



# Biotech Daily

Tuesday November 3, 2009

*Daily news on ASX-listed biotechnology companies*

- \* **ASX DOWN, BIOTECH UP: SUNSHINE HEART UP 19%; BENITEC DOWN 6%**
- \* **PRIMA DIVESTS 'NON-CORE' PANVAX CANCER PRODUCT**
- \* **FLUOROTECHNICS GERMANY WINS \$230k INNOVATION GRANT**
- \* **HELICON HALVES SHARE PLAN TO RAISE \$500k**
- \* **START-UP TAKES 28% OF BIONOMICS**
- \* **CORRECTION: CYTOPIA**

## MARKET REPORT

The Australian stock market fell 0.2 percent on Tuesday November 3, 2009 with the S&P ASX 200 down 8.9 points to 4531.5 points.

Nineteen of the Biotech Daily Top 40 stocks were up, 10 fell, three traded unchanged and eight were untraded.

Sunshine Heart was best, up 0.8 cents or 19.05 percent to five cents with 1.1 million shares traded, followed by Impedimed up 7.6 percent to 78 cents.

Optiscan and Psivida climbed more than four percent; Viralytics was up 3.6 percent; Avexa, Compumedics, Pharmaxis, Prana and Universal Biosensors rose more than two percent; Acrux, Alchemia, Antisense, Chemgenex, Clinuvel, Genera and Peplin were up more than one percent; with CSL, Resmed, Sirtex and Starpharma up by less than one percent.

Benitec led the falls, down 0.3 cents or 6.1 percent to 4.6 cents with 31,298 shares traded followed by Living Cell down 5.6 percent to 25.5 cents.

Novogen lost five percent; Bionomics and Mesoblast fell more than four percent; Tissue Therapies was down 3.2 percent; Circadian shed 2.1 percent; Cellestis was down 1.97 percent; with Biota, Cochlear and Nanosonics down by less than one percent.

## PRIMA BIOMED

Prima has divested one of its non-core products, DCtag, to PX Biosolutions a company co-owned by Monash University's Prof Magdalena Plebanski and Dr Sue Xiang. Prof Plebanski told Biotech Daily that she and Dr Xiang were senior researchers in Monash University's Department of Immunology and were previously chief scientific officer and research project manager, respectively, of Panvax.

Prof Plebanski told Biotech Daily the DCtag Panvax technology consisted of "a simple stable synthetic nanoparticle of sharply defined size and composition capable of targeting dendritic cells (the inducers and controllers of an immune response) after injection and evoking strong immune responses capable of treating established tumors and protecting in animal models against diseases such as malaria, salmonella and respiratory syncytial virus".

Prof Plebanski said the intellectual property would be held by her company.

Prima executive director Martin Rogers told Biotech Daily that Panvax was a wholly owned subsidiary of Prima, holding the DCtag technology and intellectual property.

Prima said it would retain an undisclosed holding of any future commercialization royalties from Panvax.

Prima said the DCtag adjuvant acted as an immune enhancer by assisting dendritic cells to present an attached antigen to the immune system.

The company said the divestment of Panvax reduced the cash burn from "a non-core product" while allowing for the ongoing development of the DCtag technology by Prof Plebanski.

PX Biosolutions is a private company.

Prima fell half a cent or 2.86 percent to 17 cents.

## FLUOROTECHNICS

Fluorotechnics German subsidiary, Gelcompany GmbH has been awarded a EUR140,000 (\$A230,000) grant by Germany's Federal Government.

Fluorotechnics said the grant was part of the Zentrales Innovationsprogramm Mittelstand, a program supporting innovations by small and medium-sized companies.

Fluorotechnics said the Gelcompany would use the grant to develop new mini gels.

"Once complete, these mini gels will expand our product range beyond our current large format gels and will be based on our unique non-fluorescent plastic-backed gel technology," the company said.

Fluorotechnics chief executive officer James Walker said the market for existing mini gels was about EUR320 million a year and the Gelcompany was "aiming for a significant market share in a few years time".

"It is interesting that an Australian high innovation company can qualify for an innovation grant in Germany," Mr Walker said.

"It does show that a global company with an international development team can attract support for local projects," he said.

"Germany is serious in its commitment to encourage new technology and innovation," Mr Walker said.

Fluorotechnics said the Gelcompany had a team of six staff working on the mini gels.

The development program will be conducted in Germany and should be completed by June 30, 2010.

Fluorotechnics was untraded at 40 cents.

## HELICON

Helicon has revised its share plan reducing the maximum price of shares from 10 cents to five cents and the maximum raising from \$1.0 million to \$500,000 (BD: Oct 12, 2009).

The company said the price per share would be the higher of five cents or 80 percent of the five day volume weighted average price prior to the day of issue.

Helicon said the revised record date would be November 2, 2009, the share plan will open on November 9 and closes on November 27, 2009.

In its previous share plan announcement, Helicon was "in the process of documenting an underwriting agreement for the full amount of the plan", but that did not occur and the current share plan is not underwritten.

Last month Helicon said it would add gold and copper mining to its activities to underpin its original activity of the sale and distribution of Australian medical devices to China (BD: Oct 2, 2009).

Helicon was untraded at seven cents.

## BIONOMICS

Start-up Australia Ventures has increased its substantial shareholding in Bionomics from 59,198,200 shares (21.3%) to 88,364,866 shares (27.94%).

Start-Up acquired the 29,166,666 shares for \$7,000,000 or 24 cents a share following a funding from the Australian Government's Innovation Investment Follow-on Fund (BD: Sep 3, 2009).

Start-up managing director Dr George Jessup told Biotech Daily at that time that his venture capital investment fund was expected to repay the Government in the order of 200 to 300 percent of the grant.

Bionomics fell 1.5 cents or 4.6 percent to 31 cents.

## CYTOPIA

Last night's edition said Cytopia had "moved offices to St Kilda Road Melbourne and no longer performs any of its own laboratory work".

Cytopia chief executive officer Andrew Macdonald believes the article implied the strategic change was recent, however the company announced in July that "research operations will be closed down with immediate effect and the continuation of early stage work will be managed internally but conducted on an outsourced basis" (BD: Jul 5, 2009).

Mr Macdonald said that all research has been contracted out but Cytopia manages all of its own clinical trial work.

Biotech Daily apologizes for the unintended ambiguity in last night's report. The sub-editor has been sent to the races.

Cytopia was unchanged at 10 cents.