



Biotech Daily

Thursday August 20, 2009

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH EVEN: COMPUMEDICS UP 25%, OPTISCAN DOWN 11%**
- * **EURO-DATA-SET BACKS BIOPHARMICA ALGORITHM FOR ANAESTHESIA**
- * **VERVA, ISIS COLLABORATE ON FAT-BUSTING ANTISENSE DRUGS**
- * **ANTEO, MALAYSIA'S DIOSION COLLABORATE ON ANTIBODY TESTS**
- * **VIRAX COMPLETES PHASE I/IIa HIV TRIAL RECRUITMENT**
- * **PROBIOTEC PROFIT UP 41% TO \$9m; REVENUE UP 32% TO \$87m**
- * **ATCOR LOSS DOWN 58% ON REVENUE UP 67% TO \$11.45m**
- * **PRIMA PLEADS SCHULTZ TO ASX SHARE PRICE QUERY**
- * **CIRCADIAN APPOINTS DR ERROL MALTA DIRECTOR**
- * **STIRLING DEVELOPS PROPERTY**

MARKET REPORT

The Australian stock market edged up 0.08 percent on Thursday August 20, 2009 with the S&P ASX 200 up 3.7 points to 4377.5 points. Fourteen of the Biotech Daily Top 40 stocks were up, 14 fell, nine traded unchanged and three were untraded.

Compumedics was best, up 4.5 cents or 25 percent to 22.5 cents with 166,000 shares traded, followed by Tyrian up 0.4 cents or 21.05 percent to 2.3 cents.

Phosphagenics climbed 8.7 percent; Cellestis and Sunshine Heart were up more than seven percent; Cytopia was up 5.3 percent; Viralytics was up 3.7 percent; Acrux, Antisense and Genera rose more than two percent; Biota, Genetic Technologies and Heartware were up more than one percent; with Pharmaxis and Resmed up by less than one percent.

Optiscan led the falls, down 0.8 cents or 11.4 percent to 6.2 cents with 66,650 shares traded, followed by Benitec down 9.1 percent to three cents.

Prana lost 6.5 percent; Clinuvel fell 4.8 percent; CSL and Impedimed were down more than three percent; Bionomics, Novogen and Starpharma shed more than two percent; Avexa, Circadian, Nanosonics, Peplin and Sirtex were down one percent or more; with Cochlear and Mesoblast down by less than one percent.

BIOPHARMICA

Biopharmica says Cortical Dynamics' brain anaesthesia response technology can differentiate between the effects of the analgesic remifentanyl and the hypnotic propofol. Biopharmica said the analysis of a comprehensive data set from European clinical researchers, using Cortical Dynamics brain anaesthesia response (BAR) analysis methodology, was promising (BD: June 26, 2009).

Biopharmica and its shareholders hold a majority stake in Cortical Dynamics.

Biopharmica chairman David Breeze said that the results showed "the potential of the BAR methodology to separately monitor hypnotic and analgesic state using brain electrical activity recorded during surgery".

The company said that the data was provided by Prof Michel Struys from the Department of Anaesthesia at Belgium's Ghent University Hospital and Prof Tarmo Lipping from Finland's Tampere University as part of their original study involving the behavior of brain electrical activity during propofol induced sedation (Anesthesiology 2007; 106: 696-706.)

Biopharmica said data was recorded from 45 patients undergoing target controlled propofol anaesthesia in the presence of differing levels of the synthetic opioid remifentanyl. It was hypothesized that the BAR analysis method would be able to differentiate the effects of the potent analgesic remifentanyl and the potent hypnotic propofol on the patterns of brain electrical activity recorded.

The company said that objectively monitoring hypnotic and analgesic state would lead to improved anaesthetic and surgical outcomes.

Biopharmica said Cortical Dynamics was developing depth of anaesthesia monitoring for use in surgery based on electroencephalogram analysis using an algorithm, developed by Swinburne University of Technology's Prof David Liley in Melbourne.

Biopharmica was up two cents or 13.3 percent to 17 cents with 1.5 million shares traded.

VERVA PHARMACEUTICALS

Verva will licence rights targeting the fibroblast growth factor receptor to Isis Pharmaceuticals to combine with antisense and other technologies.

Verva said the California-based Isis would have an exclusive license to Verva's intellectual property relating to the targeting of fibroblast growth factor receptor (FGFR) to treat diseases, including obesity and other metabolic disorders.

The company said Isis also obtained a right of first refusal to licence Verva's rights targeting FGFR with mechanisms other than antisense, such as small molecule and antibody technologies.

Verva said it had received an undisclosed upfront payment and was eligible for milestone payments and royalties.

