



Biotech Daily

Monday June 2, 2008

Daily news on ASX-listed biotechnology companies

- * **MAY TOP 40 DOWN 1.2%; HEARTWARE CLIMBS 39%**
- * **ASX, BIOTECHS UP: TISSUE THERAPIES UP 30%, AGENIX DOWN 12.5%**
- * **BIOSIGNAL'S ANTI-MICROBIAL TO BE TESTED FOR CROP PROTECTION**
- * **PROGEN'S HEAD OF R&D DR ANAND GAUTAM RESIGNS**
- * **PRIMA HITS THE ROAD FOR CVAC**

MARKET REPORT

The Australian stock market climbed 0.1 percent on Monday June 2, 2008 with the All Ordinaries up 7.3 points to 5,781.2 points.

Seventeen of the Biotech Daily Top 40 stocks were up, 15 fell, five were unchanged and three were untraded.

Tissue Therapies was best, up three cents or 30.0 percent to 13 cents on small volumes, followed by Cellestis up 42 cents or 16.28 percent to \$3.00 on modest volumes following a discussion on ABC Local Radio in Melbourne.

Mesoblast climbed 12.33 percent to 82 cents; Alchemia was up 11.43 percent to 39 cents; Living Cell rose 9.68 percent; Sunshine Heart was up 8.7 percent; Acrux and Starpharma climbed more than six percent; Chemgenex rose 4.05 percent; Avexa, Polartechnics, Proteome and Psivida were up more than three percent; Optiscan and Peplin rose more than two percent; with Ventracor up 1.45 percent.

Agenix led the falls, down one cent or 12.5 percent to seven cents, followed by Clinuvel and Phylogica both down 10 percent to 36 cents and 8.1 cents respectively.

Bionomics and Pharmaxis both lost 8.33 percent; Phosphagenics fell four percent; Circadian, Neuren and Novogen fell more than three percent; Antisense, Cochlear, Heartware and Portland shed more than two percent; with Benitec, Biota, CSL and Resmed down more than one percent.

BIOTECH DAILY TOP 40 INDEX

Biotechs slipped again in May with the Biotech Daily Top 40 Index (BDI-40) falling 1.2 percent to \$3,512 million compared to the All Ordinaries climb of 2.1 percent for the month.

The Biotech Daily Top 20 Index (BDI-20) fell 2.7 percent to \$2,493 million, for the month, while the Second 20 climbed 2.7 percent to \$1,019 million.

For the year to May 31, 2008 the BDI-40 was down 34.2 percent compared to the All Ordinaries' 8.96 percent fall.

The three Big Caps of Cochlear, CSL and Resmed, which are not included in the BDI-40, fell a collective 1.7 percent for the month, although CSL edged up slightly to its new record high market capitalization of \$21,906 million. Cochlear fell 4.4 percent to \$3,014 million and Resmed fell 10.7 percent to \$3,148 million.

For the year the Big Caps were up 21 percent, all due to CSL alone.

Eleven of the BDI-40 stocks were up, 24 fell with five unchanged for the month of May.

Heartware was best on the back of its \$30 million capital raising, up 39.3 percent to a market capitalization of \$124 million (see Biotech Daily May 23, 2008). The company was at \$133 million in June 2007.

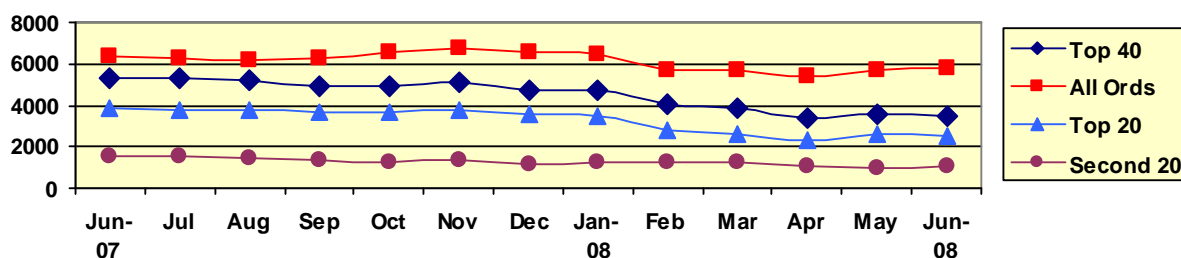
Psivida recovered \$26 million or 35.6 percent to \$99 million, followed by Universal Biosensors up 18.3 percent to \$123 million, with Acrux up 13.6 percent to \$150 million.

