



Biotech Daily

Wednesday May 28, 2008

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECHS DOWN: PHARMAXIS UP 8%; TISSUE THERAPIES DOWN 8%**
- * **PROTEOME IN HIGH TECH CONTRA-DEAL WITH AGILENT**
- * **FERMISCAN TO PAY \$5.5m FOR SYDNEY BREAST CLINIC**
- * **CBIO IN NOVO NORDISK DEAL; VIRALYTICS DIVESTS PASSIVE SHARES**
- * **BIOTA, GSK TRIAL POSTPONED**
- * **AGENIX'S NEIL LEGGETT REPLACED AS COMPANY SECRETARY**
- * **STEM CELL GRANTS CEO DR ALASTAIR RIDDELL 680k OPTIONS**
- * **XENOME APPOINTS ADAM DAY CFO**

MARKET REPORT

The Australian stock market fell 1.1 percent on Wednesday May 28, 2008 with the All Ordinaries down 63.9 points to 5,754.5 points.

Nine of the Biotech Daily Top 40 stocks were up, 15 fell, 14 traded unchanged and two were untraded.

Pharmaxis was best, up 11 cents or 7.56 percent to \$1.565 on moderate volumes, followed by Cathrx up six cents or 6.38 percent to \$1.00.

Neuren and Phosphagenics climbed more than four percent; Circadian and Mesoblast were up more than two percent; with Bionomics and Novogen up more than one percent.

Tissue Therapies led the falls, down one cent or 8.33 percent to 11 cents on small volumes, followed by Peplin down four cents or 8.16 percent to 45 cents.

Optiscan lost 6.12 percent; Clinuvel fell five percent; Antisense and Sunshine Heart were down more than four percent; Acrux, Agenix, Avexa, CSL and Psivida were down more than three percents the last three on strong volumes; Biota and Portland shed more than two percent; with Benitec and Cytopia down more than one percent.

PROTEOME

Proteome has licenced its Glycomiq software and Glycosuite DB database to Agilent Technologies in return for sophisticated equipment and potential royalties.

Proteome said Agilent had the rights to further develop and sell Glycomiq and Glycosuite DB, as well as use the products for internal development purposes.

Proteome Systems will receive a high-performance Agilent mass spectrometer and HPLC-Chip Cube (a nanospray high performance liquid chromatography for mass spectrometry) for the company's biomarker discovery platform, in addition to a royalty stream from any product sales made by Agilent.

Proteome said Agilent was "the world's premier measurement company and a technology leader in communications, electronics, life sciences and chemical analysis".

Proteome said Agilent recognized its expertise in glycomics and glycoprotein-based biomarker research and the two companies had collaborated over the past three years to develop new workflow solutions for mass spectrometric analysis of glycoproteins (proteins with sugars).

The company said the agreement was the outcome of those joint activities.

Proteome chief executive officer Dr Jenny Harry said diseases including cancer, arthritis and influenza caused changes to the sugars that are attached to proteins and the changes could be "highly accurate and powerful diagnostic biomarkers of disease".

She said Proteome owned an extensive database (Glycosuite DB) of curated glycoprotein sugar structures and a suite of bioinformatic tools "which enable the interpretation of mass spectrometric data generated for these sugar structures".

She said the Agilent mass spectrometer and HPLC-Chip Cube would "enable rapid and sensitive analyses of complex glycoproteins, providing greater efficiencies to our biomarker discovery and development programs".

Proteome was unchanged at 13 cents.

FERMISCAN

Fermiscan will acquire the Sydney Breast Clinic for \$5.5 million.

Fermiscan said the acquisition is subject to due diligence and board approval and completion is expected to occur during June, 2008.

The company said the expected purchase price was \$3.5 million with a further \$2 million to retire existing liabilities on completion.

The transactions will be funded from existing cash resources.

Fermiscan said the clinic had been operating for more than 30 years as a provider of diagnostic services for women with symptoms of breast disease and was "continually seeking ways to ensure they are at the forefront of their profession".

The company said the Sydney Breast Clinic were the leaders in the provision of diagnostic services, risk assessment, breast screening and bone density testing.

The management and clinical independence of the Sydney Breast Clinic will be unchanged.

