



Biotech Daily

Friday May 8, 2009

Daily news on ASX-listed biotechnology companies

- * **ASX EVEN, BIOTECH UP; BONE UP 67%, PRANA DOWN 19%**
- * **RESMED REPORTS RECORD REVENUE, INCOME FOR MARCH QUARTER**
- * **PROF GRAHAM MACDONALD CHAIRS AUST STEM CELL CENTRE**
- * **SOLAGRAN BIOEFFECTIVES SKINCARE JOINT VENTURE**
- * **STIRLING APPOINTS 2nd INDEPENDENT EXPERT; JOINT VENTURE**

MARKET REPORT

The Australian stock market edged up 0.08 percent on Friday May 8, 2009 with the S&P ASX 200 up three points to 3,941.7 points.

Fifteen of the Biotech Daily Top 40 stocks were up, 11 fell, eight traded unchanged and six were untraded.

Bone was best, up eight cents or 66.7 percent to 20 cents with 10,000 shares traded, followed by Bionomics up 9.3 percent to 23.5 cents and Acrux up 9.2 percent to 71 cents.

Biota climbed 5.2 percent with 1.3 million shares traded; Resmed rose 4.2 percent with 2.3 million shares traded; Pharmaxis was up 3.6 percent; Genera, Genetic Technologies, Novogen and Tyrian were up more than two percent; with Alchemia, Cellestis, Clinuvel, Sirtex and Starpharma up more than one percent.

Prana led the falls, down four cents or 19.05 percent to 17 cents with 100,000 shares traded, followed by Progen down 7.95 percent to 81 cents.

Psivida lost 5.3 percent; Living Cell and Nanosonics fell more than four percent; Benitec and Polartechnics were down more than three percent; Avexa and Optiscan shed more than two percent; with CSL and Impedimed down more than one percent.

RESMED

Resmed has reported "record revenue and income" for the three months to March 31, 2009 with revenue up eight percent to \$US227.9 million (\$A302.3 million) compared to the previous corresponding quarter.

Income from operations was \$US52.5 million and net income was \$US39.2 million, an increase of 40 percent and 32 percent, respectively, compared to the quarter ended March 31, 2008. Diluted earnings per share for the quarter ended March 31, 2009 was 51 US cents an increase of 34 percent.

Resmed said research and development expenses were \$US13.9 million for the March 2009 quarter about six percent of revenue.

For the nine months to March 31, 2009, revenue was up 11 percent to \$668.8 million compared to the previous corresponding period.

Resmed was up 22 cents or 4.21 percent to \$5.44 with 2.3 million shares traded.

AUSTRALIAN STEM CELL CENTRE

The Australian Stem Cell Centre has appointed Prof Graham Macdonald as chair and Prof Steve Wesselingh as a director.

The Centre went through a major upheaval last year losing its chief executive officer Prof Steven Livesey followed by the resignation of the entire board chaired by former Federal Labor Science Minister Dr Barry O Jones (BD: Jul 30, Sep 5, 2008).

Prof Macdonald has been interim independent executive chair since September 2008.

The Centre said he had been "pivotal in the development of a new strategy ... [to] enhance Australia's excellence in stem cell research into the future".

Prof Wesselingh is the dean of Monash University's Faculty of Medicine, Nursing and Health Sciences, an infectious diseases physician and previously a director of the Macfarlane Burnet Institute.

Board members Prof Richard Smallwood, Dr Peter Riddles, Dr Graeme Blackman, Prof Brandon Wainwright and Dr Christopher Juttner were appointed on April 1, 2009.

Interim board members Dr Henry De Aizpurua and Prof Edwina Cornish will remain on the board for a short period to ensure a smooth transition, the Centre said.

In 2007 Prof Macdonald retired as external licencing coordinator for Merck Sharp & Dohme, Australia following a career as an academic nephrologist at the Prince Henry and Prince of Wales Hospitals Clinical School of the University of New South Wales.

SOLAGRAN

Solagran says it has a 50-50 joint venture agreement with Singapore's I Nuovi Group to produce skincare products.

The joint venture company Sensaar Pte Ltd's directors are Wayne Loh of I Nuovi Cosmetics and Charles Pellegrino of Solagran.

Solagran said I Nuovi was established in 1996 by Wayne Loh and was "one of Asia's leading personal care companies with a global presence in major markets of the world". Solagran said it had been working with CRB a division of Switzerland's Intercos Group to develop a range of skincare products including up to five of Solagran's Bioeffective range in various concentrations depending on the efficacy required.

"The main focus in the range is to exploit the tissue regenerative and unique cell rebuilding properties and nourishment of the derma and sub derma, of which Bioeffectives have been the subject of numerous successful medical trials," Solagran said.

Solagran climbed 0.4 cents or 4.65 percent to nine cents.

STIRLING PRODUCTS

Stirling Products says it has appointed PKF Corporate Advisory as “an independent expert”.

Stirling referred to “certain media coverage last week” which questioned the independence of the previous “independent experts” report ahead of a shareholders meeting scheduled for May 29, 2009.

In The Australian on May 5 and 8, 2009, Rebecca Urban said the previous report was authored by Alpha Securities which shares offices with and is a related party to Stirling and Zodiac Capital.

Stirling’s managing director Peter Boonen told Biotech Daily that he was also the managing director of Zodiac and Stirling director George Karantzias was the director of Alpha Securities.

Stirling said the author of the report was “totally independent of the company but is licenced as a representative of Alpha Securities through which the final report was issued”.

“The report contained full disclosure of the fact that the company’s non-executive director is a director of Alpha Securities and prior to its release this matter was the subject of legal advice to Alpha Securities,” Stirling said.

“To ensure that there is a total transaction transparency, assurance of independence, compliance with the rules and the spirit of the rules, the company, following consideration of the matter, has appointed PKF Corporate Advisory to prepare a further independent experts report which will be dispatched to all shareholders prior to the meeting,” Stirling said.

Separately Stirling said it had begun “the first of its planned global joint ventures” with South Africa’s Animate Animal Health to register, commercialize and distribute animal growth promotion products based on R-salbutamol in Africa.

Animate’s technical director and partner Dr Hinner Köster specializes in animal nutrition and has been appointed as an adviser to Stirling, the company said.

Stirling was untraded at 2.6 cents.