



Biotech Daily

Monday October 26, 2009

Daily news on ASX-listed biotechnology companies

- * **ASX DOWN, BIOTECH UP: ANTISENSE UP 22%; TISSUE THERAPIES DOWN 8%**
- * **BIO-SCIENCES, BIOTECHNOLOGY WIN \$85m ARC GRANTS**
- * **UNILIFE WINS \$5.6m PENNSYLVANIA STATE GRANTS**
- * **IMPEDIMED RELEASES 7.5m ESCROW SHARES**
- * **FLUOROTECHNICS RELEASES 360,900 ESCROW SHARES**
- * **ACUVAX PLAN RAISES \$164k**
- * **AUSBIOTECH ON TRACK FOR TOMORROW'S CONFERENCE**
- * **FERMISCAN REQUESTS 'TRIALS STRATEGY' TRADING HALT**

MARKET REPORT

The Australian stock market fell 0.6 percent on Monday October 26, 2009 with the S&P ASX 200 down 29.1 points to 4830.3 points.

Fifteen of the Biotech Daily Top 40 stocks were up, 12 fell, 11 traded unchanged and two were untraded.

Antisense was best, up one cent or 21.74 percent to 5.6 cents with 866,970 shares traded, followed by Alchemia up 10.2 percent to 59.5 cents with 1.2 million shares traded.

Biota climbed 6.5 percent; Pharmaxis and Starpharma were up more than five percent; Clinuvel was up 4.6 percent; Viralytics climbed 3.1 percent; Prana rose 2.7 percent; with Acrux, Bionomics, Cellestis, Chemgenex, Cochlear, Mesoblast and Nanosonics up more than one percent.

Tissue Therapies led the falls, down 1.5 cents or 7.9 percent to 17.5 cents with 1.1 million shares traded, followed by Benitec down 6.25 percent to 4.5 cents.

Living Cell lost 5.9 percent; Phosphagenics fell 3.5 percent; Genera and Universal Biosensors shed more than two percent; with Genetic Technologies, Novogen, Psivida and Sunshine Heart down more than one percent.

AUSTRALIAN RESEARCH COUNCIL GRANTS

Biological sciences and biotechnology will receive \$65.99 million of the \$325.5 million Australian Research Council's grants for 925 Discovery Projects.

Announcing the grants, the Federal Minister for Innovation Industry Science and Research, Senator Kim Carr, said the \$325.5 million was an "investment in fundamental research and international collaboration [to] ensure Australia achieves its goal of a world-class national innovation system".

He said the Discovery Projects scheme supported "high-quality fundamental research that builds Australia's knowledge, research capacity and international competitiveness".

Biotechnology and biological sciences will receive \$18.6 million of the \$66.8 million Australian Research Council linkage grants for 211 research projects.

Senator Carr said the Australian Government was "committed to supporting strong and productive partnerships between research institutions and industry".

"These partnerships provide Australian researchers with the resources needed to undertake crucial research that will advance our knowledge, wealth, and help ensure our future sustainability and wellbeing," Senator Carr said.

Senator Carr said that as well as the \$66.8 million grants, 437 partner organizations, including national and international governments, private and non-profit organizations would provide an additional \$121.3 million in cash and in-kind contributions.

Biological sciences and biotechnology received \$18,561,793, followed by social, behavioral and economic sciences (\$18.2m); engineering and environmental sciences (\$12.2m); mathematics, information and communication sciences (\$9.2m); physics, chemistry and earth sciences (\$4.5m); and humanities and creative arts (\$4.2m).

Examples of Linkage Grants including the "microbial conversion of coal to methane" are available at http://www.arc.gov.au/pdf/grants10/LP10_BSB_examples.pdf.

Examples of Discover Projects including the "creation of a non-venomous honey bee" are available at: http://www.arc.gov.au/pdf/grants10/DP10_BSB_examples.pdf.

