



# Biotech Daily

Monday September 21, 2009

*Daily news on ASX-listed biotechnology companies*

- \* **ASX DOWN, BIOTECH UP: NANOSONICS UP 12%; CYTOPIA DOWN 11%**
- \* **ALL FOUR SUNSHINE HEART PATIENTS IMPROVE WITH C-PULSE**
- \* **SAFETY MEDICAL IN \$42.5m HUNGARIAN JOINT VENTURE**
- \* **IMMURON COMPLETES HIV ADJUNCT TRIAL RECRUITMENT**
- \* **CANCER RESEARCH CEASES IN SIRTEX, INSTITUTIONS ON BOARD**
- \* **ACUVAX SHARE PLAN TO RAISE UP TO \$4.6m**
- \* **ANTEO 1-FOR-1 RIGHTS ISSUE TO RAISE \$1m**
- \* **BIOSIGNAL RAISES \$900k FOR RGM'S BACKDOOR LISTING**
- \* **SUNSHINE HEART OVER-ISSUES 6m SHARES – NO ACTION NEEDED**

## MARKET REPORT

The Australian stock market fell 0.34 percent on Monday September 21, 2009 with the S&P ASX 200 down 15.8 points to 4677.4 points.

Seventeen of the Biotech Daily Top 40 stocks were up, 11 fell, 10 traded unchanged and two were untraded. All three Big Caps were up.

Nanosonics was best on news of hospital disinfection problems, up six cents or 12.2 percent to 55 cents with 601,927 shares traded, followed by Tyrian up 9.1 percent 2.4 cents with 2.8 million shares traded.

Living Cell climbed 8.7 percent; Sunshine Heart was up 7.7 percent; Alchemia and Impedimed were up more than five percent; Avexa and Benitec were both up 4.55 percent; Heartware and Psivida were up more than three percent; Circadian, Mesoblast and Optiscan rose more than two percent; with Acrux, CSL, Resmed, Sirtex and Universal Biosensors up more than one percent.

Cytopia led the falls, down 1.5 cents or 11.1 percent to 12 cents with 151,900 shares traded. Novogen and Phosphagenics lost more than four percent; Biota was down 3.1 percent; Compumedics, Pharmaxis and Prana shed more than two percent; with Bionomics, Cellestis, Clinuvel and Peplin down by more than one percent.

## SUNSHINE HEART

Sunshine Heart says all four patients in its aorta cuff pump trial had “shown visible signs of improved circulation and were able to successfully disconnect from the device”.

Sunshine Heart said the trial was being held at the Ohio State University Medical Center in Columbus and the Jewish Hospital in Louisville, Kentucky.

Sunshine Heart chief executive officer Don Rohrbaugh said the company was “very encouraged by the responses” to the implantation of the C-Pulse aorta cuff.

“Since completing the procedure, they all continue to show improvement and symptomatic relief, with improved quality of life,” Mr Rohrbaugh said.

“We look forward to meeting our target enrollment of 20 patients with the goal of supporting US approval of C-Pulse as a minimally invasive solution for heart failure patients,” Mr Rohrbaugh said.

“We are pleased to announce that a video update on these patients is now available on our website, and I urge all of you to take a first-hand look at their progress,” he said.

The company said that on completion of the trial it would request Conformité Européenne (CE) Mark approval to market C-Pulse in the European Union and in other countries that honor CE Mark as well as seek US Food and Drug Administration approval for a larger randomized US pivotal study to support a marketing application in the second half of 2010.

Sunshine Heart climbed 0.4 cents or 7.7 percent to 5.6 cents.

## SAFETY MEDICAL PRODUCTS

Safety Medical has terminated its current strategic alliance to pursue a joint venture with Hungary’s Dispomedicor Zrt to establish a high volume manufacturing facility.

Safety Medical said it would terminate its existing strategic alliance agreement with Exelint International.

The company said the joint venture would provide about EUR25 million (\$A42.5 million) for production and worldwide marketing of safety and conventional medical products.

Safety Medical said the core products would include a full range of its Securetouch Retractable Syringes and Dispomedicor designed safety needles as well as a full range of conventional needles and syringes and other high volume medical devices.

Safety Medical said it expected significant Hungarian Government involvement through grants and finance.

Safety Medical was up 2.8 cents or 77.8 percent to 6.4 cents.

