial shareholder notice said that the 3,332,347 shares were acquired in an “off-market sale” for \$448,817 or 13.5 cents a share.

The Sydney-based CB Co said that it acted for the Curran Superannuation Fund, which was associated with Capital Investment director Charles Paul Curran.

In 2012, Capital Investment Group transferred its Atcor holding of 22,332,347 shares , then 15.11 percent, in two tranches (BD: Aug 6, Oct 30, 2012).

Atcor fell half a cent or 3.7 percent to 13 cents.

RHINOMED

Rhinomed will vote to issue 10,000,000 options each to chairman Martin Rogers, chief executive officer Michael Johnson and directors Brentley Scrimshaw and Dr Eric Knight. Rhinomed said the options would be exercisable at 150 percent of the 60-day volume weighted average price prior to issue and expire on April 20, 2019.

The company said it proposed to issue 2,857,142 shares at a price of 4.2 cents a share and 5,000,000 options to the CFO Solution as payment for accounting and company secretarial services, with the options on the same terms as the director options.

Rhinomed said the meeting resolutions included the issue of 2,000,000 options to Peloton Capital, the approval of a prior 60,000,000 share placement and the election of directors Mr Scrimshaw and Dr Knight.

The meeting will be held at Giorgios Function Room, 1233 High Street, Armadale, Victoria on April 11, 2014 at 10.15am (AEST).

Rhinomed fell 0.2 cents or 4.9 percent to 3.9 cents.