



Biotech Daily

Monday November 22, 2010

Daily news on ASX-listed biotechnology companies

VALE PROF FRANK FENNER (21.12.1914 - 22.11.2010)

- * **ASX, BIOTECH UP: USCOM UP 25%; PSIVIDA DOWN 6%**
- * **NOVOGEN'S MARSHALL EDWARDS FACES NASDAQ DELISTING, AGAIN**
- * **PATRY'S VOTES ON PLACEMENTS; CLARIFICATION**
- * **AVITA REAPPOINTS CEO DR BILL DOLPHIN ON \$328k**
- * **BIOTA LOSES DIRECTOR GRANT LATTA; SMALL AGM DISSENT**
- * **16% OF IM MEDICAL OPPOSE CHAIRMAN DIPAK SANGHVI**

MARKET REPORT

The Australian stock market climbed 0.31 percent on Monday November 22, 2010 with the S&P ASX 200 up 14.3 points to 4643.5 points.

Sixteen of the Biotech Daily Top 40 stocks were up, 12 fell, 10 traded unchanged and two were untraded. All three Big Caps were up.

Uscom was best, up six cents or 25 percent to 30 cents with 11,506 shares traded, followed by Mesoblast up 8.1 percent to \$3.19 with 286,587 shares traded.

Optiscan climbed five percent; Heartware was up 4.8 percent; Virax was up 3.6 percent; Alchemia, Living Cell and Starpharma rose more than two percent; with Biota, Chemgenex, Circadian, CSL, Impedimed, Pharmaxis and Universal Biosensors up one percent or more.

Psivida led the falls, down 35 cents or 6.4 percent to \$5.10 with 6,412 shares traded, followed by Clinuvel down five percent to \$1.71 with 13,300 shares traded.

LBT and Prima fell more than four percent; Benitec, Cellestis and Tissue Therapies lost more than three percent; Advanced Surgical, Genera, Nanosonics and Phylogica shed more than two percent; with QRX down 0.5 percent.

NOVOGEN

The Nasdaq has told Novogen's subsidiary Marshall Edwards that it will be delisted for non-compliance with the minimum \$10 million stockholders' equity requirement. Novogen said its 71.3 percent US subsidiary intended to request a hearing before the Nasdaq listing qualifications panel, which would stay any further action until the panel issued its decision following the hearing.

The company said the panel could grant an additional 180 days to comply.

Novogen said there was no assurance that the panel would grant the request for continued listing and if it did not, the company's stock might be transferred to the Nasdaq capital market or delisted.

In July, Nasdaq gave Marshall Edwards 180 days to correct its share price falling below \$US1 or face delisting for that reason (BD: Jul 23, 2010).

Marshall Edwards last traded at 87 US cents.

Novogen fell half a cent or 3.6 percent to 13.5 cents.

PATRY'S

Patry's shareholders will vote to ratify share placements above the "15 percent rule".

In last week's editions of November 17 and 18, there was ambiguity over how much Patry's had raised.

The company's chief financial officer Roger McPherson told Biotech Daily today that along with the \$2,894,000 million in the first tranche of the placement, which was within the 15 percent rule, further amounts of about \$880,000 had been raised, pending shareholder approval.

Mr McPherson said Patry's had raised about \$3.8 million, pending shareholder approval, with a separate share plan underway.

The general meeting will be at Middletons, Level 25, 525 Collins Street, Melbourne on December 22, 2010 at 11am.

Patry's was unchanged at 11 cents.

AVITA MEDICAL

Avita has renewed Dr William Dolphin's contract as chief executive officer and managing director on a base salary of \$US325,000 (\$A327,626).

Avita chairman Dalton Gooding said the board was "very pleased with Dr Dolphin's performance to date".

Mr Gooding said the new contract was "an appropriate balance of fixed and performance-based variable remuneration reflecting the complexity of Dr Dolphin's role and in line with industry best practice.

Avita said a substantial percentage of Dr Dolphin's remuneration over the next two years was at risk, aligning his interests with those of shareholders.

The company said the two year contract ran until June 2012 with the option of renewal thereafter.

Avita said Dr Dolphin's base salary would be \$US325,000 with short-term incentives amounting to a further one-third of the base salary and long term incentives including the issue of 1,750,000 options to Dr Dolphin, pending the achievement of key performance goals.

Avita was unchanged at 11 cents.

BIOTA

Biota says director Grant Latta has resigned following today's board meeting. Mr Latta's resignation was announced in the notice for annual general meeting. Separately, Biota said that the company's remuneration report was supported by 47,951,452 proxy votes (94.6%) with 2,749,687 proxy votes (5.4%) against. Prof Jeffrey Errington was elected as a director with an overwhelming majority. Biota was up one cent or 0.99 percent to \$1.02.

IM MEDICAL

A total of 22,336,548 proxy votes (15.6%) opposed the re-election of chairman Dipak Sanghvi with 120,950,352 proxy votes (84.4%) in favor. The ratification of a share plan was passed with more than 136.8 million proxy votes in favor and 6.3 million proxy votes against, while the remuneration report was passed with more than 141.6 million proxy votes in favor and 1.7 million votes against. IM Medical was unchanged at 0.1 cents with 57.35 million shares traded.