## IMMURON

Immuron says it has completed recruitment for its multi-centre HIV adjunct therapy trial of its antibody-based Bioguard.

Immuron said Bioguard was being investigated for its “efficacy in helping control the abnormal gastrointestinal inflammation associated [with] HIV infections”.

The company said the formulation was believed to slow progress of the disease when used either alone or in combination with an anti-retroviral drug.

Immuron said the trial results were expected to be available in mid-2010.

Immuron was up 0.7 cents or 14 percent to 5.7 cents with 1.5 million shares traded.

### SIRTEX MEDICAL

The Cancer Research Fund has ceased its substantial shareholding in Sirtex through the sale of 4,568,526 shares at \$4.50 a share or \$20,558,367.

The Cancer Research Fund was holding the shares as trustee for the Cancer Research Trust and was unable to trade the shares in relation to an injunction in the long running University of Western Australia legal battle with Sirtex founder and former chairman and chief executive officer Dr Bruce Gray (BD: Sep 8, 2009).

The September 8 appeal judgment removed the injunction.

Sirtex chief financial officer Darren Smith told Biotech Daily the shares were acquired by "about a dozen institutional funds".

Sirtex climbed five cents or 1.01 percent to \$5.01.

### ACUVAX

Acuvax is offering eligible shareholders up to \$15,000 each in shares at 2.5 cents or lower to raise up to 30 percent of its share capital.

At the time of publication 30 percent of the company's market capitalization was about \$4.6 million.

Acuvax chief executive officer Dr William Ardrey told Biotech Daily he would be participating in the plan.

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

Acuvax said investors could buy parcels ranging from \$1,000 to \$15,000 at the lower of 2.5 cents or 80 percent of the average price over the last five days on which sales were recorded before the shares were issued.

Last week, Acuvax raised \$488,000 in a placement at two cents a share (BD: Sep 17, 2009).

The share plan record date was September 18, 2009 and the offer closes on October 15, 2009.

Acuvax was up 0.2 cents or eight percent to 2.7 cents with 1.3 million shares traded.

### ANTEO DIAGNOSTICS

Anteo hopes to raise \$1.08 million through a one-for-one renounceable share rights offer at 0.6 cents a share.

Anteo said the issue was fully underwritten by Transocean Securities and each new share would come with an attaching option exercisable at 1.2 cents by September 30, 2010.

The company said the funds would be used for the commercialization of its products, specifically its Mix & Go bead coating platform.

The record date is September 29, 2009 and the offer closes on October 20, 2009.

Anteo was up 0.4 cents or 36.4 percent to 1.5 cents with 1.9 million shares traded.

### BIOSIGNAL

Biosignal says it has raised \$900,000 through a convertible note to part finance the completion for the RGM acquisition (BD: Jul 31, 2009).

Biosignal said \$220,000 had been advanced with the balance to be paid in one further tranche. The 12 month convertible note carries a 10 percent coupon convertible into Biosignal shares.

Biosignal was untraded at 2.3 cents.

## SUNSHINE HEART

Sunshine Heart says that on August 10, 2009 it said it would issue 43,758,664 shares in a placement to sophisticated and institutional investors.

Sunshine Heart said that in calculating the number of shares it could issue it did not include options previously issued to employees in October 2008.

As a result of not including these options in the calculation of its 15 percent securities placement entitlement under ASX Listing Rule 7.1, the company inadvertently exceeded its capacity to issue equity securities without security-holder approval by 6,159,258 shares.

Sunshine Heart said it was “unable to issue any further equity securities without the approval of security-holders until security-holders have ratified the issue of that portion of ordinary securities issued under the private placement which did not breach Listing Rule 7.1.”

The company said it would ask security-holders to ratify the issue of these ordinary securities at the annual general meeting scheduled for October 29, 2009.

Sunshine Heart said its capacity to issue equity securities under List Rule 7.1 was reduced by 6,159,258 equity securities until August 17, 2010.

Sunshine Heart’s company secretary Rowena Hubble told Biotech Daily that the company did not need to undo anything involving the placement or share plan and the ASX had accepted it was an accidental error.

Ms Hubble said the ASX had ruled that following shareholder approval at the AGM that the company could issue up to 15 percent of its issued capital minus 6,159,258 shares.