



Biotech Daily

Monday September 1, 2014

Daily news on ASX-listed biotechnology companies

- * AUGUST BDI-40 UP 11%, ASX200 DOWN 0.1%, BIG CAPS UP 9%
- BIONOMICS UP 31%, TISSUE THERAPIES UP 28%, COMPUMEDICS DOWN 25%
- * TODAY: ASX EVEN, BIOTECH UP: BENITEC UP 12%, OPTISCAN DOWN 12.5%
- * RHINOMED PLACEMENT RAISES \$3.4m, SHARE PLAN FOR \$1.6m MORE
- * UNIVERSAL BIOSENSORS RECEIVES \$8m FEDERAL R&D TAX REFUND
- * SUDA REVENUE UP 115% TO \$9m, LOSS UP 23% TO \$2m
- * CYCLOPHARM H1 REVENUE UP 37% TO \$6.6m, LOSS TO \$923k PROFIT
- * ADVANCED SURGICAL REVENUE UP 11% to \$8m, LOSS DOWN 89%
- * CELLMID REVENUE UP 267% to \$3m, LOSS DOWN 3.5% TO \$1.5m
- * IMMURON REVENUE UP 597% to \$1m, LOSS DOWN 28% TO \$2.5m
- * NUSEP REVENUE DOWN 7% TO \$851k, LOSS UP 109% TO \$4m
- * GENERA REVENUE UP 208% TO \$207k, LOSS UP 9% TO \$2.5m
- * PERPETUAL SELLS 15m RESMED SHARES, DOWN TO 5%
- * ANTISENSE REQUESTS ATL1103 ACROMEGALY RESULTS TRADING HALT
- * MESOBLAST APPOINTS CHARLIE HARRISON CO SEC
- * KEVIN BAUM REPLACES ACUVAX DIRECTOR ALEX BAJADA

MARKET REPORT

The Australian stock market edged up 0.07 percent on Monday September 1, 2014 with the S&P ASX 200 up 3.9 points to 5,629.8 points. Fifteen of the Biotech Daily Top 40 stocks were up, 13 fell, 10 traded unchanged and two were untraded.

Benitec was the best, up 12 cents or 12.2 percent to \$1.10 with 416,533 shares traded, followed by Nanosonics up 12.1 percent to \$1.02 with 2.3 million shares traded. Genetic Technologies climbed 7.4 percent; Mesoblast and Prana were up more than four percent; Cellmid and Medical Developments were up more than three percent; GI Dynamics and Sirtex rose more than two percent; with Alchemia, Bionomics, Living Cell, Pharmaxis, Psivida and Tissue Therapies up one percent or more.

Optiscan led the falls, down 0.5 cents or 12.5 percent to 3.5 cents with 80,310 shares traded. IDT lost 7.4 percent; Atcor fell 6.3 percent; Circadian was down 5.3 percent; Patrys fell 4.2 percent; Analytica, Neuren, Osprey, Phosphagenics and Prima shed two percent or more; with Acrux and Viralytics down one percent or more.

BIOTECH DAILY TOP 40 INDEX (BDI-40)

Spring came a month early for the Biotech Daily Top-40 Index (BDI-40), which climbed 11.1 percent in August, compared to the S&P ASX200 down 0.1 percent.

Fifteen of the BDI-20 companies were up, 10 by more than 10 percent, with a total of 23 of the BDI-40 up, 12 down and five unchanged.

Mesoblast and Sirtex added \$377 million to the index in their own right, but Bionomics was August's best biotechnology stock by percentage, up \$64 million or 31.2 percent to \$269 million, followed by Tissue Therapies up 28.0 percent to \$96 million, Admedus (23.9%), Phosphagenics (19.2%), Clinuvel (17.6%), Mesoblast (17.1%), Impedimed and Osprey (16.7%), Antisense (15.8%), Biotron (14.8%) and Sirtex (13.3%).

