



Biotech Daily

Monday November 9, 2009

Daily news on ASX-listed biotechnology companies

- * **ASX UP, BIOTECH DOWN: NANOSONICS UP 9.5%; USCOM DOWN 9%**
- * **ACUVAX CALLS MEETING TO ROLL TWO HAWAII BIOTECH DIRECTORS**
- * **JM FINANCIAL TAKES 7% OF HALCYGEN**
- * **BIOMD BEGINS PELVIC FLOOR RECONSTRUCTION TRIAL**
- * **CYCLOPHARM INSTALLS CYCLOTRON AT MACQUARIE UNIVERSITY**
- * **RESONANCE WINS CONTRACTS; INCREASES EXPOSURE**
- * **MELBOURNE NEUROSCIENCE SYMPOSIUM THIS WEEK**
- * **COGSTATE REAPPOINTS LAUREN DELANEY CO SEC**
- * **SANTINO DI-GIACOMO REPLACES PALLANE (DIA-B) CO SEC**

MARKET REPORT

The Australian stock market climbed 1.8 percent on Monday November 9, 2009 with the S&P ASX 200 up 80.9 points to 4674.9 points.

Ten of the Biotech Daily Top 40 stocks were up, 19 fell, six traded unchanged and five were untraded.

Nanosonics was best, up five cents or 9.52 percent to 57.5 cents with 1.9 million shares traded, followed by Viralytics up 7.1 percent to three cents with 570,700 shares traded.

Acrux climbed 6.8 percent; Biota and Genetic Technologies were up more than three percent; Starpharma rose 2.6 percent; with Cochlear and Living Cell up more than one percent.

Uscom led the falls, down seven cents or 9.1 percent to 70 cents with 13,000 shares traded.

Alchemia and Antisense lost more than six percent; Circadian and Prana fell more than five percent; Benitec fell four percent; Cytopia, Mesoblast, Progen, Resmed and Tissue Therapies were down more than three percent; Cellestis, Compumedics and Sunshine Heart shed more than two percent; with Bionomics, Clinuvel, Genera and Optiscan down more than one percent.

ACUVAX

Acuvax has requisitioned an extraordinary meeting of Hawaii Biotech shareholders to replace two directors.

Acuvax chief executive officer Dr William Ardrey said his company and other Hawaii shareholders wanted to replace directors Elliot Parks and Debra Beresini to change the mindset of the company and generate greater revenues.

Dr Ardrey said the replacement candidates were well-known to the biotechnology industry and could not be named at this stage but would be identified later this week.

In a media release to the ASX Acuvax said the move was to "provide a more aggressive approach to the commercialization of [Hawaii Biotech's] vaccine technologies".

The meeting has been requested to occur on or about December 16, 2009.

Acuvax said it held about 28 percent of all shares on issue and just under 50 percent of common stock.

Dr Ardrey told Biotech Daily that Hawaii had four classes of voting shares with some "more equal than others" but said he was confident that with other shareholders his company would prevail at the meeting.

The Acuvax media release said it had been "approached by a number of shareholders with views similar to those expressed below, who are aligned with Acuvax's requisition".

Acuvax said re-structuring Hawaii Biotech's board would enable it "to much more rapidly achieve significant commercial outcomes from its vaccine technologies and make HBI a much more attractive investment candidate to attract the investment funds necessary to pursue the company's development".

Acuvax said Hawaii Biotech has two vaccines in human clinical trials, West Nile Fever and Dengue fever and was actively developing further vaccines using its platform technology.

Acuvax chairman Patrick Elliott said his company was "fully supportive of the clinical team and its advances at Hawaii Biotech Inc including the efforts of Dr Beth Ann Coller who was recently featured in the prominent medical journal Lancet Infectious Diseases for the Dengue program".

Acuvax said the Dengue program had received major funding from the Pediatric Dengue Vaccine Initiative and Bill and Melinda Gates Foundation and commercial licencing royalties for diagnostic applications of more than \$US1 million.

"However, an immediate re-assessment of clinical priorities is needed to focus on program with the highest value and opportunities for near term commercial success," Mr Elliott said. "The burn rate, including non-core costs such as travel and financial operations can also be rationalized without adversely affecting commercial vaccine developments."

"We believe that Acuvax, and other investors, will be strongly supportive of efforts to get Hawaii Biotech Inc on the right path to delivering strong outcomes to shareholders and supporting continued and excellent clinical development," Mr Elliott said.

Acuvax was unchanged at 1.9 cents.

HALCYGEN

JM Financial Group has increased its substantial shareholding in Halcygen from 7,194,217 shares (5.0%) to 9,621,608 shares (6.68%).

JM Financial said the shares were acquired primarily through on-market purchases with some transfers on November 5 and 6, 2009.

Last month JM Financial Group became substantial in Genera and an executive told Biotech Daily that the Melbourne group managed the shares "held in client discretionary investment accounts" with Sandhurst Trustees the registered holder. (BD: Oct 29, 2009).

