



Biotech Daily

Thursday April 9, 2009

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH UP; CATHRX UP 39.5%, CHEMGENEX DOWN 19%**
- * **CHEMGENEX RAISES \$10m; 1-for-14 RIGHTS ISSUE TO RAISE \$7.4m**
- * **MONITORING BOARD APPROVES PSIVIDA PHASE III DME TRIAL**
- * **CEPHALON INCREASES TO 27% OF ARANA**
- * **FMR, FIDELITY CEASES SUBSTANTIAL IN CSL**
- * **VICTORIA OPENS \$153m REGENERATIVE MEDICINE UNIT**
- * **AUSBIOTECH'S APRIL BIO-BEERS**

MARKET REPORT

The Australian stock market rebounded 1.42 percent on Thursday April 9, 2009 with the S&P ASX 200 up 53.8 points to 3,673.3 points.

Eighteen of the Biotech Daily Top 40 stocks were up, nine fell, three traded unchanged and 10 were untraded.

Cathrx was best, up 15 cents or 39.47 percent to 53 cents with 4,296 shares traded followed by Living Cell up 29.2 percent to 15.5 cents, Clinuvel up 12.2 percent to 23 cents and Genera up 10.8 percent to 46 cents.

Pharmaxis climbed 8.6 percent; Mesoblast was up 6.7 percent; Acrux was up five percent; Bionomics, Phylogica and Psivida climbed more than four percent; Alchemia, Phosphagenics and Starpharma were up more than three percent; Novogen, Resmed and Viralytics rose more than two percent; Avexa, Cochlear and Progen were up more than one percent; with Biota up 0.8 percent.

Chemgenex led the falls, down 10 cents or 19.23 percent to 42 cents with 725,673 shares traded, followed by Optiscan down 14.9 percent to four cents.

Cellestis lost 7.5 percent; Tissue Therapies fell 5.9 percent; Nanosonics fell 4.05 percent; Circadian and Polartechnics were down more than three percent; Heartware shed 2.1 percent; with CSL and Sirtex down less than half a percent.

CHEMGENEX

Chemgenex has raised \$10 million in a private placement to sophisticated and institutional investors through the placement of 23,255,814 shares at 43 cents a share.

Chemgenex said it would offer eligible shareholders the opportunity to participate in a non-renounceable rights issue to acquire one new share for every 14 shares held to be issued at the same price as the placement, to raise up to an additional \$7.4 million.

The company said the terms and conditions of the rights issue, along with the key dates for participants will be announced in due course.

Chemgenex said the placement was anchored by substantial commitments from existing significant shareholders including GBS Venture Partners, Merck Serono and Orbis Funds Management.

The current investment will make Orbis Fund Management a substantial shareholder in the company.

Chemgenex said the aggregate raising of up to \$17.4 million would be applied to complete the clinical development of omacetaxine in T315I positive CML; complete the regulatory filings in the US and Europe for omacetaxine in T315I positive CML; progress pre-commercialization and partnering discussions concerning omacetaxine; and prepare for the commercial launch of omacetaxine in the US.

Chemgenex chief executive officer Dr Greg Collier said the company was "delighted to have completed this capital raising in a difficult financial climate, and look forward to further consolidating our financial position through the rights issue".

"We look forward to completing the regulatory submissions for omacetaxine in the US and Europe over the coming months and to preparing for the commercial launch of omacetaxine," Dr Collier said.

Chemgenex fell 10 cents or 19.23 percent to 42 cents.

PSIVIDA

Psivida says an independent data safety monitoring board has recommended the continuation of two pivotal phase III trials of Iluvien for diabetic macular oedema.

Psivida said the recommendation to continue the Iluvien (formerly known as Medidur FA) trial was under the existing protocol, without change.

The trials are being conducted by Psivida's licencing partner, Atlanta-based Alimera Sciences with initial data expected at the end of 2009.

Psivida said the data safety monitoring board completed its final review of the available safety and efficacy data prior to the 24 month readout scheduled in October 2009.

The company said the trials of the fluocinolone acetonide eye insert consisted of two 36-month, double-masked, randomized, multicenter trials in the US, Canada, Europe and India in support of a planned global registration filing.

Psivida said the new drug application would be filed with safety and efficacy assessed after 24 months of follow-up.

Psivida was up seven cents or 4.8 percent to \$1.52.

ARANA

Cephalon International Holdings increased its substantial shareholding in Arana from 58,996,994 shares (25.92) to 62,239,841 shares (27.34%) on April 7 and 8, 2009.

The change was through an increase in takeover acceptances (BD: Feb 27, Mar 2, 2009). Arana was untraded at \$1.37.

CSL

The US-based FMR Corp and Fidelity Investments reduced its shareholding in CSL below the five percent substantial threshold.

FMR and Fidelity said they had reduced their holding by 3,765,676 shares between March 30 and April 7, 2009 since the last substantial shareholder notice which said they held 33,268,050 shares (5.51%) on March 27, 2009.

The US investment company said it held 29,502,374 shares or 4.89 percent.

CSL fell 22 cents or 0.7 percent to \$31.70 with 1.99 million shares traded.

VICTORIAN GOVERNMENT, AUSTRALIAN REGENERATIVE MEDICINE INSTITUTE

The Victorian Government says the \$153 million Australian Regenerative Medicine Institute was formally opened at Monash University's Clayton campus yesterday.

Describing the Institute as "one of the world's largest" Victoria's cabinet secretary Tony Lupton, representing Innovation Minister Gavin Jennings, said the Institute was a joint venture between Monash University and the State Government and would "establish the critical infrastructure required to deliver the next generation of research outcomes in regenerative medicine".

A Victorian Government media release said the Institute would "focus on helping physicians to prevent, halt and reverse damage to vital organs due to disease, injury or genetic conditions".

Mr Lupton said the Government was taking action to support medical research "because of its important role in improving the health, prosperity and safety of all Victorians".

"This state-of-the-art \$153 million research facility will play a significant role in the search for treatments for conditions such as neurodegenerative diseases, diabetes, arthritis, musculo-skeletal and cardiovascular diseases," Mr Lupton said.

"We are committed to promoting Victoria as a leader in regenerative medicine globally and Melbourne to become one of the five major biotechnology centres in the world."

The media release said the Institute had "already attracted high-calibre researchers including director, Prof Nadia Rosenthal, who has an international reputation in the field of cardiovascular and muscle regeneration".

Dr Rosenthal was recently awarded a \$4 million National Health and Medical Research Council Australia fellowship to investigate the heart's regenerative capacity in ageing and disease.

"The recruitment of these top researchers to [the Institute] ensures Victoria continues to strengthen its international reputation for regenerative medical research," Mr Lupton said.

AUSBIOTECH

Ausbiotech says its monthly Bio-Beers continues on Thursday April 16, 2009.

The casual drinks event will return to the Treasury Bar at the Sebel Hotel, Melbourne.

Ausbiotech says Bio-Beers attracts CEOs, managers, researchers and students.

The Sebel Hotel is at 394 Collins St, Melbourne.

The event will be held on April 16, 2009 from 6pm to 9pm.