



Biotech Daily

Friday January 23, 2015

Daily news on ASX-listed biotechnology companies

- * **ASX UP, BIOTECH DOWN: ACRUX UP 6%, VIRALYTICS DOWN 9%**
- * **RESMED POSTS RECORD, \$1bn H1 REVENUE, PROFIT**
- * **CIRCADIAN RECEIVES \$2.2m FEDERAL R&D TAX REFUND**
- * **UNIVERSAL BIOSENSORS: LIFESCAN NEW ONETOUCH VERIO METER**
- * **PHYTOTECH JUMPS 119% ON HOPES FOR MEDICAL MARIJUANA**
- * **ISONEA LOSES 4th CEO IN 12 MONTHS, TRIALS PLANNED**
- * **REPRODUCTIVE HEALTH INDIA DISTRIBUTOR, INDONESIA DEAL**
- * **HEALTHLINX EGM TO BECOME MANALTO FOR SOFTWARE**

MARKET REPORT

The Australian stock market climbed 1.51 percent on Friday January 23, 2015 with the S&P ASX 200 up 81.9 points to 5,501.8 points.

Seven of the Biotech Daily Top 40 stocks were up, 17 fell, 11 traded unchanged and five were untraded. All three Big Caps were up.

Acrux was the best, up 8.5 cents or six percent to \$1.495 with 655,329 shares traded.

Resmed rose 5.7 percent; Admedus climbed 4.2 percent; Universal Biosensors was up two percent; Cochlear, CSL, Optiscan, Sirtex and Starpharma were up more than one percent; with Alchemia up 0.6 percent.

Viralytics led the falls, down three cents or 8.7 percent to 31.5 cents with 592,734 shares traded, followed by Avita down 8.1 percent to 7.9 cents with 115,493 shares traded.

GI Dynamics and Oncosil lost more than seven percent; Genetic Technologies was down 6.7 percent; Living Cell fell 4.7 percent; Analytica and Cellmid were down more than three percent; Bionomics, Clinuvel and Prima shed more than two percent; Antisense, Benitec, Medical Developments, Mesoblast and Nanosonics were down one percent or more; with Impedimed down by 0.6 percent.

RESMED

Resmed says its revenue for the six months to December 31, 2014 was \$US803.351 million (\$A1,002.1 million) up 8.3 percent compared to the 2013 corresponding period.

Resmed said that net profit after tax was up 4.1 percent to \$US174.4 million.

Resmed said diluted earnings per share was \$US1.22, a 6.1 percent increase over the six months ended December 31, 2013.

The company said revenue for the three months to December 31, 2014 was up 10.05.1 percent to \$US422.95 million compared to the quarter to December 31, 2013, with net profit after tax up 5.2 percent to \$US91.2 million.

Resmed said research and development expenditure for the half year was \$US59.3 million, or 7.4 percent of revenue, compared to the previous corresponding period expenditure of \$US56.9 million or 7.7 percent of revenue.

Resmed rose 42 cents or 5.7 percent to \$7.80 with 12.15 million shares traded.

CIRCADIAN

Circadian says it has received \$2.2 million from the Australian Tax Office under the Federal Government Research and Development Tax Incentive program.

Circadian said the rebate related to Australian and eligible overseas expenditure on the development of OPT-302 and its phase II-ready oncology asset VGX-100.

Circadian chief executive officer Dr Megan Baldwin said that following the capital raising in November 2014, "the receipt of the R&D tax refund further strengthens our balance sheet [and] will greatly assist us in progressing our OPT-302 program through phase I and II clinical studies for the treatment of wet [age-related macular oedema]".

Circadian was unchanged at 15.5 cents.

UNIVERSAL BIOSENSORS

Universal Biosensors says that Johnson & Johnson's Lifescan has released a new Onetouch Verio new blood glucose monitoring meter, in the US.

Universal Biosensors said that the new meter had a color-coded range indicator that provided "immediate feedback" on whether a glucose reading was in or out of the normal range.

The Lifescan website said that along with a reading in milligrams per decilitre, the Onetouch Verio had red, green and blue dots representing above, in, or below the normal range, respectively.

