



# Biotech Daily

Friday May 1, 2009

*Daily news on ASX-listed biotechnology companies*

- \* **APRIL BDI-20, BDI-40 UP 18%: IT'S SAFE TO GO BACK INTO BIOTECH**
- \* **ASX DOWN, BIOTECH UP; PHYLOGICA UP 22%, PROGEN DOWN 16%**
- \* **CE MARK FOR CATHRX'S 2<sup>nd</sup> ATRIAL FLUTTER DIAGNOSTIC CATHETER**
- \* **PROGEN'S STEPHEN CHANG SELLS 600k OF 820k SHARES**
- \* **PHARMAUST 'BEST QUARTER' TAKES IT CASH-FLOW POSITIVE**
- \* **POLARTECHNICS' SHARE PLAN RAISES \$2.2m**
- \* **BIOMD COMPLETES \$860k RAISING WITH SHORTFALL PLACEMENT**
- \* **LIVING CELL LOSES DIRECTOR DR ROBERT CASPARI**
- \* **INCITIVE APPOINTS WINTON WILLESEE COMPANY SECRETARY**
- \* **BIOTECH DAILY TOP 40 WITH MARKET CAP**

## MARKET REPORT

The Australian stock market fell 0.29 percent on Friday May 1, 2009 with the S&P ASX 200 down 10.9 points to 3,769.6 points.

Twelve of the Biotech Daily Top 40 stocks were up, nine fell, nine traded unchanged and 10 were untraded.

Phylogica was best, up 1.4 cents or 21.87 percent to 7.8 cents with 110,000 shares traded, followed by Avexa up 15 percent to 11.5 cents with 3.2 million shares traded on last night's \$17 million capital raising news and Nanosonics up 10.9 percent to 35.5 cents.

Chemgenex climbed 9.1 percent; Psivida was up 8.5 percent; Clinuvel and Peplin were up more than six percent; Pharmaxis and Sirtex improved more than four percent; Benitec was up 3.85 percent; Mesoblast and Prana rose more than two percent; with Cochlear up 1.6 percent.

Progen led the falls, down 17 cents or 15.7 percent to 91 cents, followed by Bionomics and Optiscan down more than eight percent. Tissue Therapies fell 7.5 percent; Biota retreated a further 6.1 percent; Acrux and Cellestis were down more than three percent; Alchemia and Genera shed more than two percent; with Resmed down 0.56 percent.

## BIOTECH DAILY TOP 40 INDEX

Biotechs climbed for the fifth consecutive month with the Biotech Daily Top 20 Index (BDI-20) up 18.1 percent in April, 2009, compared to the S&P ASX 200 up 5.6 percent.

The BDI-20 was also 7.1 percent higher than the same time last year, marking a full recovery for the Top 20 biotechnology companies, assisted by the swine influenza scare and the takeover bids for Arana and Heartware. Removing the influenza scare and takeover factors - a normal part of this industry - the BDI-20 is still significantly ahead of previous months.

The BDI-40 was up 17.8 percent for the month and down 8.3 percent for the year, compared to the S&P ASX 200 falling 32.4 percent for the year to April 30, 2009.

The three Big Caps (which are not in the BDI-40) were up 4.3 percent in April, primarily on the back of CSL climbing 5.9 percent to \$20.8 billion. Resmed and Cochlear fell by less than one percent. The Big Caps were down 3.5 percent for the 12 month period.