Ron Phillips will continue as Sydney Breast Clinic managing director and on completion, Fermiscan directors David Young and Dr Ron Shnier will join the board.

Mr Young said the acquisition was "a strategic fit that aligns the objectives of both groups to improve health outcomes for women".

"Sydney Breast Clinic was a major participant in Fermiscan's successful validation trial,"

Mr Young said. "The continued assistance of Sydney Breast Clinic will significantly help the development and commercialization of the Fermiscan test for breast cancer."

Fermiscan climbed 3.5 cents or five percent to 73.5 cents.

[CBIO. VIRALYTICS](#)

Viralytics says CBio has signed an agreement with Novo Nordisk AS, in connection with its Cpn10 intellectual property asset.

CBio licenced the Cpn10 from Uniquist and has created its own intellectual property around it.

The company did not disclose the nature of the deal with Novo Nordisk and would not confirm whether it involved a licencing deal, sale of assets, collaboration or any other form of co-development.

CBio's says lead product, XToll, or recombinant chaperonin 10 (Cpn10) is a modified version of the naturally occurring protein chaperonin 10.

The company said it was intended for rheumatoid arthritis but had potential use in several autoimmune and inflammatory indications.

Viralytics owns four percent of CBio, with a holding of 1,200,000 shares at \$1 each.

Viralytics says it is disposing of its "passive investment assets" and has realized \$731,000 with the sale of Analytica shares since January 1, 2008.

CBio is an unlisted public company.

Viralytics was up 0.3 cents or 4.76 percent to 6.6 cents.

[BIOTA](#)

The Supreme Court of Victoria has set aside the August 4, 2008 trial date in the Biota and Glaxosmithkline case to allow the parties more time for pre-trial preparation.

It is expected that a new trial date for Biota's complaint, that Glaxosmithkline failed to properly market the influenza drug Relenza, is likely to be in the first half of 2009.

Mediation between the parties remains scheduled for the end of July 2008.

Biota chief executive officer Peter Cook said all parties needed more time to be fully prepared for the trial.

Biota fell three cents or 2.91 percent to \$1.00.

[AGENIX](#)

Former Agenix chief executive officer and managing director Neil Leggett has resigned as company secretary effective from today.

Mr Leggett joined Agenix as chief financial officer on May 1, 2003 and was appointed chief executive officer on December 15, 2005.

Mr Leggett oversaw the acquisition of Shanghai Rui Guang Bio-Pharma Development Co (SHRG) and Shanghai Yi Sheng Yuan Pharmaceutical in 2007.

The acquisition brought with it the late-stage development hepatitis B drug Youheding (adefovir dipivoxil), which received Chinese marketing approval on October 2, 2007.

Mr Leggett resigned as chief executive officer on December 20, 2007 and was replaced by Dr Stephen Phua.

Mr Leggett continued with Agenix as company secretary.

On January 22, 2008 Agenix announced Mr Leggett's resignation as a director on January 31, 2008, but that was deferred until February 28, 2008.

He was replaced by Chris McNamara on Feb 21, 2008.

The company announced today that Mr Leggett would be replaced as company secretary by Jeffrey Luckins effective from May 29, 2008.

Mr Luckins is a director of Webb Audit with expertise in statutory audits, risk analysis and corporate governance.

Agenix fell 0.3 cents or 3.75 percent to 7.7 cents.

STEM CELL SCIENCES

Stem Cell Sciences has granted chief executive officer Dr Alastair Riddell 680,484 options.

The options were granted on May 23, 2008 with an exercise price of 17 pence (35 cents) a share.

Stem Cell said the options vested over a four year period and the strike price was based on the average price of the three previous days trading to the grant date.

Following the granting of the options Dr Riddell holds 942,984 options equal to three percent of the issued share capital if they are exercised.

Approval for the issue was given at the company's May 15, 2008 annual general meeting. Stem Cell was unchanged at 36 cents.

XENOME

Xenome has appointed Adam Day as chief financial officer effective May 26, 2008.

Xenome said Mr Day had a Master of Business Administration and a Graduate Diploma of Management.

Mr Day was previously general manager at Riverside Marine Group and financial controller and company secretary at Uniquist.

Xenome is intending to list on the ASX.