UNILIFE MEDICAL SOLUTIONS

Unilife says it has been awarded \$US5.2 million (\$A5.6 million) from the Commonwealth of Pennsylvania supporting the creation of 241 new jobs within York County.

Unilife said the grants included \$US2 million for the development of a new facility in South-Central Pennsylvania under the Redevelopment Assistance Capital Program; \$US2 million in low-interest financing loans for land and building acquisition and construction costs from the Pennsylvania Industrial Development Authority; \$US500,000 Opportunity Grant, for any eligible costs associated with a company project; \$US482,000 in Job Creation Tax Credits for the creation of 241 highly-skilled jobs by 2013, which can be applied to the company's Pennsylvania corporate net income tax obligations; as well as a grant of \$US200,000 in Customized Job Training Grants, which reimburse 75 percent of the eligible costs associated with advanced level training for new or existing employees. Unilife said the funds would be used to support its establishment as a US-based global leader in the design, development and supply of innovative safety medical devices for use within US and international pharmaceutical and healthcare markets.

Unilife said that over the past year it had relocated key commercial and operational functions from Australia to its US Food and Drug Administration-registered manufacturing facilities in Lewisberry, Pennsylvania.

The company said it had "effectively doubled its size during this period with 87 staff now employed at its Lewisberry facility".

Unilife was up three cents or 2.7 percent to \$1.13 with 1.3 million shares traded.

IMPEDIMED

Impedimed says 7,510,126 shares held in escrow from its initial public offer have been released for trading.

Impedimed has 108,747,030 shares available for trading on the ASX with a further 277,998 performance shares remaining in escrow.

When all these shares have been released from escrow, Impedimed will have 109,025,028 shares available for trading.

Impedimed was unchanged at 78 cents.

FLUOROTECHNICS

Fluorotechnics says 360,900 escrow shares have been released for trading.

Fluorotechnics has 25,492,752 shares available for trading on the ASX, of which 3,813,025 shares are held in voluntary escrow until October 28, 2010.

A further 4,829,100 shares remain in ASX escrow until October 28, 2010.

When all these shares have been released from escrow, Fluorotechnics will have 30,321,832 shares available for trading.

The ASX does not include escrow shares in calculating the market capitalization of listed companies, even though the shares have full voting rights and are part of the capital of the company.

Fluorotechnics was unchanged at 40 cents.

ACUVAX

Acuvax says its share plan raised \$164,000 and 10,250,000 shares will be issued at 1.6 cents a share.

Acuvax said the funds would be used to invest further in immunology, marketing and for general working capital.

When the plan was announced, the company said it would be at the lower of 2.5 cents or 80 percent of the average price over the last five days, before the shares were issued.

Acuvax said at that time the plan could have raised up to 30 percent of its share capital, then worth about \$4.6 million (BD: Sep 21, 2009).

Acuvax fell 0.2 cents or 9.1 percent to two cents.

AUSBIOTECH

Ausbiotech's 2009 Conference begins tomorrow with the invitation-only Life Sciences Investment Summit and the official opening by Victoria's Governor Prof David de Kretzer. Ausbiotech communications manager Lorraine Chiroiu told Biotech Daily that about 1,200 delegates had been confirmed compared to last year's 1,327 delegates.

The Life Sciences Investment Summit is expected to be opened by Victoria's Minister for Innovation Gavin Jennings and the Federal Parliamentary Secretary for Traded and Parliamentary Secretary to the Prime Minister Anthony Byrne.

From 10am until 12pm, "late stage" companies will have six minutes each to present to the summit with Acrux beginning proceedings.

Following a lunch hosted by RBS Morgans (formerly ABN Amro Morgans) early-stage companies will have five minutes to present to the Summit.

One-to-one partner meeting will be held throughout the summit.

A welcome reception will be held at Government House to formally open the Ausbiotech conference.

FERMISCAN

Fermiscan has requested a trading halt pending an announcement “in relation to the company’s strategy on trials”.

Trading will resume on October 28, 2009 or on an earlier announcement.

Fermiscan last traded at three cents.