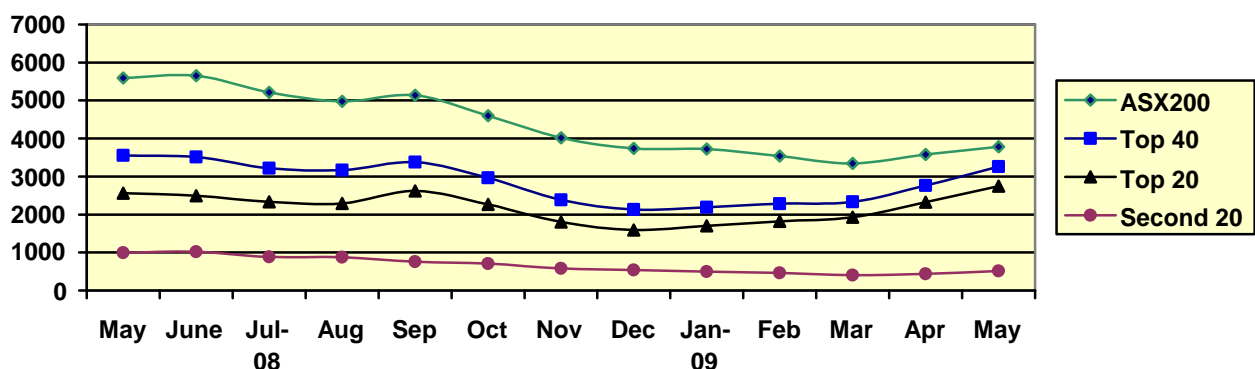
Twenty-seven of the Top 40 companies were up, seven fell and six were unchanged.

Biota soared 144.8 percent to a market capitalization to \$257 million, followed by Cathrx up 123.1 percent to \$29 million and Psivida up 90.9 percent to \$21 million. Living Cell was up 65.4 percent to \$43 million followed by Phylogica (50%), Clinuvel (41.9%), Progen 41.3%), Universal Biosensors (35.5%) and Cellectis (32.5%). A further seven companies rose by more than 20 percent for the month.

Bone Medical led the falls down 65.2 percent to \$11 million, but 40 percent was on a small trade yesterday. Chemgenex was the more serious loss, down 19.2 percent to \$101 million, in part caused by the state-owned Queensland Investment Corp trickling out its substantial shareholding and a placement at 43 cents. Genetic Technologies fell 10.5 percent, followed by Cytopia (9.1%) and Novogen (7.8%).

Among the more than 60 stocks outside the Top 40 a few companies fell, but most were up and in particular Neuren (900%), Prima (214%) and QRX (66.7%) were shining lights.

Biotech Daily Top 40 (\$m) v S&P ASX 200 2008-09



### CATHRX

Cathrx says its Duodecapolar 20-electrode diagnostic catheter has received Conformité Européenne (CE) mark approval.

Cathrx says the product could be sold in Europe and joined the Quad 4-electrode and Deca 10-electrode catheter which were being sold in Europe.

The company said the Duodecapolar diagnostic catheter was used for procedures in the treatment of atrial flutter.

Cathrx said it could offer a complete set of diagnostic catheters for atrial flutter procedures in Europe.

Cathrx chief executive officer Neil Anderson said the approval enabled the company to continue its planned marketing roll out of products in Europe.

"For flutter, the next and last step for us is to commence trialing our therapeutic ablation catheter," Mr Anderson said.

"Once that product is approved we will have a complete modular catheter offering for the diagnosis and treatment of atrial flutter," Mr Anderson said.

"We are currently in the late stages of gaining the approvals for conducting this trial," he said.

Cathrx was untraded at 68 cents.

### PROGEN

Progen director Stephen Chang sold 600,000 shares of his indirect interest in 820,300 Progen shares into the \$1.10 buy-back on April 29, 2009.

Mr Chang retains an indirect interest in 220,300 shares and 41,014 options.

Progen fell 17 cents or 15.7 percent to 91 cents.

### PHARMAUST

Pharmaust says the three months to March 31, 2009 were its best quarter ever with \$672,000 received from customers a positive cash flow and cash at hand of \$3,903,000. Pharmaust said that despite current market conditions its wholly owned subsidiary Epichem continued to investigate expansion and was on track to produce a profit for the year.

Pharmaust has previously said Epichem was involved in a joint venture with Curtin University to develop orally available insulin mimetics for the treatment of diabetes.

Pharmaust said Epichem provided the synthetic and medicinal chemistry services of one chemist for up to one year in return for 40 percent of the project.

Curtin will contribute biological testing and assist with the design of potential new drugs.

