



Biotech Daily

Wednesday June 18, 2008

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECHS UP: SUNSHINE HEART UP 20%, OPTISCAN DOWN 18%**
- * **VICTORIA BUYS \$100 MILLION BIO-SUPERCOMPUTER**
- * **STEM CELL LICENCES GREEN FLUORESCENT PROTEIN TECHNOLOGY**
- * **EASTLAND ASSOCIATE RAISING \$70m**
- * **APOLLO EARNS \$500k FROM PROTEIN REAGENTS IP SALE**
- * **KARMELSONIX, SANDHILL WIN \$US900k US-ISRAEL GRANT**
- * **BIONOMICS REQUESTS LICENCING DEAL TRADING HALT**
- * **BIO-MELBOURNE: LEVERAGE EARLY RESULTS FOR MARKET SUCCESS**

MARKET REPORT

The Australian stock market climbed 0.4 percent on Wednesday June 18, 2008 with the All Ordinaries up 24.4 points to 5,550.3 points.

Fourteen of the Biotech Daily Top 40 stocks were up, 12 fell, 10 were unchanged and four were untraded.

Sunshine Heart was best, up one cent or 20.0 percent to six cents on small volumes, followed by Stem Cell up five cents or 16.67 percent to 35 cents and Chemgenex up 11.5 cents or 11.17 percent to \$1.145.

Proteome climbed 7.69 percent; Pharmaxis was up 6.58 percent; Tissue Therapies was up five percent; CSL and Prana were up more than four percent; Antisense climbed 3.28 percent; Acrux, Clinuvel and Progen rose more than two percent; with Biota and Sirtex up more than one percent.

Optiscan led the falls, down 4.5 cents or 18.37 percent to 20 cents on modest volumes.

Cellestis and Ventracor lost five percent or more; Cochlear and Starpharma fell more than four percent; Agenix, Avexa, Neuren and Polartech were down more than three percent; Heartware, Mesoblast and Resmed shed more than two percent; with Circadian down 1.14 percent.

VICTORIA GOVERNMENT

Victoria's Premier John Brumby said his Government would invest \$50 million for a \$100 million supercomputer dedicated to life sciences research.

A State Government media release said Mr Brumby made the announcement while visiting the University of California's San Diego supercomputer centre.

Mr Brumby said the State Government would invest \$50 million, complementing University of Melbourne and other funding of \$50 million to establish the Victorian Life Sciences Computation initiative at the University's Parkville precinct.

"The world's largest life sciences supercomputer, based in Melbourne, will accelerate ground-breaking research in key areas such as cancer, cardio-vascular and neurological disease, chronic inflammatory diseases, bone diseases, diabetes and other life-threatening diseases," Mr Brumby said.

"The \$100 million supercomputer will focus on life sciences utilising leading-edge research practices, such as using large databases of genetic information, complex models of analysis of human systems and hundreds of teraflops [tera-floating point operations per second] of computing power to increase speed to discovery."

University of Melbourne Vice-Chancellor Glyn Davis said that as part of the initiative the University of Melbourne would develop a Life Sciences Computation Centre to undertake peak computing operations and share its computational biology expertise with other institutions in the Parkville precinct, the media release said.

STEM CELL SCIENCES

Stem Cell Sciences has licenced rights to green fluorescent protein technology from Arizona's Prolume for an undisclosed fee.

Stem Cell said green fluorescent protein technology was a gene expression marker and would be incorporated into its Stem Cell Proven research reagents portfolio as well as stem cell technologies used in assays for high-throughput drug screening and toxicity testing.

Stem Cell Sciences said it provided "physiologically relevant stem cells as well as corresponding reagents and services on an industrial scale to pharmaceutical and biotechnology partners" as tools to facilitate drug discovery and testing.

Stem cell said that by introducing the gene for green fluorescent protein into both embryonic and adult stem cells, scientists were able to select for enriched stem cell populations and isolate particular cell types believed to have been derived from these cells.

"This allows for the generation of pure populations of specific cell types that are valuable in a variety of applications," the company said.

Stem Cell said that through highly sensitive fluorescent monitoring of changes in specific gene expression levels, the green fluorescent protein technology enabled researchers to follow cellular responses seen as a result of external influences such as those experienced in drug screening or when stress is placed on a cell during toxicity testing.

Stem Cell's vice president of business development for North America Rob Burgess said the technology was "a valuable addition to our SC Proven reagents product line as well as our technology service offerings to the pharma industry".

