



Biotech Daily

Thursday December 4, 2008

Daily news on ASX-listed biotechnology companies

- * **ASX SLIPS, BIOTECHS DOWN: CHEMGENEX UP 19.5%, TYRIAN DOWN 25%**
- * **ATCOR: US RACE STUDY BACKS CENTRAL BP MEASUREMENT**
- * **STARPHARMA'S SPL7013 ACTIVE AGAINST ALL MAJOR HPV STRAINS**
- * **PRIMA OFFERS SHARE PLAN AT 0.5 CENTS A SHARE**
- * **OBJ OFFERS RIGHTS ISSUE AT ½¢ A SHARE TO RAISE \$789k**
- * **HEARTWARE DETAILS US REDOMICILE TRADING**
- * **ROCKEY CHANGES DIRECTORS; 30-TO-1 SHARE CONSOLIDATION**
- * **GOODBYE ANADIS, HELLO IMMURON**

MARKET REPORT

The Australian stock market slipped 0.2 percent on Thursday December 4, 2008 with the All Ordinaries down 8.4 points to 3,468.1 points.

Five of the Biotech Daily Top 40 stocks were up, 14 fell, eight traded unchanged and 13 were untraded.

Chemgenex was best, up eight cents or 19.51 percent to 49 cents with 60,061 shares traded, followed by Heartware up eight cents or 19.05 percent to 50 cents with 10,000 shares traded.

Impedimed climbed 7.69 percent; Phosphagenics was up 6.67 percent; Bionomics and Resmed were up five percent or more; with CSL up 0.63 percent.

Tyrian Diagnostics (formerly Proteome) led the falls, down one cent or 25.0 percent to three cents. Cathrx and Neuren both fell 7.69 percent; Clinuvel and Novogen lost more than six percent; Polartech was down 5.26 percent; Acrux and Sirtex fell more than four percent; Pharmaxis and Universal Biosensors were down more than three percent; Progen and Ventracor shed more than two percent; with Arana and Biota down more than one percent.

ATCOR

Atcor says a study of European and African-descent Americans in the American Journal of Physiology further underlines the usefulness of central blood pressure measurement. The University of Illinois study compared vascular function in groups of healthy young African American and Caucasian men.

Entitled 'Racial differences in central blood pressure and vascular function in young men' the study by Dr Kevin Heffernan et al, found that while both groups of men had similar brachial (upper arm) pulse pressures, the young African-American men had higher central pulse pressures.

An abstract is at <http://ajpheart.physiology.org/cgi/content/abstract/00902.2008v1>.

Atcor said elevated central pulse pressure, which cannot be detected with traditional cuff blood pressure measurement, was associated with increased risk of heart attack, stroke and kidney disease.

Atcor said its Sphygmocor technology was used to non-invasively measure central blood pressures during the study.

The company told Biotech Daily that the study raised health concerns that were further investigation.

Atcor said the University of Illinois study highlighted the limitations of using standard cuff blood pressure measurement alone in diagnosing and treating hypertension.

"Our results support the notion that brachial blood pressure does not reflect vascular burden, particularly in young healthy African-American men and alterations in central pressure may precede alterations in brachial pressure," the study's authors said.

The adverse implications of elevated central pulse pressure have been observed in a number of other studies.

Atcor said the Strong Heart Study, funded by the National Institutes of Health and involving more than 3,500 patients, showed in a multivariate analysis that central pressure using Sphygmocor, but not brachial pressure, was found to predict cardiovascular events. A follow-on analysis of the Strong Heart Study data presented at the 2008 American Heart Association Annual Scientific Meeting determined a specific level of central pulse pressure above which adverse cardiovascular events increased significantly, the company said.

Atcor chief executive officer Duncan Ross said it was "well-recognized" that African-American men had a higher prevalence of hypertension.

"Detecting elevated central pulse pressure early - allowing timely intervention - may help prevent chronic cardiovascular disease in later life," Mr Ross said.

"As the study authors observed, the measurement of central blood pressure may fill a crucial void in the current management of hypertension," Mr Ross said.

"Yet again, the science shows that it is critically important to measure central blood pressure," Mr Ross said.

The abstract said the study tested the hypothesis that vascular dysfunction in young African-American men would contribute to greater central blood pressure when compared to young white men.

It concluded that "young African American men have greater central blood pressure despite comparable brachial blood pressure when compared with young white men".

"Diffuse macrovascular and microvascular dysfunction manifesting as carotid hypertrophy, increased stiffness of central elastic arteries, heightened resistance artery constriction and/or blunted resistance artery dilation and greater arterial wave reflection is present at a young age in apparently healthy African-American men and conventional brachial [blood pressure] measurement does not reflect this vascular burden," the abstract reported.

Atcor was untraded at 13 cents.

STARPHARMA

Starpharma says pre-clinical data shows that SPL7013 inhibits all four strains of the human papillomavirus targeted by the two marketed cervical cancer vaccines.

SPL7013 is the active ingredient in Starpharma's topical microbicide Vivagel.

The trial used a non-gel form of the compound.

Starpharma said the pre-clinical results extended those of a previous study showing that SPL7013 was active against two of the four strains of human papillomavirus (HPV) targeted by the vaccines.

The company said SPL7013 had been shown to have in-vitro activity against HPV-16 and HPV-18, which account for 70 percent of cervical cancers; and HPV-6 and HPV-11, which together account for 90 percent of the incidence of genital warts.

Starpharma said the latest data demonstrated SPL7013 to be active against HPV-31.

SPL7013 has been demonstrated to be active against HPV-45, the company said.