The international standard is measured in millimoles per litre with 4.4mmol/L to 6.1mmol/L considered the normal range, equivalent to 79.2mg/dL to 110mg/dL.

Universal Biosensors is paid a fee for each test strip sold to be used in the meter.

Universal Biosensors was up half a cent or two percent to 25.5 cents.

PHYTOTECH MEDICAL

Phytotech, which became the first Australian medical cannabis company to list on the ASX yesterday, at 20 cents, jumped as much as 119.05 percent to 92 cents, today.

Yesterday, Phytotech closed up 22 cents or 110 percent from the 20 cent initial public offer price to 42 cents with 13.0 million shares traded (BD: Jan 22, 2015).

Today the company closed up 36 cents or 85.7 percent to 78 cents with 34.1 million shares traded.

ISONEA

Isona says chief executive officer Greg Tunny has resigned, it will run Australian clinical trials and re-launch its Airsona asthma detection application for mobile telephones.

Isona said that interim chief executive officer Greg Tunny had "completed his technology assignment and will leave the company on January 23, 2015".

Isona said that its partners would "work under the direct supervision of the chairman and board".

Last year, Isona announced on page two of a four page letter to shareholders that Mr Tunny was replacing chief executive officer Stephen Tunnell, but did not use the term "interim" at that time (BD: Sep 24, 2014).

Mr Tunnell replaced director Jerry Korten who had been appointed chief executive officer, in turn replacing Michael Thomas (BD: Nov 13, 2103; Jan 19, Feb 5, 2014).

Today, Isona said it had appointed Grey Innovation as a technology partner to work with its software team at Two Bulls and had closed its San Diego facility.

The company said it was operating from Melbourne and Israel where the asthma detection algorithm was originally invented.

"The board is confident that the clinical trials will be successful," Isona said.

Karmelsonix emerged from Salus Technologies and Premier Bionics in 2006 to develop the technology developed by Prof Noam Gavriely in Haifa, Israel.

With investment from poker machines operator Bruce Mathieson, the company's market capitalization reached a high of \$194 million at September 30, 2013 and after a series of board and management changes was at \$11 million at December 31, 2014.

Isona chairman Leon L'Huillier said that "it is wonderful to see the Australian and Israeli teams developing technology to re-launch Airsona in Australia and globally".

"We are pleased to advise that significant improvements have been made recently to performance, speed and data usage," Mr L'Huillier said.

The company said that "multiple independent clinical trials overseas have demonstrated that our algorithm can track and record breath sounds and detect wheezing, even in young infants during the first months of life".

Isona said the trial work would be repeated in Australia with children and adolescents.

Isona fell 0.1 cents or 1.45 percent to 6.8 cents.

REPRODUCTIVE HEALTH SCIENCE

Reproductive Health says it has appointed the Calicut, India-based SAR Healthline as its distributor for Embryocollect in India, Sri Lanka and Bangladesh.

Reproductive Health said that SAR Healthline has 18 offices throughout India supplying products to the in-vitro fertilization market and under the three-year distribution agreement it would supply Embryocollect for pre-implantation genetic screening.

The company said that India had "one of the highest numbers of [in-vitro fertilization] cycles in the world with an estimated 80,000 cycles a year and an annual market growth of 10 to 15 percent.

Reproductive Health said that it had trained laboratory and clinical staff at Morula In-Vitro Fertilisation and Atma Jaya University in Jakarta, Indonesia in the use of Embryocollect and had signed an agreement with Bundamedik, the parent company of Morula to establish an in-house service offering pre-implantation genetic screening to their patients in April 2015 once they have completed internal validation of Embryocollect.

Reproductive Health was unchanged at 18 cents.

HEALTHLINX

Healthlinx shareholders will vote on 17 extraordinary general meeting resolutions to become Manalto Limited and change its scale and nature of business.

Healthlinx said that Manalto provided social media management software.

The company failed to commercialize its Ovplex test for ovarian cancer, which it recently offered to sell for "\$60,000 plus GST" (BD: Dec 8, 2014).

The meeting will be held at Quinert Rodda & Associates, Suite 1, Level 6, 50 Queen Street, Melbourne on February 23, 2015 at 11am (AEDT).

Healthlinx is in a suspension and last traded at a post-consolidation 50 cents.