



Biotech Daily

Friday July 31, 2009

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH UP: TISSUE THERAPIES UP 31%, TYRIAN DOWN 27%**
- * **POLARTECHNICS NO CASH, VOLUNTARY ADMINISTRATION, SUSPENSION**
- * **BIOSIGNAL GOES TO THE MOVIES; NASDAQ NOTICE ON C'WEALTH BIO**
- * **BENITEC RAISES \$215k**
- * **TYRIAN 1-FOR-1 RIGHTS ISSUE TO RAISE \$5m**
- * **DOWN TO THE BONE; HOPES ON \$1m PLACEMENT**
- * **UNIVERSITY OF SYDNEY EXITS MEDICAL THERAPIES**
- * **NEUREN, INCITIVE HAVE LESS THAN TWO QUARTERS CASH**
- * **HEARTWARE HAS LESS THAN ONE QUARTER CASH; \$US20m LOAN**
- * **FLUOROTECHNICS HAS ONE QUARTER CASH WITH DIRECTORS HELP**
- * **GIACONDA, STIRLING HAVE LESS THAN ONE QUARTER'S CASH**
- * **SAFETY MEDICAL IN DEBT, HAS FINANCE**
- * **PSIVIDA TELLS ASX SAME AS BIOTECH DAILY YESTERDAY**
- * **SELECT VACCINE LOSES CHAIRMAN ROBIN BEAUMONT**
- * **PROBIOMICS CEO STUART CRAIG RESIGNS**

MARKET REPORT

The Australian stock market climbed 1.28 percent on Friday July 31, 2009 with the S&P ASX 200 up 53.6 points to 4,244.0 points. Fifteen of the Biotech Daily Top 40 stocks were up, 13 fell, nine traded unchanged and three were untraded.

Tissue Therapies was best, up 5.5 cents or 30.6 percent to 23.5 cents with 2.7 million shares traded, followed by Heartware up 20 percent to 78 cents and Cytobia up 16 percent to eight cents. Starpharma and Universal Biosensors climbed more than eight percent; Living Cell was up 5.6 percent; Antisense, Biota, Genera and Pharmaxis rose more than two percent; with Acrux and Cellestis up more than one percent.

Tyrian led the falls, down 0.8 cents or 26.7 percent to 2.2 cents with 3.2 million shares traded, followed by Cathrx down 6.1 percent to 31 cents. Labtech and Prana lost more than five percent; Clinuvel and Phosphagenics were down more than three percent; Bionomics, Nanosonics and Optiscan shed two percent or more; with Genetic Technologies, Novogen and Peplin down more than one percent.

POLARTECHNICS

Polartechnics has been placed in voluntary administration.

Polartechnics said the company's working capital was "fully committed and the conversion of debtors to cash for the funding payment of creditors is not yet sufficient nor timely to solely support the funding requirements for the continued growth of the business".

Earlier this year Polartechnics began a "friendly merger" with Fermiscan primarily aimed at accessing more than \$7 million Fermiscan had at that time (BD: Apr 1, 17, 20; 2009) but the deal fell through following the release of an independent expert's report questioning the viability of both partners (BD: Jun 29, 2009).

In the meantime, Polartechnics was forced to withdraw a forecast 10-fold sales increase from \$6.8 million in 2009 to \$67 million in 2010 and \$151 million in 2011 (BD: Nov 25, 2008; May 12, 2009).

Polartechnics said today that in the three months to June 30, 2009 it had sales of more than \$1 million a month and achieved its target of more than \$3.8 million in sales for its Truscreen cervical cancer test and Mediscan for the year ended June 30, 2009.

The company said its Cerviscreen self-sampling screening business was "ready for launch as a direct to consumer offering in Australia" before a US launch subject to Food and Drug Administration registration expected within six months.

Polartechnics said it had been "actively involved in consideration and delivery of new capital raising initiatives".

"Due to events outside of the board's control, a critical new investor commitment did not complete and resulted in the board, at short notice, having to assess its immediate funding capability," the company said.

Polartechnics said it intended to "continue to provide essential services to its customers and ensure that all Truscreen distributors have access to inventories for their ongoing Truscreen related operations during the initial period".

The company said it needed to minimize its need for working capital and postpone the launch of Cerviscreen until project funding was confirmed.

Polartechnics said the best way forward was to voluntarily appoint an administrator to carry out the restructure of its operations.

Polartechnics requested a voluntary suspension and last traded at 7.1 cents.

BIOSIGNAL

Biosignal is disposing of its anti-biofilm intellectual property and has signed an agreement to become a talent management and executive production company.

Biosignal director Tim Boyd told Biotech Daily that RGM Entertainment wanted an initial public offering and Biosignal had the listed shell.

Subject to conditions and a vote of shareholders RGM will takeover Biosignal through the issue of shares giving it 88 percent of the listed entity.

Mr Boyd said it was likely the name would be changed and the company would act as an agent and manager for actors as well as finance and executive produce motion pictures.

