



Biotech Daily

Monday July 27, 2009

Daily news on ASX-listed biotechnology companies

- * **ASX UP, BIOTECH DOWN: LIVING CELL UP 13%, NANOSONICS DOWN 14%**

- * **TWO SUNSHINE HEART PATIENTS COMPLETE THREE-MONTH TESTS**

- * **HEALTHLINX HAS LESS THAN ONE QUARTER CASH, \$3m LOAN**

- * **IMUGENE CONSTRUCTS SWINE FLU VACCINE FOR SWINE**

- * **LIVING CELL REQUESTS PLACEMENT TRADING HALT**

MARKET REPORT

The Australian stock market was up 1.22 percent on Monday July 27, 2009 with the S&P ASX 200 up 49.8 points to 4,139.6 points.

Nine of the Biotech Daily Top 40 stocks were up, 17 fell, eight traded unchanged and six were untraded.

Living Cell was best for the second trading day in a row, up 2.5 cents or 13.2 percent to 21.5 cents with 303,995 shares traded, followed by Novogen up 12.4 percent to 68 cents.

Circadian climbed 4.2 percent; Biota and Resmed were up more than three percent; Cochlear, Cytopia, Polartech and Sirtex rose more than one percent; with Cellestis, Chemgenex and Mesoblast up by less than one percent.

Nanosonics led the falls, down 6.5 cents or 13.5 percent to 41.5 cents with 891,676 shares traded, followed by Prana down 11.1 percent to 16 cents and Genetic Technologies down 10.9 percent to 4.9 cents.

Antisense and Compumedics lost more than seven percent; Tyrian was down 6.25 percent; Avexa fell 4.2 percent; Chemgenex, Impedimed, Tissue Therapies and Universal Biosensors shed more than two percent; Clinuvel, Heartware and Pharmaxis were down more than one percent; with Acrux, CSL, Peplin and Progen down by less than one percent.

SUNSHINE HEART

Sunshine Heart says the first two patients implanted with the C-Pulse aorta cuff device have successfully completed their three month follow-up evaluation.

Sunshine Heart's medical director Dr William Peters said both patients were implanted in April 2009 (BD: Apr 21, 2009) and reviewed in the outpatient clinic at the Ohio State University Medical Center in Columbus and all tests scheduled at three months were completed.

"Both patients appeared well perfused and were able to disconnect from the device as intended for short periods for personal convenience," Dr Peters said.

"The two patients will return to hospital for study end-point testing at six months," Dr Peters said.

Sunshine Heart chief executive officer Don Rohrbaugh said he was "very encouraged by the patients' response with the C-Pulse device".

"We look forward to generating additional data from this study to support our global regulatory strategy," Mr Rohrbaugh said.

"We are particularly pleased to report the company received reimbursement of \$US 108,000 [\$A131,600] from the Ohio State University for these two patients; the first such revenue for Sunshine Heart," Mr Rohrsbaugh said.

Sunshine Heart said six university hospitals were involved in the study, including Northwestern University, Pennsylvania State University, University of Louisville, University of Florida and University of Alabama, Birmingham as well as Ohio State University. The company said enrollment was expected to be completed by April 2010.

The company said the cumulative end-point data would be released following review by the data safety monitoring board at the end of the study.

Sunshine Heart said that following the trial's successful completion, it would request Conformité Européenne (CE) mark approval to market C-Pulse in the European Union and other countries that honor CE Mark label claims for device safety.

The company said it would seek US Food and Drug Administration approval for a larger randomized US pivotal study to support the submission of a marketing application for C-Pulse in the US during the second half of 2010.

Dr Peters, is a co-founder of Sunshine Heart and the inventor of the C-Pulse device and said the company was "excited with the prospects of the C-Pulse clinical trial in the US".

"As demonstrated in prior clinical studies, the C-Pulse system increases blood flow to the body and to the heart muscle itself without coming into direct contact with the blood," Dr Peters said.

"Importantly, the non-blood contacting feature of the device allows patients to intermittently disconnect from C-Pulse for convenience," he said.

"It is anticipated that C-Pulse will offer patients a significant improvement in quality of life and with an acceptable risk profile," Dr Peters said.

Sunshine Heart was untraded at 5.4 cents.

HEALTHLINX

Healthlinx says its total operating and investing cash burn for the three months to June 30, 2009 was \$381,000 with cash at the end of the quarter of \$223,000.

Healthlinx managing director Nick Gatsios told Biotech Daily that the company had a \$3 million loan in the form of a convertible note available from the Copulos Group (BD Mar 25, 2009).

The Group's managing director Stephen Copulos is a director of Healthlinx.

Healthlinx was untraded at 2.5 cents.

IMUGENE

Imugene says it has “completed the construction of vaccines for two strains of swine influenza”.

Imugene is a pig and poultry-focused animal health company and said it had produced vaccines for the H1N1 and H3N2 strains.

The company said the vaccines completed the laboratory construction phase and were ready to progress to animal trials for efficacy testing.

Imugene said the commercial parameters of the vaccines were being evaluated and they would enter the product development program if those commercial parameters were satisfied and the market deemed sufficiently large.

Imugene said its swine influenza vaccine development program began in early 2008 and has identified both H1N1 and H3N2 vaccines as potential vaccines for development. The company said swine influenza was a respiratory viral disease of pigs and outbreaks occurred in many parts of the world.

Imugene said vaccination against swine influenza was routine in many countries.

Imugene said it owned the worldwide rights to the fowl adenoviral vector delivery system for poultry and the porcine adenoviral vector delivery system for pigs.

Since establishing a laboratory at Melbourne’s La-Trobe University, additional vaccine technology had been developed for the pig and poultry industries, the company said.

Imugene was up 1.8 cents or 25 percent to nine cents with 2.9 million shares traded.

LIVING CELL TECHNOLOGIES

Living Cell has requested a trading halt pending an announcement “regarding a placement”.

Trading will resume on July 30, 2009 or on an earlier announcement.

Living Cell closed up 2.5 cents or 13.2 percent to 21.5 cents.