



Biotech Daily

Tuesday October 7, 2008

Daily news on ASX-listed biotechnology companies

- * **ASX, UP, BIOTECHS DOWN: STARPHARMA UP 14%, PSIVIDA DOWN 21%**
- * **HALCYGEN'S ½-DOSE SUPER GENERIC MATCHES MARKET LEADER**
- * **AGENIX CONVERTIBLE NOTES, PLACEMENT TO RAISE \$800k**
- * **NOVOGEN VOTES ON CEO, DIRECTOR OPTIONS**
- * **LIVING CELL VOTES ON 1.4m DIRECTOR OPTIONS**
- * **BIOTA BUYS BACK 9.2m SHARES**

MARKET REPORT

The Australian stock market lost 3.3 percent to 4,395.1 points before the Reserve Bank announced a one percent base rate cut on Tuesday October 7, 2008 when the All Ordinaries recovered to close up 53.2 points or 1.2 percent to 4,597.9 points.

Six of the Biotech Daily Top 40 stocks were up, 22 fell, five traded unchanged and seven were untraded.

Starpharma was best, up 3.5 cents or 14.0 percent to 28.5 cents, followed by Polartechonics up 9.89 percent to 10 cents and Novogen up 8.49 percent to \$1.15.

Living Cell climbed 6.25 percent; Bionomics was up 3.57 percent; CSL rose 2.37 percent; with Cochlear up 0.78 percent and Chemgenex up 0.68 percent.

Psivida led the falls, down 38 cents or 21.11 percent to \$1.42, followed by Antisense down 20.0 percent to four cents, Circadian down 15.06 percent to 70.5 cents and Sunshine Heart down 14.29 percent to six cents.

Biota, Sirtex and Ventracor lost more than 11 percent; Peplin fell 10.0 percent; Clinuvel, Neuren and Progen were down eight percent or more; Cellestis, Labtech and Prana fell more than six percent; Optiscan lost 5.88 percent; Viralytics fell four percent; Heartware was down 3.33 percent; Arana and Universal shed more than two percent; with Cathrx down 1.39 percent.

HALCYGEN

Halcygen says a US trial of its "half-dose" anti-fungal drug Suba-itraconazole has comparable pharmacokinetic levels to Sporanox, the itraconazole market leader. Halcygen said it had completed the first of three pivotal pharmacokinetic studies of Suba-itraconazole under its investigational new drug application approved by the US Food and Drug Administration in June (see Biotech Daily June 17, 2008).

Halcygen said the study demonstrated that Suba-itraconazole in a half-dose format gave comparable pharmacokinetic levels to Sporanox.

The company said the registration strategy for its "super generic" Suba-itraconazole was designed to compare the Halcygen drug with Sporanox.

Halcygen's chief executive officer Dr Roger Aston said the first [US] clinical trial of Suba-itraconazole showed promise as a half-dose alternative to the higher dose Sporanox.

"We expect to have all three pharmacokinetic studies completed by Christmas prior to seeking further guidance from the FDA," Dr Aston said.

Halcygen said it had clinically evaluated Suba-itraconazole in five successful pharmacokinetic studies in Australia.

The company said the studies demonstrated that Halcygen's formulation significantly improved bioavailability, or absorption by the gastrointestinal track, compared with the market leader, enabling the use of a lower dose of the drug.

Halcygen said its formulation provided for more stable blood levels compared to Sporanox which is owned by Janssen Pharmaceutical Products, part of Johnson & Johnson.

Halcygen was unchanged at 26 cents.

AGENIX

Agenix hopes to \$600,000 through the issue of convertible notes and \$200,000 through a private placement at two cents a share.

Agenix said Tang Wen Sen had invested \$200,000 in the company.

The company said Mr Tang was a partner of China Citic Capital Vanka VChina Property Fund and a director of Shanghai Yixian Hospital.

The interest on the principal of the notes is 12 percent per annum. Subject to shareholder approval the notes and accrued interest will convert into shares at two cents a share.

The company said proceeds were to fund the US phase II Thromboview trial and "steps the company is taking in China to assert its rights over the businesses purchased last year" (see Biotech Daily; August 29, 2008).

Agenix is in a voluntary suspension and last traded at 1.7 cents.

NOVOGEN

Novogen shareholders will vote on the grant of up to 218,664 options to chief executive officer Christopher Naughton and 126,928 options to director Prof Alan Husband.

Novogen said Prof Husband's and Mr Naughton's options vest over five years and are exercisable at \$1.06.

The company's shareholders will consider the approval of the placement of 4,531,633 shares at \$1.22 a share on July 31, 2008.

The meeting will also vote on the reelection of directors Prof Husband and Peter Simpson.

The annual general meeting will be held in the AGL Theatre at the Museum of Sydney, Level 2, Cnr Phillip and Bridge Streets, Sydney, on October 31, 2008 at 2.30pm.

Novogen climbed nine cents or 8.49 percent to \$1.15.

LIVING CELL

Living Cell shareholders will vote on the grant of 1,400,000 options to director Dr Robert Caspari.

Living Cell said 650,000 of Dr Caspari's proposed options are exercisable at 30 cents and the remaining 750,000 options are exercisable at 40 cents.

The company's shareholders will also vote on the reelection of directors David Collinson and Simon O'Loughlin.

The annual general meeting will be held at the Stamford Plaza Hotel, 150 North Terrace, Adelaide on November 6, 2008 at 1pm.

Living Cell climbed one cent or 6.25 percent to 17 cents.

BIOTA

Biota has bought back 9,166,734 shares for \$7,952,563.65 and expects to cancel them next week.

Biota said the highest price paid was \$1.29 a share on March 20, 2008 and the lowest price was 63 cents on October 6, 2008.

The company's chief financial officer Damian Lismore told Biotech Daily that the first tranche of 2.5 million shares had previously been cancelled and the balance would be cancelled next week.

Following the cancellation Biota will have 174,563,999 shares on offer.

Biota fell seven cents or 11.29 percent to 55 cents.