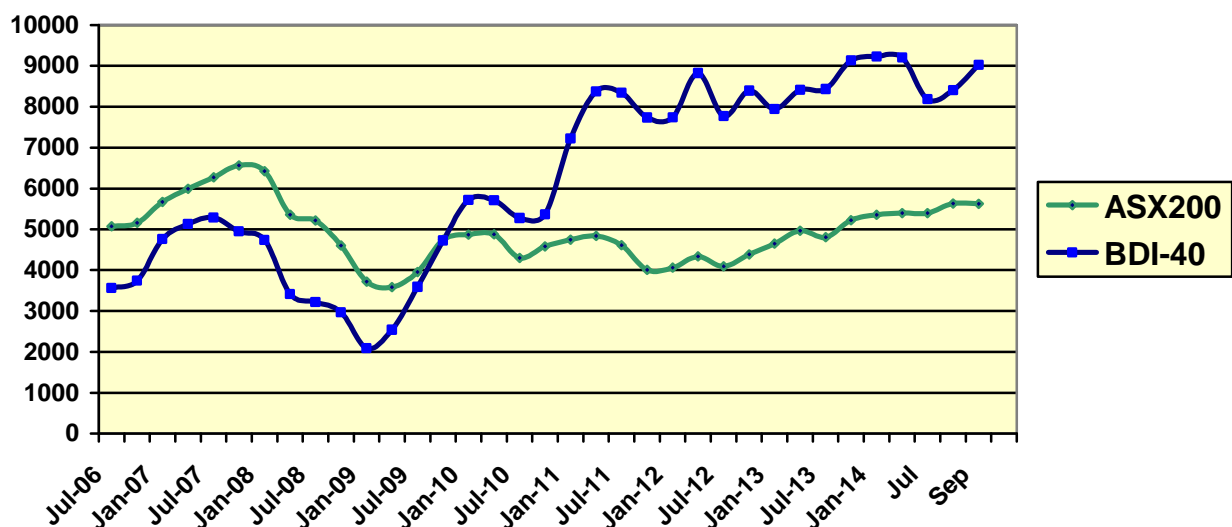
Compumedics had the deepest fall in July, down 25.0 percent to \$18 million, followed by Pharmaxis (19.0%), Patrys (15.0%), Genetic Technologies (14.3%) and Prana (13.0%).

The three Big Caps (which are not included in the BDI-40) were up a cumulative 9.1 percent in August, with a positive reporting season pushing Cochlear up 11.8 percent, CSL up 9.1 percent and Resmed up 2.8 percent.

Outside the BDI-40, Bluechiip jumped 125 percent at the end of August, apparently pushed up by excited day-traders to a market capitalization of \$18 million, with QRX falling to about its cash backing of \$5 million and Unilife falling 45.5 percent from its January high to \$291 million.

On the Nasdaq, Biota continued its implosion falling a further 28.9 percent to \$86 million with its \$US2.30 share price equivalent to 30.75 Australian cents, compared to the \$1 it was trading at before merging with Nabi and moving to the US. Heartware fell 4.0 percent to \$1,477 million, Sunshine Heart climbed 12.2 percent to \$101 million, while the Canadian Bioniche fell 34.8 percent to \$30 million.

BDI-40 v ASX200 Jun 30, 2006 to Aug 31, 2014 - Adjusted



RHINOMED

Rhinomed says it has raised \$3.4 million in a placement at 3.5 cents a share and will raise a further \$1.6 million through a fully-underwritten share plan.

Rhinomed said the proceeds would “significantly strengthen its balance sheet and enable it to pursue its international growth program”.

The company said the record date for the share plan, capped at \$1.6 million, was August 29, 2014, it would open on September 15 and close on October 21, 2014, with shares available in lots up to \$15,000 and scaled back on a first-come first-served basis.

Rhinomed said that Baillieu Holst was the lead manager to the placement and had underwritten the share plan.

Rhinomed fell 0.4 cents or 9.5 percent to 3.8 cents with 4.6 million shares traded.

UNIVERSAL BIOSENSORS

Universal Biosensors says it has received \$8,015,037 from the Australian Tax Office under the Federal Government Research and Development Tax Incentive program.

Universal Biosensors said the rebate related to research and development expenditure in its financial year to December 31, 2013

Universal Biosensors was unchanged at 18.5 cents.

SUDA

Suda says that revenue for the year to June 30, 2014, was up 115 percent to \$8,753,000 with net loss after tax up 23 percent to \$2,052,000.

Suda said that the revenue primarily came from its wholly-owned subsidiary Westcoast Surgical and Medical Supplies which won preferred supplier status for a Government-funded organization for the supply of pharmaceuticals, consumables, equipment and vaccines, with Westcoast profits offset by an increase in expenditure for Suda's oro-mucosal drug delivery operations.

The company said that net tangible asset backing per share was up from negative 0.23 cents at June 30, 2013 to 0.36 cents at June 30, 2014, with diluted loss per share down 33.3 percent to 0.2 cents.

Suda said that it had cash and cash equivalents of \$3,990,397 at June 30, 2014 compared to \$752,619 at June 30, 2013.

