



Biotech Daily

Thursday February 26, 2009

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH UP: PSIVIDA UP 18%, PRANA DOWN 11%**
- * **ACUVAX' HAWAII BIOTECH WEST NILE TRIAL SHOWS SAFETY**
- * **STEM CELL SUSPENDED FOR SALE**
- * **ELLEX CLAIMS RECORD \$30m H1 REVENUE; 'GOODWILL' LOSS**
- * **IMUGENE'S \$1.9m TURNAROUND H1 PROFIT ON REVENUE UP 1356%**
- * **MEDICAL DEVELOPMENTS H1 PROFIT UP 6% ON FLAT REVENUE**
- * **CYCLOPHARM FULL YEAR PROFIT UP 55% ON REVENUE DOWN 2%**
- * **CATHRX POSTS FIRST REVENUE**
- * **PHYLOGICA EGM VOTES ON \$4m CONVERTIBLE NOTES, SHARES**
- * **ARANA REQUESTS 'CORPORATE TRANSACTION' TRADING HALT**
- * **SIRTEX CONFIRMS DARREN SMITH AS CFO**

MARKET REPORT

The Australian stock market climbed 0.54 percent on Thursday February 26, 2009 with the S&P ASX 200 up 18 points to 3,345.5 points.

Twelve of the Biotech Daily Top 40 stocks were up, six fell, seven traded unchanged and 15 were untraded.

Psivida was best, up 15 cents or 17.65 percent to \$1.00 with 3,500 shares traded, followed by Clinuvel up 10.3 percent to 21.5 cents and Optiscan up 10 percent to 5.5 cents.

Chemgenex climbed 9.7 percent; Cellectis, Starpharma and Viralytics were up more than five percent; Phosphagenics and Tyrian were up more than four percent; Acrux and Avexa rose more than two percent; with CSL and Sirtex up more than one percent.

Prana led the falls, down 2.5 cents or 10.6 percent to 21 cents with 154,000 shares traded, followed by Circadian down 9.5 percent to 67 cents. Universal Biosensors shed two percent; with Heartware, Mesoblast and Pharmaxis down more than one percent; and Cochlear and Resmed down less than one percent.

ACUVAX

Acuvax (formerly Avantogen) says its affiliate Hawaii Biotech has favorable phase I interim results in a West Nile vaccine trial.

Hawaii Biotech said the phase I West Nile Virus vaccine trial showed a favorable safety profile in 24 subjects across four cohorts.

The trial was designed as an ascending dose study to assess the safety of Hawaii Biotech's West Nile Virus vaccine among healthy adult volunteers who had not been exposed to the West Nile or similar virus.

The study also examined antibody development to the vaccine.

The overall profile was favorable with no serious adverse events.

Based on these results, Hawaii Biotech is preparing to proceed with additional safety studies in adults, as well as ultimately expanding studies into elderly, juvenile and immune-compromised populations.

Hawaii Biotech chief executive officer Dr Elliot Parks said he was "encouraged by the presence of neutralizing antibodies in all individuals receiving the formulated vaccine".

"Additionally, these results demonstrate the robustness of our protein production platform for the development of additional sub-unit vaccines in our product pipeline," Dr Parks said.

Hawaii Biotech said its recombinant DNA technology platform allowed the manufacture of proteins without the need for infectious virus.

The company said the viral proteins were not infectious, did not cause disease and were the basis for its sub-unit vaccines, including dengue fever, which was expected to protect vaccine recipients against both dengue fever and dengue hemorrhagic fever.

Hawaii Biotech said the dengue vaccine clinical trials were expected to begin this year.

West Nile Virus, spread by exposure to infected mosquitoes, can cause serious, life-altering and even fatal disease.

Hawaii Biotech director and Acuvax chief executive officer Dr William Ardrey said the "strong results reported in the ... announcement validate the robust platform for the current vaccines in development".