"Its flexibility and sensitivity means that we will be able to incorporate the technology quickly into our reagents and services portfolios and offer these enhanced features immediately to our customers," Mr Burgess said.

Stem Cell Sciences was up five cents or 16.67 percent to 35 cents.

[EASTLAND MEDICAL SYSTEMS](#)

Eastland Medical says associate company HC Berlin Pharma AG is securing funding of EUR42.0 million (\$A69 million) to complete a manufacturing plant in Berlin.

Located at recently acquired facilities in Berlin's Potsdam Science HC Berlin Pharma's focus is on the production and distribution of sublingual anti malaria treatment Artimist, a sublingual anti smoking treatment Nicosorb and the Clip-On multi use safe needle aimed at combating the spread of Aids in health care workers.

HC Berlin Pharma will manufacture the products for Eastland's distribution in Africa, Asia, India and Pacific Islands and for HC Berlin Pharma's own network in Europe.

Eastland said Artimist had completed phase I studies and was in the final stages of entering field trials for approval to market, with Nicosorb due to commence its clinical program by October 2008.

Eastland chief executive officer Dermot Patterson said HC Berlin Pharma was "within days of announcing the projected listing day ...on the Frankfurt Stock Exchange".

"Eastland holds a significant shareholding in [HC Berlin Pharma] and the listing of these shares will enhance the investment value of Eastland's portfolio," Mr Patterson said.

Eastland was up two cents or 15.38 percent to 15 cents.

[APOLLO LIFE SCIENCES](#)

New Zealand's Symansis has paid Apollo Life Sciences \$500,000 for non-core assets and licencing of know-how for the manufacture of proteins for sale as research reagents.

Apollo said it had ASX confirmation that it could sell the stock and licencing without contravening Chapter 11 rules on changes to activities or disposal of major assets.

Apollo is in a voluntary suspension and last traded at four cents a share.

[KARMELSONIX](#)

Karmelsonix and Sandhill Scientific of Denver, Colorado have received a US-Israel grant of \$US900,000 venture to co-develop, validate and market the WIM-GER monitor.

The grant from the US-Israel Industrial Research and Development Foundation is for a device that combines the proprietary wheeze and cough detection technologies of Karmelsonix and the well-established acid and non-acid monitoring technologies of Sandhill Scientific into a new market-driven product.

Karmelsonix said the "need" for the WIM-GER followed "multiple clinical studies that demonstrated the importance of correct diagnosis of the causality relationships between reflux, asthma and chronic cough".

The company said methods used to investigate the role reflux plays in either chronic cough or asthma have been problematic, poor or unreliable lacking methods of reporting patient respiratory symptoms and how or whether they temporally correlate with reflux.

Karmelsonix said the small, patient-worn high capacity digital encoder would be applied to patients for monitoring during normal activities.

Data will be analyzed off-line by gastroenterologists, pulmonologists and otolaryngologists to establish diagnosis and determine the optimal course of treatment.

The \$US900,000 funding will be matched by the companies and is in a form of a conditional loan to be paid back to the Foundation through royalties from revenues received for the marketed devices.

Karmelsonix fell half a cent or 5.26 percent to nine cents.

BIONOMICS

Bionomics has requested a trading halt pending an announcement regarding “a licencing agreement”.

Trading will resume on June 20, 2008 or on an earlier announcement.

Bionomics last traded at 36 cents.

BIO-MELBOURNE NETWORK

The Bio-Melbourne Network says companies need product and development strategies that will attract expansion, investors and licencing partners.

The Network said its July 15, 2008 Bio-Breakfast, sponsored by Kendle Australia, brings together a contract research organization consultant and a biotechnology company to provide an overview of market entry and clinical strategic planning.

The industry organization said executives need to carefully plan their late phase clinical development and market entry programs, in order to maximize the probability of commercial success.

Kendle Australia's director of regulatory development and commercialization Judy Bingham and Acrux's director of clinical development Dr Tina Soulis will examine market entry strategies, product competitiveness, interpretation of early phase data in the design of a phase III trial program and how to plan for a phase III trial including countries, sites, budgets and product processes.

Registration for the Bio-Breakfast begins at 7.15am in the Supper Room at the Melbourne Town Hall, Swanston St, Melbourne.

For more information visit: www.biomelbourne.org, call Nicole Pitcher +613 9650 8800 or email: npitcher@biomelbourne.org by July 9 2008.