These two strains have been implicated in more than four percent of cervical cancers but neither is included in the existing vaccines.

Starpharma chief executive officer Dr Jackie Fairley said the new data "support our earlier findings that Vivagel may have potential for reducing the risk of genital HPV infection" the most common sexually transmitted infection in the US.

"Showing that Vivagel has activity against all major clinically relevant strains of HPV tested so far, in particular those strains not covered by the current cervical cancer vaccines, further strengthens the growing body of evidence demonstrating the efficacy of SPL7013 against several important [sexually transmitted infections]," Dr Fairley said.

Starpharma said that in the US, 6.2 million people were newly infected with human papillomavirus each year and that human papillomavirus infection was a factor in the development of virtually all cases of cervical cancer.

Vivagel is currently under clinical development as a vaginal microbicide for the prevention of transmission of HIV and genital herpes (HSV-2).

Starpharma was untraded at 23.5 cents.

PRIMA BIOMED

Prima is offering eligible shareholders up to \$5,000 worth of shares at 0.5 cents a share.

Prima said the funds raised would be used to assist meet the costs associated with its investigation new drug application to the US Food and Drug Administration.

Prima said that assuming no clinical hold was issued, funds would also be used for its phase IIb/III pivotal clinical trials of CVac for ovarian cancer and ongoing working capital.

The company said shareholders at the record date of December 1, 2008 would be eligible to participate in the plan which opens on December 4, 2008 and closes on December 22.

Parcels of shares can be bought in a range from \$2,000 to \$5,000.

Prima fell 0.1 cents or 14.29 percent to 0.6 cents.

OBJ

OBJ hopes to raise up to \$788,512 through a three-for-10 non-renounceable share offer at 0.5 cents a share. Each new share will have an attaching option exercisable at one cent.

OBJ said the funds raised would be used for research and development of its transdermal programs and "to secure new business opportunities".

The company said shareholders at the record date of December 12, 2008 would be eligible to participate in the rights issue which closes on January 2, 2009.

OBJ was unchanged at 0.7 cents.

HEARTWARE

Heartware says it has submitted its application to list on the Nasdaq Global Market. Subject to Nasdaq approval of the application, Heartware will have dual listings on the ASX and Nasdaq, with securities able to be freely traded by stockholders on either exchange.

Heartware said that listing on Nasdaq would provide greater liquidity and would further assist in deepening its "already substantial US investor support".

The company said it expected that its common stock would commence trading on Nasdaq in January 2009 with Chess depository interests, or CDIs, continuing to trade on the ASX. Heartware said all stockholders would have the ability to "move" between Nasdaq and ASX by transferring their CDI's into common stock, or vice versa, by notifying the company's share register, Computershare.

Heartware said each share of common stock was equivalent to 35 Heartware CDI's and the day-to-day trading prices on Nasdaq and the ASX would differ.

To establish a trading market in the US, JP Morgan, Cannaccord Adams and Lazard Capital Management will be Heartware's initial market makers.

The company said analyst coverage had commenced in the US and Heartware has received expressions of interest to further expand analyst coverage following a listing on Nasdaq.

Heartware president and chief executive officer Doug Godshall said the company was a US-domiciled company which has been SEC compliant since early 2007.

"With approximately 80% of outstanding shares already held in the United States, listing on a US exchange represents a natural evolution for the company," Mr Godshall said.

"The vast majority of the world's medical device investors are US-based and a majority of the publicly traded medical device companies are listed in the United States," he said.

"We are confident that the dual listed structure will better satisfy both our Australian and US investor bases while at the same time encouraging a more efficient market in Heartware stock," Mr Godshall said.

"We are on the verge of completing our international trial and anticipate that we will commence commercial sales in Europe early in the first quarter of 2009," he said.

"Our first two US centers have begun implants and several more will join our US trial over coming weeks, leading to an acceleration of implant numbers and the accompanying revenue," Mr Godshall said.

Heartware has 8,866,702 shares of common stock on issue, represented by 309,092,210 CDIs which are tradable on the ASX, being a ratio of one share of common stock to 35 CDIs, the company said.

Following listing on Nasdaq, it is expected that some investors, particularly our US investors, will migrate their holdings from Australia to the US by exchanging their CDIs for common stock.

The company said its stock was "very tightly held" with approximately 80 percent of the shares being held by investors in the US.

"Our four largest shareholders, Apple Tree Partners, Muneer Satter, Fidelity Investments and Deephaven Capital Management, account for approximately 60 percent of Heartware's issued capital," the company said.

"The remaining 20 percent of US-owned stock is held primarily by specialist healthcare funds including Eaton Vance, Redmile Group, Broadfin Capital and others," Heartware said.

Heartware was up eight cents or 19.05 percent to 50 cents with 10,000 shares traded.

ROCKEBY

Rockeby says Wilfred Yeo has been appointed as a non-executive director and company secretary, following the resignation of Chong Kiat Lim.

Mr Yeo has a degree in law from the University of Singapore and was admitted to the Singapore Bar in 1981.

The company said he has been in legal practice for more than 26 years and is a consultant with the law firm of M/S Hin Tat Augustine & Partners.

Rockeby said Mr Yeo was also a public notary and was a director and company secretary of several companies.

Rockeby said it would reorganize its capital in a 30-to-one share consolidation effective on January 8, 2009, which would raise today's price from 0.1 cents to three cents.

Rockeby was untraded at 0.1 cents.

ANADIS. IMMURON

Anadis says its name will change to Immuron tomorrow, Friday, December 5, 2008.

Immuron's ASX code will be IMC.

Anadis was untraded at 5.1 cents.