Halcygen fell one cent or 2.2 percent to 44.5 cents with 1.1 million shares traded.

BIOMD

Biomd says its wholly-owned subsidiary Celxcel has implanted two patients with its Gynecel Adapt treated bovine patch in a phase II trial of pelvic floor reconstruction. Biomd said the two implants were the first of 20 patients to be implanted with the Gynecel in post-menopausal women requiring surgery for vaginal prolapse. The company said the study was being conducted at Sydney's St George Hospital and the surgical team were all members of the Sydney Women's Endosurgery Centre and were led by Dr Gregory Cario. Biomd said the pelvic floor study and the soon to be published paediatric cardiovascular study were begun to support a broader business model for the ADAPT patch. Biomd managing director Michael Bennett said the two studies would "provide us with a solid platform from which we can generate our next-stage products for use by a broader surgical population, both here in Australia as well as overseas". The St George study is projected to implant all 20 patients by April 2010. Biomd was untraded at 5.8 cents.

CYCLOPHARM

Cyclopharm says its first General Electric cyclotron has been delivered to its production and research facility at Macquarie University Hospital (BD: Jul; 29, 2009). Cyclopharm said the delivery was "the most critical step in completing the production site". The company said the facility was the first commercial radiopharmaceutical production centre to be located in a Sydney hospital. Cyclopharm said the site would be dedicated to the production of injectable radio-markers used in positron emission tomography (PET) scanning. Cyclopharm said practical construction would be completed by the end of December 2009 with commissioning to take place early in 2010. Cyclopharm was untraded at 11 cents.

RESONANCE HEALTH

Resonance says it has been awarded contracts worth nearly \$US500,000 (\$A540,000) for Ferriscan services to the pharmaceutical industry over the next two years. Resonance managing director Liza Dunne told Biotech Daily the contracts were with one company operating in the US, UK, Italy, Spain, Greece, Japan, Poland, Turkey, Malaysia Thailand, Singapore and Lebanon. Ms Dunne said the contracts were for clinical trials. Resonance said Ferriscan was "considered by many in the medical and scientific community as the gold standard in the measurement of iron overload" and was used extensively for iron chelator (metal ion compounds) drug therapies which bind the iron so it can be excreted from the body. The company said it was "showcased" at the Sickle Cell Society of America Convention in early October in Orlando, Florida and at the New York Academy of Science, Anaemia Symposium in late October where the company's chief scientific officer Prof Tim St Pierre was an invited speaker. Resonance said Prof St Pierre was an invited speaker at the American Association for the Study of Liver Disease in Boston last week. The company said the conferences were "significant exposure for Ferriscan and complement our strategic push into the US market". Resonance was up 0.1 cents or 4.35 percent to 2.4 cents.

NEUROSCIENCE SYMPOSIUM

The annual Neuroscience Symposium begins in Melbourne on November 11, 2009. The three-day scientific meeting is hosted by Victoria's Mental Health Research Institute, the Florey Neuroscience Institutes and the Centre for Neuroscience at the University of Melbourne.

The organizing body said this year's topics include schizophrenia, cognitive science and imaging.

Registration is free and all students (honors year or above) as well as research, academic, and professional staff are welcome.

In addition to the three-day symposium the MHRI-hosted 17th annual John Cade lecture will be presented by the University of Pittsburgh's schizophrenia researcher Dr David Lewis and the University of Melbourne hosted Cognitive Science lecture will be presented by French mathematician and cognitive scientist Prof Stanislas Dehaene.

The event will be opened by the Mental Health Research Institute executive director and Prana Biotechnology adviser Prof Colin Masters, with speakers including Queensland Institute for Medical Research's Prof Emma Whitelaw, Austin Health's Prof Sam Berkovic, The US National Institutes for Health's Dr Doug Fields who is also editor-in-chief of 'Neuron Glia Biology' and the Stockholm Brain Institute's Prof Anders Lansner.

Full program details are at http://www.mhri.edu.au/pdf/Cade09/Symp_program.pdf.

COGSTATE

Cogstate has appointed Lauren Delaney as company secretary, replacing Tony Panther.

Cogstate said Ms Delaney joined the company in September 2006 and was previously company secretary from April 2007 until August 2008, when she took 14 months leave.

The company said Ms Delaney would also act as finance manager.

Cogstate was untraded at 30 cents.

PALLANE MEDICAL. DIA-B TECH

After the market closed on November 6, 2009, Pallane (Dia-B) said Santino Di-Giacomo had replaced Wojtek Randla as company secretary "effective immediately".

The company which is listed under the ASX code of DIA but says the Australian Securities and Investments Commission has accepted the name change to Pallane thanked Mr Randla "for the contributions he made as company secretary during his short time in office".

The company said Mr Di-Giacomo was a non-executive director with more than 25 years of commerce and finance experience.

Pallane (Dia-B) was in a suspension at 1.4 cents, consolidated to 28 cents.