



Biotech Daily

Wednesday March 4, 2009

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH DOWN; ALCHEMIA UP 14%, TYRIAN DOWN 13%**
- * **TISSUE THERAPIES \$1.8m RIGHTS ISSUE 'EXCEEDS EXPECTATIONS'**
- * **KEY PATENT FOR METABOLIC, XCEED, POLYNOVO NOVOSORB**
- * **NEIL LEGGETT AGENIX FRAUD CASE ADJOURNED**
- * **AMP, COGENT SHED 1.3% OF MESOBLAST**
- * **MYER FAMILY CEASES SUBSTANTIAL IN MEDICAL DEVELOPMENTS**
- * **ACTINOGEN BUYS DATA BASE; APPOINTS DR YVONNE FOONG**

MARKET REPORT

The Australian stock market fell 1.64 percent on Wednesday March 4, 2009 with the S&P ASX 200 down 52.8 points to 3,166.4 points.

Eight of the Biotech Daily Top 40 stocks were up, 14 fell, seven traded unchanged and 11 were untraded.

Alchemia was best, up two cents or 13.8 percent to 16.5 cents with 709,053 shares traded, followed by Cellestis up 7.8 percent to \$2.07.

Biota climbed 5.43 percent; Genetic Technologies and Peplin were up more than three percent; Clinuvel rose 2.56 percent; with Arana, Mesoblast and Resmed up more than one percent and Cochlear up 0.57 percent.

Tyrian led the falls, down 0.3 cents or 13.04 percent to two cents with 15,000 shares traded.

Phosphagenics and Prana lost more than nine percent; Antisense and Sirtex were down more than six percent; Avexa and Polartechnics fell more than four percent; Chemgenex, Nanosonics and Pharmaxis were down more than three percent; Cathrx, CSL, Heartware and Starpharma shed more than two percent; with Progen down 1.28 percent.

TISSUE THERAPIES

Tissue Therapies says it has raised \$1.764 million from shareholder applications for 14.7 million shares at 12 cents a share.

When the rights issue was announced in January, Tissue Therapies said it hoped to raise up to \$3.4 million (BD: Jan 28, 2009).

Tissue Therapies said in January it had a total cash burn of \$469,700 for the three months to December 31, 2008 and cash at the end of the quarter of \$324,000.

Today, the company said the \$1.764 million was “substantially in excess of both the minimum subscription for the offer and the middle case capital raising scenario of \$1,000,000, which was considered by the Tissue Therapies board to be the most likely result”.

Tissue Therapies chief executive officer Dr Steven Mercer said the rights issue “exceeded our expectations by a considerable margin, particularly given the current tough market conditions”.

“The board is very pleased in this practical demonstration of market confidence in Tissue Therapies and the Vitrogro technology and we are eager to implement our commercialization timetable,” Dr Mercer said. “Since the release of the rights issue prospectus, patient recruitment for the Canadian clinical trial is on schedule with another two patients starting treatment last week.”

“At the same time, our negotiations with an international potential strategic investor are also progressing well,” Dr Mercer said.

Tissue Therapies climbed as high as 14 cents before closing down half a cent or 4.35 percent to 11 cents.

METABOLIC, XCEED, POLYNOVO

Metabolic and Xceed say that a key Australian patent focused on the injectable grades of Novosorb has been granted to Polynovo Biomaterials.

Metabolic owns 60 percent of Polynovo, Xceed holds 25.5 percent with the balance owned by the Commonwealth Scientific and Industrial Research Organisation.

Polynovo chief executive officer Dr Ian Griffiths said the patent offered “broad coverage and leverage in the field of biomaterials”.

“Polynovo has already licenced this patent family for use in pre-clinical and clinical development with three major US-based medical device companies and the granting of this first patent may lead to further licencing opportunities for the Novosorb technology,” Dr Griffiths said.

The companies said one of the novel features of Novosorb was that certain grades of polymers can be manufactured into an injectable two-part liquid system and as the two parts remain liquid when combined, the material can be injected and then hardens to reach the desired final properties for the relevant surgical application.

Once the hardened Novosorb material has served its function in the human body it degrades harmlessly, the companies said.

The companies said these were “useful features in many surgical situations, such as bone defects or joining soft tissue and therefore has the potential to improve the way in which certain injuries are treated”.

The patent is also pending in a number of other jurisdictions with further grants expected in the coming months, giving Polynovo a strong global position on the Novosorb technology, the two companies said. The patent is due to expire on July 23, 2023.

Metabolic climbed half a cent or 25 percent to 2.5 cents.

Xceed was untraded at 1.3 cents.

[AGENIX](#)

The committal hearing of former Agenix chief executive officer, Neil Ian Leggett, 55, has been adjourned for two months.

A spokesman for Queensland Director of Public Prosecutions told Biotech Daily that Mr Leggett was due to appear in the Roma Street Magistrates Court on March 2, 2009 for a committal hearing (BD: Sep 16, 2008), but the committal hearing was adjourned to April 27, 2009.

Agenix is in a voluntary suspension and last traded at 1.7 cents.

[MESOBLAST](#)

AMP and Cogent Nominees have reduced their substantial holding in Mesoblast from 8,228,525 shares (6.90%) to 6,753,753 shares (5.59%).

Mesoblast was up one cent or 1.27 percent to 80 cents.

[MEDICAL DEVELOPMENTS](#)

The Myer Family Office has ceased its substantial holding in Medical Developments.

The Myer Family Office said the ATF 602 Opportunities Fund 5,201,861 shares (0.03%) for \$900,734.37, an average price of 17.3 cents a share.

The Myer Family Office manages funds relating to some members of the Myer family descended from Sidney Myer who established the Bourke Street Melbourne department store.

Medical Developments was untraded at 19.5 cents.

[ACTINOGEN](#)

Actinogen has bought a large data base from Europe with the detailed UV spectra and structures of 1,000 known bioactive compounds.

Actinogen said comparison of its isolates with the library would allow quick recognition of any antibiotic compounds that have been discovered before and that we have re-isolated in Western Australia and allow them to be eliminated from further detailed study.

The company said executive scientific officer Dr David Keast had been accepted into the American-based Madison Who's Who, which recognizes executives considered by their board as making significant contributions to commerce and science.

Actinogen said its name was closely associated with Dr Keast and the company name would be circulated through the publication Madison Who's Who and its web sites.

Actinogen said it had appointed Dr Yvonne Foong as contractual business manager "to bring Actinogen's discoveries to the commercial arena".

Dr Foong is also a director of Acuvax (formerly Avantogen).

Actinogen was untraded at 4.3 cents.