The deepest fall was Tissue Therapies from a low base and on small volumes down 40 percent from \$5 million to \$3 million following extensive regulatory delays to a Canadian trial. Last month's 121 percent improvement champion Polartechneics retreated 34 percent from \$53 million to \$35 million.

Portland Orthopaedics fell 22.2 percent followed by Peplin (21.8%), Phosphagenics (21.7%), Agenix (19.0%), Cathrx (18.9%), Alchemia (18.8%), Neuren (15.4%) and Impedimed (15.3%).

There are no changes to composition of the indices this month.

Biotech Daily Top 40 (\$m) v ASX All Ordinaries 2007-08



BIOSIGNAL

Biosignal has signed a confidential agreement with an agrichemicals company to evaluate its antimicrobial technology for use in crop and seed protection.

The evaluation will be conducted at the facilities of, and fully funded by, the offshore partner company.

Biosignal says its compounds are primarily active against bacterial biofilms, but have also demonstrated "a high level of activity against fungi".

The company said fungal and bacterial pathogens cause significant damage to field crops, and result in the spoiling of seeds in storage and in the ground prior to germination.

Biosignal said the agricultural sector was "actively seeking novel and environmentally friendly treatments to combat these problems".

Biosignal chief executive officer Prof Peter Steinberg said the company's technology was being targeted in five areas - industrial, agricultural, consumer, therapeutics and medical devices.

"These areas are ultimately anticipated to be separate business units or entities, and this deal is a positive early step in our strategy to establish a dedicated agricultural business," Prof Steinberg said.

The evaluation will be conducted over the next nine months with results expected early in 2009.

Biosignal said the company's technology was based on the discovery that the eastern Australian seaweed *Delisea pulchra* produced natural furanones that disabled bacteria's ability to colonise.

The company said the furanones lull bacteria to inaction and appear to avoid the problem of bacterial resistance.

Biosignal climbed 1.5 cents or 14.29 percent to 12 cents.

PROGEN

Progen's vice president of research and development Dr Anand Gautam has resigned.

The company said its chief scientific officer Dr Laurence Marton has responsibility for Progen's "recently expanded portfolio of preclinical compounds including identifying those compounds worthy of further preclinical studies leading to the selection of clinical drug candidates".

Progen chief executive officer Justus Homburg said Dr Gautam initiated the planning and protocol design for the phase III clinical trial of its lead oncology drug PI-88 and was "instrumental in delivering PG545 as the lead candidate from the 500 series heparan sulfate mimetic discovery program".

Progen climbed half a cent or 0.37 percent to \$1.355.

PRIMA

Prima Biomed has released a 21-page investor presentation, restating its commitment to its ovarian cancer vaccine treatment CVac.

The document is part of the campaign by the company's new management to reestablish Prima which had qualified success with CVac in a phase IIa trial but has seen its share price slide.

The document said three non-core assets Oncomab, Anthron (Trillium Therapeutics) and Panvax were divestment candidates.

Prima climbed 0.3 cents or 23.08 percent to 1.6 cents with 9.6 million shares traded.

BIOTECH DAILY TOP 40 WITH MARKET CAP

Big Caps (\$Am)	June-08	May-08	Apr-08
Cochlear	3,014	3,154	3,043
CSL	21,906	21,900	20,315
Resmed	3,148	3,524	3,470
Top 20			
Acrux	150	132	154
Alchemia	56	69	69
Arana	241	249	221
Avexa	114	118	140
Bionomics	85	85	82
Biota	182	193	222
Chemgenex	162	178	150
Cellestis	248	237	217
Cytopia	25	25	25
Living Cell	74	69	74
Neuren	22	26	22
Novogen	154	162	98
Peplin	68	87	93
Pharmaxis	338	317	407
Phosphagenics	83	106	118
Progen	82	91	91
Proteome	29	30	29
Sirtex	217	209	184
Starpharma	59	61	58
Ventracor	104	119	102
Second 20			
Agenix	34	42	49
Antisense	39	42	30
Benitec	25	27	28
Cathrx	43	53	78
Circadian	39	38	41
Clinuvel	121	126	112
Genetic Tech	38	36	38
Heartware	124	89	99
Impedimed	50	59	53
Mesoblast	87	88	68
Optiscan	26	26	27
Phylogica	13	13	14
Polartech	35	53	24
Portland Ortho	7	9	10
Prana	87	82	90
Psivida	99	73	55
Stem Cell Sci	11	11	10
Sunshine Heart	15	16	21
Tissue Therapies	3	5	4
Universal Biosensors	123	104	117

* Biotech Daily editor, David Langsam, owns shares in Alchemia, Arana, Biota, Chemgenex and Stem Cell as well as non-biotechnology stocks. These are liable to change at any time.

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