



Biotech Daily

Monday October 6, 2008

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECHS DOWN: BENITEC UP 6%, LIVING CELL DOWN 18%**
- * **NATHAN DRONA CHAIRS AVEXA; BOARD CHANGES; US, EU ROADSHOW**
- * **IMPEDIMED BEGINS US AWARENESS CAMPAIGN**
- * **BIO-MELBOURNE WORKSHOP REMINDER: PRODUCTS AND COMPETITION**

MARKET REPORT

The Australian stock market lost 3.4 percent on Monday October 6, 2008 with the All Ordinaries down 158.1 points to 4,544.7 points.

Seven of the Biotech Daily Top 40 stocks were up, 17 fell, seven traded unchanged and nine were untraded.

Benitec was best, up 0.3 cents or 5.88 percent to 5.4 cents, followed by Cellestis up 4.88 percent to \$2.15 and Peplin up 3.9 percent to 40 cents.

Phosphagenics and Progen climbed more than two percent; Arana and Resmed were up more than one percent; with Chemgenex up 0.69 percent.

Living Cell led the falls, down 3.5 cents or 17.95 percent to 16 cents, followed by Cytopia and Sunshine Heart down 17.65 percent to 14 cents and seven cents, respectively.

Starpharma lost 16.67 percent; Bionomics was down 12.5 percent; Acrux fell 10.53 percent; Polartechnics fell nine percent; Pharmaxis was down 8.51 percent; Avexa, Biota, CSL and Mesoblast were down more than six percent; Universal Biosensors fell 5.13 percent; Heartware, Novogen and Prana lost more than three percent; Cochlear and Ventracor shed more than two percent; with Clinuvel down 1.96 percent.

[AVEXA](#)

Avexa says Nathan Drona will replace Stephen Cooper as company chairman, with David Bottomley and Alan Boyd appointed as directors.

Avexa said Mr Cooper was an interim chairman and will resign “to focus on his activities as a director at [funds manager] Grant Samuel”.

Avexa chief executive officer Dr Julian Chick said the company was in transition “to a key period as ATC’s [apricitabine] phase III trial advances and the balance of the pipeline begins to mature,” Dr Chick said.

“To this end, it is imperative to strengthen our leadership team with expertise in business development and M&A [mergers and acquisitions] as we look to maximize the potential of ATC,” Dr Chick said.

Mr Drona joined Avexa as a non-executive director on April 17, 2008.

Avexa said Mr Drona was an investment banker in the life sciences industry and has advised numerous companies in the US, Europe and Australia in mergers and acquisitions. He has held senior management positions in the US, most recently as managing director of New York’s Challiss.

Mr Bottomley is a principal and founder of Ryder Capital, an independent Australian corporate advisory firm.

Avexa said Mr Bottomley had experience in originating and executing mergers and acquisitions, as well as advisory and capital markets transactions in Australia, the US, UK and Europe. He has held executive positions with Kleinwort Benson, Merrill Lynch (London) and was managing director of Australian life science investment banking firm GMCG from 2004 until June 2008.

Avexa said its chief financial officer Mr Boyd had more than 24 years of finance experience and joined Amrad Corporation in 2002, where he provided financial and administrative services to Avexa under contract prior to joining the company in April 2007. Avexa’s board also includes Dr Chick and Dr John Sime.

Separately, Dr Chick told Biotech Daily that he and chief scientific officer Dr Jonathan Coates would spend three weeks on a roadshow in the US and Europe.

Dr Chick said apart from the roadshow he would be pursuing “related developmental activities” and would attend the Bio-Partnering Europe conference in London.

Avexa fell one cent or 6.45 percent to 14.5 cents.

[IMPEDIMED](#)

Impedimed says the first ‘Know Your L-Dex’ (lymphoedema index) awareness campaign begins this week as part of the US National Breast Cancer Awareness Month.

Impedimed said the two US organizations, Susan G Komen for the Cure and the Breast Cancer Network of Strength would host breast surgeons providing female breast cancer survivors with complimentary L-Dex readings using Impedimed’s L-Dex XCA device.

Impedimed said the device was the first US Food and Drug Administration-cleared device of its type.

The readings will aid medical professionals clinically assess and monitor for the early signs of unilateral lymphoedema of the arm, a swelling that occurs following breast cancer treatment, potentially before symptoms such as heaviness or visible swelling are present.

Impedimed said that data from a five-year study published in the medical journal ‘Cancer’, using a standardized volumetric technique for the preoperative assessment and early detection of lymphoedema, demonstrated the importance of physicians pre-operatively assessing patients and conducting ongoing surveillance for the early detection and successful treatment of lymphoedema.

Texas surgeon Dr Walton Taylor said L-Dex measurements were “quick, non-invasive, painless readings that enable medical professionals to clinically assess lymphoedema at earlier stages and show how any treatment or management of the condition is working”. Impedimed said its device was “not intended to diagnose or predict lymphoedema of an extremity” however Impedimed chief executive officer Greg Brown told Biotech Daily that the device was “intended to aid clinicians in diagnoses”. He said a diagnostic claim would be limited to one time-point reimbursement compared to the clinical assessment claim which makes it eligible for multiple time-point reimbursements”. Impedimed was untraded at 72 cents.

BIO-MELBOURNE NETWORK

The Bio-Melbourne Network’s October 15, 2008 workshop will examine the “what” and “how to” of opportunity identification for products as well as competitor mapping. Bio-Melbourne Network chief executive officer Michelle Gallaher says that as the world’s capital markets progress through another round of rationalization and bad debt exposure, with capital access for innovation and technology development more expensive and harder to find “it is a good time to reflect on the key drivers of commercial success for biotech companies”.

Ms Gallaher said investors and fund managers often say that that innovation companies do not have a clear view of their end-user market, nor likely competitor positioning, which are crucial components in the value of a licencing deal for any technology.

The Bio-Melbourne Network said its Bio-Workshop would “assist senior managers making decisions about which projects to fund for further development”.

Bioshares co-editor David Blake will open the workshop with an overview highlighting the importance of product-market orientation in attracting investors and maximizing the value of deal negotiations.

Cogentum directors Nairy Baghdikian and Michael Johnson will demonstrate how to prove market value, mapping potential users, decision makers, gatekeepers and stakeholders of your technology’s adoption.

Acrux’s director of business development Hugh Alsop will present a case study on maximizing the success of a licencing opportunity.

Mr Alsop will describe Acrux’s use of the market-focused product development process to boost the value and success of the company’s opportunities for Testosterone MD-Lotion.

The Bio-Workshop will be held at Graduate House, 220 Leicester St, Carlton, with registration from 8.45 am, followed by a light lunch at 12.30pm.

To register visit www.biomelbourne.org or call Shane Hickey on +613 9667 8182