"This is good for Acuvax shareholders, good for Hawaii Biotech, and also good for the drug development and biotechnology sectors in Australia," Dr Ardrey said.

Acuvax was untraded at 2.2 cents.

STEM CELL SCIENCES

Stem Cell Sciences says it will not file its preliminary results for the year ended December 31, 2008 while is considering an offer on its operating subsidiaries.

Stem Cell said the subsidiaries were Stem Cell Sciences Holdings, Stem Cell Sciences Australia and Stem Cell Sciences UK.

The company said it would remain suspended until further notice.

Stem Cell last traded at 15 cents.

ELLEX MEDICAL LASERS

Ellex says a \$21.7 million goodwill write-off has resulted in a loss for the six months to December 31, 2008, despite a record revenue up 21 percent to \$30.4 million.

Ellex said unit sales were up one percent for the period and both sales revenue and unit sales "were at a record level for the company".

The net loss after tax was \$23.2 million compared to the previous corresponding period's net profit of \$1.2 million.

Ellex was unchanged at 9.1 cents.

IMUGENE

Imugene has posted a turnaround \$1,920,946 profit for the six months to December 31, 2008, on revenue up 1356 percent to \$3,099,568.

Imugene said the revenue was primarily from a payment of \$2.9 million from its strategic partnership with Merial.

The net tangible asset per security was 2.4 cents compared to 0.1 cents for the period to December 31, 2007.

No interim dividend will be paid.

Imugene was up half a cent or 6.7 percent to eight cents.

MEDICAL DEVELOPMENTS

Medical Developments had a net profit after tax up 5.9 percent to \$446,000 for the six months to December 31, 2008, on revenue up 0.2 percent to \$4,335,000.

Basic earnings per share increased 14.3 percent to 0.8 cents.

Medical Developments was untraded at 19.5 cents.

CYCLOPHARM

Cyclopharm has posted a net profit after tax up 55.3 percent to \$1,757,062 for the 12 months to December 31, 2008, on revenue down 2.2 percent to \$10,888,269.

Cyclopharm said sales of Technegas generators and patient administration sets were down slightly but "gross profit margins improved due to a shift in the sales mix" with fewer generators but more patient administration sets sold.

Diluted earnings per share was 1.24 cents.

Cyclopharm said no dividend would be paid.

Cyclopharm was untraded at eight cents.

CATHRX

Cathrx has logged its first product sales revenue of \$36,772, part of its \$553,451 revenue for the six months to December 31, 2008.

Cathrx said it had a net operating loss of \$7.1 million for the six months with cash reserves of \$10.3 million at December 31, 2008.

Cathrx was untraded at 45 cents.

PHYLOGICA

Phylogica shareholders will vote on the issue of 3,040,000 convertible notes to raise \$3,040,000 and 24,000,000 shares at five cents a share.

The three resolutions to be considered are the issue of 1,040,000 convertible notes to the company's directors; the issue of 24,000,000 shares at five cents a share to sophisticated and professional investors; and the issue of 2,000,000 convertible notes to sophisticated and professional investors.

The \$4,240,000 raised will be used for working capital.

The directors acquiring convertible notes are Harry Karelis through Biotech Capital, Dr Doug Wilson, Dr Paul Watt and Aki von Roy.

The meeting will be held at the Telethon Institute for Child Health Research, 100 Roberts Road, Subiaco Western Australia on March 27, 2009 at 9.30am (WDST).

Phylogica was unchanged at five cents.

ARANA

Arana has requested a trading halt pending an announcement "in respect of a material corporate transaction".

Trading will resume on March 2, 2009 or on an earlier announcement.

Arana last traded at 83 cents.

SIRTEX

Sirtex has appointed interim chief financial officer Darren Smith as chief financial officer and company secretary.

Sirtex said Angela Axisa has decided not to return to the company after her maternity leave and has resigned.

Sirtex was up four cents or 1.8 percent to \$2.24