



Biotech Daily

Tuesday March 31, 2009

Daily news on ASX-listed biotechnology companies

- * **ASX DOWN, BIOTECH UP: UNIVERSAL UP 11%; PROGEN DOWN 11%**
- * **FRANKLYN BRAZIL, BRAZIL FARMING QUIT METABOLIC**
- * **ATCOR'S SPHYGMOCOR 'PREDICTS PRE-ECLAMPSIA'**
- * **HEARTWARE POSTS FIRST COMMERCIAL SALES**
- * **QUEENSLAND INVESTMENT CORP DILUTED TO 19% OF TYRIAN**

MARKET REPORT

The Australian stock market fell 0.62 percent on Tuesday March 31, 2009 with the S&P ASX 200 down 22.25 points to 3,582.1 points.

Twelve of the Biotech Daily Top 40 stocks were up, eight fell, six traded unchanged and 14 were untraded.

Universal Biosensors was best, up six cents or 11.3 percent to 59 cents with 33,150 shares traded.

Avexa and Mesoblast climbed more than six percent; Alchemia and Pharmaxis were up more than five percent; Chemgenex rose four percent; Nanosonics and Novogen were up more than three percent; Clinuvel, Cochlear, Genera, Heartware and Resmed rose more than two percent; with Cellestis up 0.5 percent.

Progen led the falls, down 9.5 cents or 11.1 percent to 76.5 cents with 5,600 shares traded, followed by Living Cell down 8.3 percent to 11 cents.

Polartech fell 4.55 percent; Optiscan and Viralytics shed more than two percent; Phylogica and Sirtex were down more than one percent; with Circadian and CSL down less than one percent.

METABOLIC, POLYNOVO

Franklyn Brazil has resigned as a director and Brazil Farming has ceased its substantial holding in Metabolic selling 45,492,701 shares for \$1,819,708.04 or four cents a share. Brazil Farming is a company controlled by Metabolic director Franklyn Brazil who acquired 12 percent of Metabolic from Circadian via Iain Kirkwood (BD May 13, 2008) and had a total holding of 15.09 percent when he announced his resignation as a director today. Mr Kirkwood told Biotech Daily in May 2008 that he bought the 36,012,701 shares for \$1.6 million or 4.44 cents a share, on behalf of another party or other parties, namely Mr Brazil. It is believed Mr Brazil's shareholding was among the shares used to prevent the December acquisition of Polynovo from Xceed Capital and Commonwealth Scientific and Industrial Research Organisation (BD: Nov 27, Dec 18, 2008), later approving the 60 percent controlling acquisition of Polynovo.

Polynovo chief executive officer Dr Ian Griffiths resigned unexpectedly in February (BD: Feb 6, 2009).

Metabolic said Brazil Farming's shares "were purchased by interests associated with Dr Tony Moore, Adelaide Plastic Surgeons Association".

Metabolic said its 60 percent subsidiary Polynovo Biomaterials had a joint venture interest associated with Dr Tony Moore.

Mr Brazil told Biotech Daily he had been hit by the global financial crisis and accepted the offer from Dr Moore.

Metabolic was unchanged at 2.3 cents.

ATCOR MEDICAL

Atcor says a new study indicates that its Sphygmocor technology 'can predict the development of pre-eclampsia'.

The study, published in the British Journal of Obstetrics and Gynaecology and entitled 'Pulse wave analysis a preliminary study of a novel technique for the prediction of pre-eclampsia' (Khalil A, Cooper D, Harrington K; BJOG 2009;116:268-277) showed that Atcor's Sphygmocor system, which non-invasively measures central blood pressures and arterial stiffness could predict the development of pre-eclampsia.

The article was published on-line on December 12, 2008 and an abstract is available at: <http://www3.interscience.wiley.com/journal/121558048/abstract>.

Atcor said pre-eclampsia occurred in three to five percent of all pregnancies and was a leading cause of maternal and foetal mortality and pre-term delivery.

The company said a Sphygmocor test, looking for early signs of arterial stiffness, was carried out by a team at the University of London on 210 low-risk women between the 11th and 13th weeks of pregnancy.

Atcor said the test predicted 79 percent of all cases of pre-eclampsia and 88 per cent of early onset pre-eclampsia, which occurs before 34 weeks of gestation.

The study, found that two central cardiovascular indices reported by the Sphygmocor system predicted subsequent development of pre-eclampsia, Atcor said.

"These findings may lead to development of a robust screening model that would be invaluable in the development of an early therapeutic strategy for the prevention of pre-eclampsia", Atcor reported the study saying.

Atcor chief executive officer Duncan Ross said the study pointed to "a promising new application for our Sphygmocor technology".

"If the Sphygmocor system can identify women at high risk of developing pre-eclampsia long before clinical symptoms can be detected, targeted surveillance and earlier intervention will be possible," Mr Ross said.

Atcor climbed one cent or 5.6 percent to 19 cents.

HEARTWARE

Heartware says it has begun commercial sales of its ventricular assist system, with sales in Europe and Australia over recent weeks.

Heartware said receipt of Conformité Européenne (CE) mark allowed the system to be sold as an approved medical device.

In Australia, prior to the system being approved by the Therapeutic Goods Administration, the left ventricular assist system was available to hospitals at normal commercial pricing under the TGA's special access scheme, Heartware said.

The first sale was made to Sydney's St Vincent's Hospital in mid-February and the first European sale was to Germany's Hannover Medical Center, the company said.

Heartware said its US clinical trial had enrolled 17 patients with implants at seven centres, including Washington Hospital Center, Jewish Hospital Louisville, Northwestern Memorial Hospital, the University of Michigan Medical Center, the Cleveland Clinic, Ohio State Medical Center and Penn State Hershey Medical Center.

Heartware chief executive officer Doug Godshall said the company expected to see revenues "continue to build month to month as we accelerate international commercial activity and as the number of active US clinical sites continues to increase".

Heartware was up 2.5 cents or 2.65 percent to 97 cents..

TYRIAN DIAGNOSTICS

Queensland Investment Corp's substantial holding in Tyrian Diagnostics has been diluted from 19.91 percent to 18.86 percent.

Queensland Investment Corp told the ASX that its shareholding increased from 44,613,214 shares (19.91%) to 46,915,360 shares (18.86%).

Queensland Investment Corp bought 3,809,524 shares for \$400,000 on August 28, 2008, but since then has sold 1,507,378 shares, including 500,000 shares for \$12,492 or 2.5 cents a share.

Tyrian was untraded at 2.5 cents.