Pharmaust also has a \$3 million contract with the Swiss-based Drugs for Neglected Diseases Initiative providing the synthetic and medicinal chemistry component for the Initiative's consortium to discover and develop new drugs for the treatment of Chagas disease.

Epichem has been working in collaboration with parasitologists at Murdoch University to find a cure for a closely related disease, African Sleeping Sickness.

Pharmaust was untraded at 2.2 cents.

### POLARTECHNICS

Polartechtechnics' share plan has raised a further \$2,225,000 above the \$2,524,000 raised through a convertible note last month (BD: Apr 1, 2009).

Polartechtechnics said 20,227,475 shares at 11 cents a share were allocated to 632 shareholders.

Polartechtechnics chairman Robert Hunter said the company was "very pleased with the strength of support shown by shareholders despite the current economic climate".

"Polartechtechnics shareholders have always been very loyal to the company and this result indicates a strong awareness and increasing optimism about the company's future direction," Mr Hunter said.

"Our proposed merger with Fermiscan, has been well received by all shareholders and we look forward to developing a successful women's health diagnostic business on a global scale," he said.

Polartechtechnics was unchanged at 12 cents.

### BIOMD

Biomd says it has placed its rights issue shortfall, raising a further \$437,014.10 and a total of about \$860,000.

Biomd said it had acceptances for 21,062,439 shares worth \$421,248.78 and shortfall acceptances for 21,850,705 shares worth \$437,014.10.

The company said the funds would be used to expedite its clinical trial programs aimed at commercializing the Adapt tissue engineering technology used to treat animal tissue for use within the human body.

Biomd was up 0.7 cents or 30.4 percent to three cents.

### LIVING CELL TECHNOLOGIES

Living Cell says that Dr Robert Caspari has stepped down as a director.

Dr Caspari was appointed as a directors by major shareholder Navigroup Management in January 2008.

Dr Caspari was appointed chief executive officer on July 29, 2008 and resigned as chief executive officer on December 23, 2008.

He is chief operating officer and chief medical officer with Aspen Biopharma.

Living Cell was unchanged at 18 cents.

### INCITIVE

Incitive has appointed director Winton Willesee as company secretary replacing Russell Brown.

Incitive also said it had changed its registered office to: Level 16, 190 Queen Street Melbourne, 3000

Incitive was untraded at 0.9 cents.

## BIOTECH DAILY'S TOP 40 WITH MARKET CAPITALIZATION

<b>Company \$Am</b>	<b>May-09</b>	<b>Apr-09</b>	<b>Mar-09</b>
Cochlear	2,786	2,808	2,928
CSL	20,772	19,607	23,072
Resmed	4,021	4,022	4,829
<b>BDI-20</b>			
Acrux	96	86	72
Alchemia	57	47	21
Arana	313	318	189
Avexa	42	40	30
Bionomics	61	56	51
Biota	257	105	75
Cellestis	269	203	211
Chemgenex	101	125	82
Cytopia	10	11	8
Heartware	306	301	354
Impedimed	62	58	59
Living Cell	43	26	23
Mesoblast	103	103	96
Novogen	47	51	63
Peplin (~ incl US stock)	102	101	70
Pharmaxis	426	330	223
Phosphagenics	113	93	63
Sirtex	160	128	125
Starpharma	52	51	34
Universal Biosensors	126	93	77
<b>Second 20</b>			
Antisense	24	19	20
Benitec	8	7	12
Bone Medical	11	23	22
Cathrx	29	13	19
Circadian	38	31	30
Clinuvel	88	62	65
Genera	22	18	9
Genetic Tech	17	19	14
Labtech	15	13	12
Nanosonics	33	33	31
Optiscan	5	5	7
Phylogica	12	8	8
Polartech	29	25	24
Prana	41	39	43
Progen	65	46	48
Psivida	21	11	10
Sunshine Heart	20	20	16
Tissue Therapies	16	17	7
Tyrian	6	6	6
Viralytics	11	11	12

\* Biotech Daily editor, David Langsam, owns shares in Alchemia, Biota, Chemgenex, Cytopia and Stem Cell Sciences as well as non-biotechnology stocks. These are liable to change at any time.

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