



Biotech Daily

Thursday October 8, 2009

Daily news on ASX-listed biotechnology companies

- * **ASX UP, BIOTECH DOWN: TISSUE THERAPIES UP 17%; OPTISCAN DOWN 9%**
- * **BIONOMICS OVERSUBSCRIBED SHARE PLAN RAISES \$2.2m**
- * **VIRALYTICS ACCELERATES HEAD AND NECK CANCER RECRUITMENT**
- * **PRIMA PLEADS SCHULTZ TO ASX 87% QUERY; LOSS UP**
- * **EASTLAND ALSO PLEADS SCHULTZ TO ASX 27% QUERY**
- * **ASX REINSTATES ROCKEBY AHEAD OF DELISTING**
- * **OCCUPATIONAL & MEDICAL FILES ACCOUNTS, REMAINS SUSPENDED**
- * **FERMISCAN APPOINTS CAROLINE RAW COMPANY SECRETARY**

MARKET REPORT

The Australian stock market climbed 1.55 percent on Thursday October 8, 2009 with the S&P ASX 200 up 72.9 points to 4768.6 points.

Twelve of the Biotech Daily Top 40 stocks were up, 20 fell, six traded unchanged and two were untraded.

Tissue Therapies was best, up three cents or 17.1 percent to 20.5 cents with 106,000 shares traded, followed by Universal Biosensors up 8.6 percent to \$1.45.

Antisense, Labtech and Prana climbed four percent or more; Viralytics was up 3.7 percent; Cellestis rose 2.1 percent; with Alchemia, Cochlear, Nanosonics and Phosphagenics up more than one percent.

Optiscan led the falls, down one cent or 9.1 percent to 10 cents with 208,790 shares traded, followed by Benitec down 7.1 percent to 5.2 cents.

Prana lost 6.5 percent; Psivida fell 5.7 percent; Cytopia was down 4.55 percent; Phylogica and Progen fell more than three percent; Circadian, Compumedics, Novogen and Sunshine Heart shed more than two percent; with Bionomics, Clinuvel, Genetic Technologies, Living Cell and Mesoblast down more than one percent.

BIONOMICS

Bionomics says its share purchase plan closed oversubscribed raising \$2,200,000 through the issue of shares at 24 cents a share.

Bionomics said it received applications for shares to the value of \$2,402,560 but the plan was capped at \$2.2 million.

The company said subscribers would be scaled back on a pro rata basis so that each subscriber would receive 91.6 percent of their application

The share plan was underwritten by Linwar Securities.

Bionomics said that subject to shareholders approval of the issue of shares to Start-up Australia Ventures at the extraordinary general meeting to be held tomorrow October 9, 2009, the company will have completed its \$15 million capital raising.

Bionomics chairman Dr Peter Jonson said it was "extremely gratifying to see the strong support shown by our loyal shareholders of this capital raising and, in particular, of the SPP".

Dr Jonson said the company was "very well placed to continue the development of its key programs in cancer and anxiety in an adequately funded manner and to execute its commercial strategy".

Bionomics fell half a cent or 1.7 percent to 28.5 cents.

VIRALYTICS

Viralytics says Fremantle Hospital in Western Australia is the second centre to recruit patients for its phase I trial of Cavatak for head and neck cancer.

Viralytics said the Fremantle Hospital's Dr Phillip Claringbold began recruiting patients following site initiation and ethics approval from Western Australia's South Metropolitan Area Health Service.

The company said it began the phase I trial in Newcastle earlier this year and site initiation was planned for later this month at three more hospitals.

Viralytics said that with seven patients remaining to be recruited for the trial, completion was "expected to move ahead rapidly".

Viralytics managing director Bryan Dulhunty said the "validation of virotherapy as a future treatment for a range of cancers types was further advanced this week with the announcement of a phase III head and neck trial in the US using a combination of virotherapy and chemotherapy".

"Previously two phase III trials were announced using virotherapy on its own," Mr Dulhunty said.

Viralytics said its most clinically advanced studies were in melanoma and head and neck cancer and it would benefit from the advanced studies using virotherapy.

Viralytics said it was progressing its own program towards a phase II investigational new drug application in the US following the recent completion of its phase I melanoma trial.

Viralytics third phase I trial underway this year is the intravenous infusion of Cavatak into patients with late stage melanoma, breast cancer and prostate cancer, which requires several more patients to complete recruitment.

Viralytics said that Cavatak was the trade name for its formulation of the Coxsackievirus Type A21 (CVA21) which occurred naturally in the community.

The company said CVA21 attached to the outside of a cell, using two receptors to infect cells - intercellular adhesion molecule-1 (ICAM-1) and/or decay accelerating factor (DAF).

The company said both receptor proteins were highly expressed on multiple cancer types, including melanoma, prostate cancer, breast cancer, multiple myeloma and others.

Viralytics was up 0.1 cents or 3.7 cents to 2.8 cents with 5.0 million shares traded.

PRIMA BIOMED

Prima has 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 15 cents on September 28, 2009 to 28 cents, an 86.7 percent increase, on October 7, but did not note an increase in trading volume.

Prima said that increased expenditure on its cancer vaccine was likely to increase the operating loss before abnormal items and income tax for the half year ended December 31, 2009 by more than 15 percent over the previous corresponding period but could not quantify the amount.

Prima fell three cents or 11.3 percent to 23.5 cents with 42.6 million shares traded.

EASTLAND MEDICAL SYSTEMS

Eastland has 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 6.3 cents on October 7, 2009 to eight cents, a 26.98 percent increase, today, October 8 and noted an increase in trading volume.

Eastland was up 1.2 cents or 19.05 percent to 7.5 cents with 8.1 million shares traded.

ROCKEBY BIOMED

The ASX says Rockeby has been reinstated to trading following the filing of its full year accounts.

Rockeby has previously announced its intention to delist from the ASX (BD: Oct 1, 2009). Rockeby was untraded at 3.1 cents.

OCCUPATIONAL & MEDICAL INNOVATIONS

Occupational & Medical has filed its annual report including its full year accounts, but remains in a trading suspension.

Chairman David Shirley told Biotech Daily the auditor's report questioned provisions for legal costs and that he would be meeting with the ASX to discuss the issue tomorrow.

Occupational & Medical last traded at 14.5 cents.

FERMISCAN

Fermiscan has appointed Caroline Raw as company secretary.

Fermiscan said Ms Raw was a new South Wales solicitor advising small to mid-capitalization corporate clients on capital raising, corporate advisory and funds management.

The company said Ms Raw had a Bachelor of Laws and Commerce and a Graduate Diploma in Applied Corporate Governance.

Fermiscan fell 0.8 cents or 13.8 percent to five cents.