



# Biotech Daily

Tuesday May 12, 2009

*Daily news on ASX-listed biotechnology companies*

- \* **ASX, BIOTECH DOWN; PHYLOGICA UP 20%, TYRIAN DOWN 12.5%**
- \* **PROBIOMICS: PROBIOTIC BACTERIA 'BOOSTS' FLU VACCINE'**
- \* **POLARTECHNICS WITHDRAWS 10-FOLD SALES PROJECTION**
- \* **ACRUX: ANALYST REPORT, RIVALS' ISSUES, TRIAL RESULTS PUSH PRICE**
- \* **DR CHRISTOPHER BREMNER INCREASES TO 30% OF BENITEC**
- \* **BIO-MELBOURNE APPOINTS ANITA PETRIS EVENTS MANAGER**
- \* **BIOSIGNAL APPOINTS TIMOTHY BOYD DIRECTOR**

## MARKET REPORT

The Australian stock market fell 1.24 percent on Tuesday May 12, 2009 with the S&P ASX 200 down 48.8 points to 3,877.2 points.

Eleven of the Biotech Daily Top 40 stocks were up, 18 fell, five traded unchanged and six were untraded.

Phylogica was best, up 1.3 cents or 20 percent to 7.8 cents with 147,778 shares traded, followed by Acrux up 10.8 percent to 87.5 cents.

Both Avexa and Progen climbed 7.14 percent; Bionomics was up 6.8 percent; Alchemia and Prana were up more than five percent; Chemgenex climbed 4.55 percent; Benitec was up 3.45 percent; Biota rose 2.3 percent; with Cochlear up 1.25 percent.

Tyrian led the falls, down half a cent or 12.5 percent to 3.5 cents with 385,000 shares traded, followed by Antisense and Living Cell down more than 11 percent.

Novogen and Phosphagenics lost more than six percent; Labtech, Mesoblast and Nanosonics fell more than three percent; Clinuvel, CSL, Sirtex, Tissue Therapies and Viralytics shed more than two percent; with Cellestis, Genera, Heartware, Psivida and Universal Biosensors down more than one percent.

## PROBIOMICS

Probiomics says a double blind, placebo-controlled clinical trial shows that probiotic strain, PCC boosts the immune response to influenza vaccine during an influenza period.

Probiomics said the report on the 47 subject trial by Fermiscan's chief scientific officer Dr Peter French and Good Health solutions chief medical officer Prof Ron Penny was entitled 'Use Of Probiotic Bacteria As An Adjuvant for Influenza Vaccine' and has been accepted for publication in the 'International Journal of Probiotics and Prebiotics'.

The company said the paper reported that PCC was able "to significantly boost the immune response to the [influenza] vaccine as measured by the H1N1 titre, and to significantly reduce the number of subjects who did not respond to vaccination".

Probiomics said that those taking PCC had significantly fewer days of respiratory symptoms, with an average of two days, compared to those on placebo, who experienced on average five days of illness.

The company said there were no adverse events experienced in the study.

Probiomics said the study concluded that oral consumption of PCC (*Lactobacillus fermentum* VRI003) had "the potential to provide a low cost and low risk adjuvant for influenza vaccine".

"Probiomics believes that PCC may have an important role to play in any future influenza pandemic," the company said.

The authors said they were both officers of Probiomics, the sponsor and the company that produced *Lactobacillus fermentum* VRI-003 at the commencement of the study. Dr French left prior to data analysis and Prof Penny was a director throughout the study.

The paper is at [www.probiomics.com.au](http://www.probiomics.com.au).

Separately Probiomics said Taylor Collison would underwrite the placement of 17,000,000 shares to sophisticated investors at a price of \$0.006 per share to raise \$102,000.

The company said the placement was conditional on conversion of at least \$450,000 of the face value of convertible notes into ordinary shares at \$0.01 and approval of all other resolutions at the general meeting to be held on May 15, 2009.

The funds will be used for working capital.

Taylor Collision will receive six percent commission on the funds raised and will be granted 2,500,000 options to purchase shares at two cents with an expiry date of five years after issuance

Probiomics was up 0.4 cents or 80 percent to 0.9 cents with 2.4 million shares traded.