Suda was unchanged at 4.9 cents.

CYCLOPHARM

Cyclopharm says revenue for the six months to June 30, 2014, was up 37 percent to \$6,554,374, turning the previous period loss to a net profit after tax of \$923,417.

Cyclopharm said that volume sales of Technegasplus generators increased 47 percent, with sales of patient administration sets up 23 percent supported by “a favorable 13 percent movement in the Euro to Australian dollar” as well as the recognition of other income of \$244,920.

The company said that net tangible assets per share fell 70 percent to six cents and diluted earnings per share was 1.61 cents at June 30, 2014 compared to a loss of 1.95 cents a share for the previous corresponding period.

Cyclopharm said that cash and cash equivalents at June 30, 2014 was \$1,350,675 compared to \$1,220,646 at December 31, 2013.

Cyclopharm was up three cents or 13.6 percent to 25 cents.

ADVANCED SURGICAL DESIGN & MANUFACTURE

Advanced Surgical says revenue for the year to June 30, 2014, was up 11.1 percent to \$7,972,000 reducing net loss after tax by 88.8 percent to \$64,000.

Advanced Surgical said that revenue was from the sale of goods.

The company said that diluted loss per share fell 445.7 percent to 0.69 cents at June 30, 2014 and net tangible assets per share fell 2.4 percent to 9.04 cents.

Advanced Surgical said it had \$26,000 in cash and cash equivalents at June 30, 2014, compared to \$287,000 at June 30, 2013.

Advanced Surgical was untraded at six cents.

CELLMID

Cellmid says revenue for the year to June 30, 2014, was up 267 percent to \$2,795,948 reducing net loss after tax by 3.5 percent to \$1,473,815.

Cellmid said that revenue from the sale of goods was up 112.5 percent to \$1,150,931, but did not specify how much was attributable to its Advangen hair-loss products.

The company said that licence fees and royalties increased from \$358 in the year to June 30, 2013 to \$1,009,188 for the year to June 30, 2014.

The company said that diluted loss per share fell 22.2 percent to 0.21 cents at June 30, 2014 and net tangible assets per share was up 6.25 percent to 0.51 cents.

Cellmid said it had \$2,501,753 in cash and cash equivalents at June 30, 2014, compared to \$1,754,994 at June 30, 2013.

Cellmid was up 0.1 cents 3.3 percent to 3.1 cents.

IMMURON

Immuron says revenue for the year to June 30, 2014, was up 597.2 percent to \$1,044,142 reducing net loss after tax by 28.1 percent to \$2,544,550.

Immuron said that sales of the travellers' diarrhoea preventative product Travelan were up about 700 percent to more than \$1 million, resulting from a direct-to-wholesaler strategy and increasing the wholesale price by more than 25 percent.

The company said that diluted loss per share fell 78.2 percent to 0.152 cents at June 30, 2014 and net tangible assets per share was up from a deficit of 0.001 cents at June 30, 2013 to 0.227 at June 30, 2014.

Immuron said it had \$6,141,789 in cash and cash equivalents at June 30, 2014, compared to \$1,446,712 at June 30, 2013.

Immuron was unchanged at 0.6 cents with 4.5 million shares traded.

NUSEP

Nusep says revenue for the 12 months to June 30, 2014 fell 7.3 percent to \$850,855, with a net loss after tax up 108.6 percent to \$3,842,140.

Nusep said that sales of gels and diagnostics declined slightly in the year ended 30 June 2014 from the previous period to \$840,390.

The company said that diluted loss per share was up 58.8 percent from 1.48 cents at June 30, 2013 to 2.35 at June 30, 2014, with net tangible asset backing per share falling from 2.0 cents at June 30, 2013 to a 2.0 cents deficit at June 30, 2014.

Nusep said it had cash and equivalents of \$84,403 at June 30, 2014 compared to \$180,942 at June 30, 2013.

Nusep was untraded at 6.5 cents.

GENERA BIOSYSTEMS

Genera says that revenue for the year to June 30, 2014, was up 208 percent to \$206,893 with net loss after tax up 8.8 percent to \$2,461,958.

Genera said that \$204,730 of the revenue came from the increased sale of diagnostic kits in the year to June 30, 2014, compared to \$44,100 in sales in the previous year.

The company said that net tangible asset backing per share rose 288.9 percent to 1.4 cents, with diluted loss per share up 11.8 percent to 2.89

Genera said that it had cash and cash equivalents of \$592,534 at June 30, 2014 compared to \$128,326 at June 30, 2013.

Genera was unchanged at 28 cents.

