



Biotech Daily

Friday September 26, 2008

Daily news on ASX-listed biotechnology companies

*** ASX, BIOTECHS DOWN: OPTISCAN UP 8%, CLINUVEL DOWN 10%**

*** NORWOOD IMMUNOLOGY'S STEM CELL STRATEGY**

*** PSIVIDA: 'REVIEW BACKS PHASE III TRIAL'**

*** BIO-MELBOURNE WORKSHOP: PRODUCTS AND COMPETITION**

MARKET REPORT

The Australian stock market fell 0.5 percent on Friday September 26, 2008 with the All Ordinaries down 26.2 points to 4,934.6 points.

Seven of the Biotech Daily Top 40 stocks were up, 17 fell, seven traded unchanged and nine were untraded.

Optiscan was best, up 1.5 cents or 8.11 percent to 20 cents on very small volumes followed by Cytopia up 5.88 percent to 20 cents and Cathrx up 4.17 percent to 75 cents.

Mesoblast and Starpharma climbed more than three percent; with Cochlear, CSL and Pharmaxis up more than one percent.

Clinuvel led the falls, down 2.5 cents or 10.2 percent to 22 cents, followed by Viralytics down 9.62 percent to 4.7 cents and Prana down 7.14 percent to 45.5 cents.

Alchemia, Chemgenex, Phosphagenics, Sunshine Heart and Ventracor lost more than four percent; Novogen fell 3.42 percent; Avexa and Cellectis shed more than two percent; with Acrux, Arana, Benitec, Biota Neuren and Peplin down more than one percent.

NORWOOD IMMUNOLOGY

Norwood Immunology says the Norwood Group has invested \$40 million to develop and commercialize stem cells and immune system technologies.

Norwood Abbey said it had a 21 percent shareholding in Norwood Immunology, which announced its updated strategy focusing on the provision of stem cell services and therapies and the licencing and forming of partnerships around intellectual property and therapies based on stem cells, the immune system and immune cell targeting of vaccines. Norwood Immunology said future directions would include the "development and provision of both veterinary and human stem cell banking and processing services, as well as possible provision of veterinary and human stem cell and immunology-based clinical therapies".

Norwood Immunology said it was considering "the in-licencing or acquisition of revenue-producing stem cell technologies".

The London Alternative Investment Market-listed company said it expected to begin earning its first stem cell revenues in 2008-'09, with the expectation of progressively increasing revenues from the possible provision of stem processing and banking from 2009 onwards.

Norwood Immunology also said it was considering a dual ASX and London AIM listing or an ASX listing.

The company said it had two branches Norwood Stem Cells focused on stem cells and immunology and Norwood Vaccines which includes virosome biologicals.

Full details of the strategic overview are at www.norwoodimmunology.com.

Norwood Abbey was unchanged at 1.4 cents.

PSIVIDA

Psivida says a Data Safety Monitoring Board review has given support to its phase III trials into treatment for diabetic macular oedema.

Psivida said the review of the two Phase III clinical trials, called the fluocinolone acetonide in diabetic macular oedema (Fame) study, recommended no changes to the current protocol.

The company said the board included four ophthalmologists and a biostatistician, who met every six months in addition to their ongoing review of the trial to identify potential safety issues.

Psivida said the trials studying the use of Medidur fluocinolone acetonide for the treatment of diabetic macular oedema were being conducted by its licencing partner, Alimera Sciences.

Psivida said the Medidur injectable insert was being studied as a delivery system for the corticosteroid fluocinolone acetonide to the retina.

The company said the Medidur FA would be marketed under the name Iluvien and the study.

Psivida said the study includes two duplicate, double-masked, randomized, multi-center studies following 956 patients in the US, Canada, Europe and India for 36 months in support of a planned global registration filing, with safety and efficacy assessed after two years of follow-up.

Psivida said all patients have been followed for at least one year and many have been followed for two or more years.

Psivida managing director Dr Paul Ashton said the company was on track to file a new drug application in early 2010.

Psivida was unchanged at \$2.65.

BIO-MELBOURNE NETWORK

The Bio-Melbourne Network's October 15, 2008 workshop will examine the "what" and "how to" of opportunity identification for products as well as competitor mapping.

Bio-Melbourne Network chief executive officer Michelle Gallaher says that as the world's capital markets progress through another round of rationalization and bad debt exposure, with capital access for innovation and technology development more expensive and harder to find "it is a good time to reflect on the key drivers of commercial success for biotech companies".

Ms Gallaher said investors and fund managers often say that that innovation companies do not have a clear view of their end-user market, nor likely competitor positioning, which are crucial components in the value of a licencing deal for any technology.

The Bio-Melbourne Network said its Bio-Workshop would "assist senior managers making decisions about which projects to fund for further development".

Bioshares co-editor David Blake will open the workshop with an overview highlighting the importance of product-market orientation in attracting investors and maximizing the value of deal negotiations.

Cogentum directors Nairy Baghdikian and Michael Johnson will demonstrate how to prove market value, mapping potential users, decision makers, gatekeepers and stakeholders of your technology's adoption.

Acrux's director of business development Hugh Alsop will present a case study on maximizing the success of a licencing opportunity.

Mr Alsop will describe Acrux's use of the market-focused product development process to boost the value and success of the company's opportunities for Testosterone MD-Lotion.

The Bio-Workshop will be held at Graduate House, 220 Leicester St, Carlton, with registration from 8.45 am, followed by a light lunch at 12.30pm.

To register visit www.biomelbourne.org or call Shane Hickey on +613 9667 8182