Mr Boyd said Commonwealth Biotechnologies was in the process of acquiring Biosignal's intellectual property and when all the deals were completed would own a less than substantial percentage of the resultant company.

The company's media release to the ASX said the agreement with RGM Entertainment valued Biosignal at \$5.11 million or 4.22 cents a share.

Separately there are reports that the Nasdaq has threatened to delist Commonwealth Biotechnologies for failure to comply with its listing rules.

Biosignal was up 0.3 cents or 15 percent to 2.3 cents.

BENITEC

Benitec has raised \$215,190 from the issue of 7,173,000 shortfall shares at three cents a share.

Benitec was unchanged at 2.7 cents.

TYRIAN DIAGNOSTICS

Tyrian hopes to raise about \$5 million through a one-for-one renounceable share rights offer at two cents a share.

Tyrian said the rights issue was fully underwritten by Patersons Securities and each new share would have an attaching option exercisable at three cents by December 31, 2010. The company said the funds would be used for the development and commercialization of its diagnostic products.

The record date for eligible shareholders is August 11, 2009.

The offer opens on August 12 and closes on August 26, 2009.

Tyrian was down 0.8 cents or 26.7 percent to 2.2 cents with 3.2 millions shares traded.

BONE MEDICAL

Bone Medical says it is low on cash with a total operating burn of \$137,807 for the three months to June 30, 2009 and cash at the end of the quarter of \$9,662.

Bone Medical says it is offering a private placement to raise \$1 million.

Bone was untraded at 16 cents.

MEDICAL THERAPIES

The University of Sydney has sold its investment in Medical Therapies.

The University sold its 14,820,115 shares or 6.97 percent of Medical Therapies for \$429,783.34 or 2.9 cents per share.

Medical Therapies was up 0.1 cents or 3.57 percent to 2.9 cents.

NEUREN PHARMACEUTICALS

Neuren says it has less than two quarters cash flow.

Neuren said it had a total operating cash burn of \$453,000 for the three months to June 30, 2009 and cash at the end of the quarter of \$701,000.

The company has a share purchase plan offer which closes on August 6, 2009.

Neuren was unchanged at 3.1 cents.

INCITIVE

Incitive says it had a total operating cash burn of \$270,000 for the three months to June 30, 2009 and cash at the end of the quarter of \$414,000.

Incitive was untraded at 0.8 cents.

HEARTWARE

Heartware had a cash burn of \$7,716,000 for the three months ending June 30, 2009 with cash of \$5,925,000 and a convertible note for \$US20 million (BD: Jul 30, 2009).

Heartware recovered 13 cents or 20 percent to 78 cents.

FLUOROTECHNICS

Fluorotechnics says it had a total operating cash burn of \$963,923 for the three months to June 30, 2009 and cash at the end of the quarter of \$698,268.

Fluorotechnics said directors would provide a draw down facility of \$360,000.

Fluorotechnics was untraded at 40 cents.

GIACONDA

Giaconda said it had a total operating cash burn of \$67,000 for the three months to June 30, 2009 and cash at the end of the quarter of \$28,000.

The company recently raised \$250,000 from Sydney Capital Partners (BD: May 4, 2009).

Giaconda was untraded at four cents.

STIRLING PRODUCTS

Stirling Products said it had a total operating cash burn of \$1,047,000 for the three months to June 30, 2009 and cash at the end of the quarter of \$942,000.

Stirling said it should realize \$1 million from a capital raising.

Stirling was unchanged at 1.6 cents with 8.0 million shares traded.

SAFETY MEDICAL

Safety Medical says it has a total operating cash burn of \$980,000 for the three months to June 30, 2009 and was in debt at the end of the quarter for \$444,000.

The company said it had \$7.11 million of a finance facility and made \$1.3 million on the sale of Bagot Press on June 30, 2009.

Safety Medical was up 0.1 cents or 2.1 percent to 4.9 cents.

PSIVIDA

Psivida has told the ASX that speculation on expected positive results from its phase III trial of Iluvien for diabetic macular oedema may have pushed its share price.

Yesterday, Psivida told Biotech Daily that pressure on its share price came from Nasdaq trading ahead of the trial.

The ASX said the company's share price rose from \$1.80 on July 24, 2009 to \$2.65, a 47.2 percent increase, on July 30, 2009, but did not note an increase in trading volume.

Psivida was unchanged at \$2.65.

SELECT VACCINES

Select Vaccines says Robin Beaumont as resigned as a director and chairman with Shane Allan appointed chairman.

The company had a total operating cash burn of \$72,000 for the three months to June 30, 2009 and cash at the end of the quarter of \$141,000.

Select Vaccine was untraded at 0.5 cents.

PROBIOMICS

Probiomics says its chief executive officer Stuart Craig has resigned effective from July 31, 2009. The company gave no further information.

Probiomics fell 0.2 cents or 22.2 percent to 0.7 cents.