The company said the technology was invented at the Princess Alexandra Hospital, University of Queensland by Prof Johannes Prins and was developed in a collaboration between Adipogen Pharmaceuticals which was acquired by Verva and Isis.

Verva said the intellectual property licenced to Isis related to the antisense inhibition of gene targets in the FGFR pathway and includes the family of FGF receptors 1-4 and other biological targets that have been associated with obesity.

Verva chief executive officer Vince Wachter said the agreement with Isis advanced the company's anti-obesity technology "with the leader in antisense drug development".

Mr Wachter said that inhibition of the FGFR pathway had been shown to prevent fat cell formation in human cells in vitro and in animal models.

Verva is a public unlisted company spun-out from Chemgenex and is developing therapies to treat diabetes and to prevent and treat obesity.

ANTEO DIAGNOSTICS

Anteo says it has signed a non-exclusive cooperation and licence agreement with Malaysian company, Diosion Diagnostics.

The company said the agreement licensed it to use antibody-based diagnostic platform technology Mix&Go "for the manufacture of up to three antibody based diagnostic tests". Anteo said that the licence fee includes a "significant upfront payment and ongoing royalties".

The company said that Diosion had 90 days to raise the capital for the agreement to take effect.

Anteo was unchanged at 1.2 cents.

VIRAX

Virax says it has completed recruitment for its 140 patient, phase I/IIa South African trial for the HIV vaccine VIR201.

Virax said the trial would use a 10-fold increased dose of a purer form of the VIR201 vaccine than was used in recent Australian trials.

The company said VIR201 would be used with antiretroviral therapies.

Virax said funding for the \$US6 million trial is from a coalition of multinational and South African companies headed by BHP Billiton.

Virax was up 0.1 cents or 1.35 percent to 7.5 cents.

PROBIOTEC

Probiotec net profit after tax for the 12 months to June 30, 2009 was up 41.1 percent to \$8,901,000 on revenue up 31.9 percent to \$87,133,000.

Probiotec said that a final fully franked dividend of 2.0 cents a share with a record date of September 3, 2009 would be paid on October 1, 2009, taking total dividends to 3.25.

Diluted earnings per share was 3.25 cents up 30.0 percent from 2.5 cents the previous year.

Probiotec said sales growth was in its branded products, especially the Celebrity Slim and Slimmm weight loss range of products, with solid contributions in both sales and earnings from the Lomotil, Lofenoxal and Vermox brands, acquired late in the 2007 financial year and in accordance with the company's expectations.

The company said contract pharmaceutical manufacturing also contributed in the year to June 30, 2009.

Probiotec climbed 15 cents or 6.5 percent to \$2.45.

ATCOR MEDICAL

Atcor's net loss for the 12 months to June 30, 2009 was down 58 percent to \$1,681,433 on revenue up 67 percent to \$11,450,902.

Atcor said operational results were strong, with sales of the Sphygmocor non-invasive central blood pressure measure up 74 percent for the year, with growth across all regions, especially the US.

The company said gross margins were positive, both in dollar value and in percentage, with an increase to 84.5 percent compared to 80.1 percent a year earlier.

Atcor said it would not pay a dividend.

Net tangible asset backing per share fell from 5.7 cents in 2007'-08 to 4.5 cents.

Atcor was unchanged at 16 cents.

PRIMA BIOMED

Prima has told the ASX that it is not aware of any information it has not announced which, if known, could explain recent trading in its securities.

The ASX said the company's share price rose from 5.8 cents on August 19, 2009 to 7.6 cents today, a rise of 31.0 percent, along with an increase in trading volume.

Prima closed up 1.2 cents or 20.7 percent to seven cents with 41.7 million shares traded.

CIRCADIAN TECHNOLOGIES

Circadian has appointed Dr Errol Malta as a non-executive director effective from today. Circadian said Dr Malta had been the chairman of its product development review committee since its inception in 2008 and would continue in this role.

The company said Dr Malta had 20 years experience in the biotechnology industry working with Amgen, Alchemia, Avexa, Neuprotect, Nexpep, Promics, Cortical and numerous unlisted companies in early phase product development.

Dr Malta has a doctorate from Melbourne University.

Circadian fell one cent or 1.37 percent to 72 cents.

STIRLING PRODUCTS

Stirling says it has purchased two freehold floors of the "classic listed building" Ashington House in central Sydney for \$1.6 million.

Stirling's managing director Peter Boonen said the acquisition "was a simple maths exercise where current interest rates of around \$300 per square metre is far less than current central Sydney office rentals".

Stirling was up 0.1 cents or 7.7 percent to 1.4 cents with 6.6 million shares traded.