RESMED

Perpetual and its subsidiaries have reduced their substantial shareholding in Resmed again, this time from 89,091,117 shares (6.35%) to 74,326,604 shares (5.30%).

Last month, Perpetual reduced by 15,099,182 buying and selling shares at prices ranging from \$4.70 to \$5.70 (BD: Aug 15, 2014).

Today's substantial shareholder notice said that Perpetual bought and sold shares in a very large number of trades, from August 14 to 28, 2014 at prices ranging from \$5.51 to \$5.67.

In March, Perpetual increased the substantial shareholding by 15,149,465 shares in a large number of trades at prices ranging from \$4.79 to \$5.89 (BD: Mar 25, 2014).

Resmed fell four cents or 0.7 percent to \$5.67 with 4.3 million shares traded.

ANTISENSE

Antisense has requested a trading halt "pending an announcement on the results of [its] ATL1103 acromegaly phase II clinical trial results".

Trading will resume on September 3, 2014 or on an earlier announcement.

Antisense last traded at 15 cents.

MESOBLAST

Mesoblast says it has appointed Charlie Harrison as company secretary of Mesoblast replacing Jenni Pilcher effective from September 1, 2014

Mesoblast said Mr Harrison joined the company as legal counsel in 2013 and previously was a lawyer with Allens in their Hong Kong and Melbourne offices.

Mesoblast was up 25 cents or five percent to \$5.28 with 652,215 shares traded.

ACUVAX

Acuvax says it has appointed Kevin Baum as non executive director replacing Alex Bajada effective from August 29, 2014.

Acuvax said that Mr Baum was an information technology executive, with more than 30 years experience and previously worked for Ozemail, Chrome Global, and companies in Australia and in Hong Kong and continued as an executive director of Silikonrok Advisory Group and Roksteady Venture Capital.

In June, the former cancer therapeutic company signed a binding heads of agreement to acquire Activistic Pty Ltd and its funds collection system (BD: Jun 23, 24, 2014).

Acuvax was untraded at 0.1 cents.

BIOTECH DAILY'S TOP 40 WITH MARKET CAPITALIZATION

| Company \$Am | Sep-13 | Aug-14 | Sep-14 |
|----------------------|--------|--------|--------|
| Cochlear | 3,237 | 3,632 | 4,118 |
| CSL | 32,645 | 32,177 | 35,414 |
| Resmed | 8,404 | 7,730 | 7,955 |
| BDI 20 | | | |
| Acrux | 553 | 306 | 329 |
| Alchemia | 136 | 183 | 201 |
| Admedus | 91 | 180 | 223 |
| Benitec | 24 | 115 | 119 |
| Bionomics | 255 | 205 | 269 |
| Biotron | 24 | 27 | 31 |
| Clinuvel | 67 | 91 | 107 |
| GI Dynamics | 292 | 201 | 227 |
| Impedimed | 28 | 72 | 84 |
| Mesoblast | 1,725 | 1,373 | 1,608 |
| Nanosonics | 232 | 221 | 242 |
| Neuren | 117 | 164 | 157 |
| Osprey | 67 | 60 | 70 |
| Pharmaxis | 40 | 21 | 17 |
| Prima | 107 | 49 | 48 |
| Psivida | 107 | 141 | 147 |
| Sirtex | 720 | 1,067 | 1,209 |
| Tissue Therapies | 73 | 75 | 96 |
| Universal Biosensors | 119 | 32 | 32 |
| Viralytics | 32 | 50 | 50 |
| Second 20 | | | |
| Analytica | 12 | 29 | 29 |
| Anteo | 45 | 121 | 125 |
| Antisense | 20 | 19 | 22 |
| Atcor | 17 | 16 | 15 |
| Avita | 41 | 34 | 34 |
| Cellmid | 20 | 21 | 22 |
| Circadian | 13 | 9 | 9 |
| Compumedics | 15 | 24 | 18 |
| Ellex | 26 | 39 | 38 |
| Genetic Technologies | 43 | 21 | 18 |
| IDT | 19 | 21 | 22 |
| Living Cell | 19 | 18 | 19 |
| Medical Developments | 86 | 69 | 66 |
| Oncosil | 38 | 46 | 43 |
| Optiscan | 10 | 6 | 7 |
| Patrys | 18 | 20 | 17 |
| Phosphagenics | 99 | 104 | 124 |
| Prana | 203 | 125 | 108 |
| Starpharma | 278 | 215 | 210 |
| Uscom | 12 | 20 | 22 |

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

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