## POLARTECHNICS

Polartechncs says the world economic downturn may affect a projected 10-fold sales increase.

At the annual general meeting Polartechncs chairman Robert Hunter said the supply of the Truscreen cervical cancer test and Cerviscreen sexually transmitted diseases test to China would increase revenue 10-fold in the next year (BD: Nov 25, 2008).

Today, Polartechncs told the ASX: "However, the now perceived effects of the world economic downturn, particularly on our distributors, brings volatility to our sales expectations for all products and may affect all our other sales targets, including those put forward in November 2008."

"Because of this inherent uncertainty, we cannot prudently project new sales targets," the company said.

Polartechncs said it was on track to achieve its Truscreen sales target of \$3 million for the year ending June 30, 2009.

Polartechncs was unchanged at 12 cents.

## [ACRUX](#)

Acrux has told the ASX that an analyst's upgrade, issues involving transdermal rivals and impending phase III trial results may have led to a jump in share price.

Acrux formally told the ASX that it was not aware of any information it had not announced which, if known, could explain recent trading in its securities.

The ASX said the company's share price rose from 65 cents on May 7, 2009 to 81 cents, a 19.8 percent increase, on May 11, 2009, along with an increase in trading volume.

Acrux said that on May 7, 2009 ABN Amro Morgans' analyst report upgraded its recommendation from 'hold' to 'buy, with a target price of \$1.05 and a valuation of \$1.75 a share.

The company said that overnight on May 7, the US Food and Drug Administration required manufacturers of two prescription topical testosterone gel products, Androgel and Testim, to include a boxed warning on the products' labels.

Acrux said the action followed reports of adverse effects in children who were inadvertently exposed to testosterone through contact with another person being treated with the products, known as secondary exposure.

The required label changes will provide additional information about the risk of secondary exposure and the steps that should be taken to reduce this risk.

Acrux said that Androgel and Testim, were approved for use in men who either no longer produce testosterone or produce it in very low amounts, and were the principal competitor products in the market targeted by Acrux's product Axiron, which is nearing the end of phase III trials.

The company said that "one of a number of advantages of Axiron compared with these products is a reduced risk of secondary exposure".

Acrux said that on May 4 "another leading company" [Pharmaxis] announced positive results in a phase III trial, which led to a significant rise in its share price.

"Acrux has previously announced that results from its phase III trial of Axiron are expected to be available in the third quarter of 2009," the company said.

Acrux climbed 8.5 cents or 10.76 percent to 87.5 cents.

## [BENITEC](#)

Benitec's white knight investor Dr Christopher Bremner has increased his substantial shareholding from 79,832,692 shares (25.4%) to 105,240,932 shares (30.1%).

Dr Bremner acquired the shares in the recent rights issue (BD: May 5, 2009).

Benitec was up 0.1 cents or 3.45 percent to three cents.

## [BIO-MELBOURNE NETWORK](#)

The Bio-Melbourne Network has hired Anita Petris as an event program manager.

Ms Petris will be responsible for programs of events, workshops and the briefings.

The Bio-Melbourne Network said Ms Petris previously worked at the Austin Research Institute and Amrad with experience in biotechnology sales and marketing in Sydney and London.

Most recently Ms Petris was a marketing manager at Telstra for mobile and internet products and services.

## BIOSIGNAL

Biosignal has appointed Timothy Boyd as a director to assist “build the business and create shareholder value”.

Last week Biosignal appointed three new board members at the request of 9.2 percent owner Empire Investments (BD: Apr 28; May 7, 2009).

Biosignal said Mr Boyd was “a specialist corporate advisor” with graduate degrees in business and law from the University of New South Wales and Melbourne Law School.

The company said he held “numerous senior in-house roles as well as providing professional advice to a wide range of clients and sitting on numerous boards ... [and] had worked with a number of companies on corporate transactions including mergers and acquisitions, equity and debt financings in the private and public markets”.

Biosignal was up half a cent or 25 percent to 2.5 cents.