Biotech Daily

Monday March 12, 2007

Daily news on ASX-listed biotechnology companies

*** ASX, BIOTECHS UP: ANTISENSE UP 5%, GENETIC TECHNO DOWN 12%**

*** BIOPHARMICA COLLABORATES ON RAMAN SPECTROSCOPY**

*** BIOLAYER, CLEVELAND BIOSENSORS TEST WATER QUALITY**

*** PRIMA BIOMED REQUESTS TRIAL RESULTS TRADING HALT**

*** KARMELSONIX $1.5m PLACEMENT, PLAN BACK ON TRACK**

*** BONE PRINCIPALS ON INVESTOR ROADSHOW**

THE MARKET

The Australian stock market climbed 1.0 percent on Monday March 12, 2007, with the All Ordinaries up 57.9 points to 5,868.1 points.

Sixteen of the Biotech Daily Top 40 stocks were up, 11 fell, 11 traded unchanged and two were untraded. Ten of the Top 20 stocks rose and five fell, while six of the Second 20 rose and six fell.

Antisense was best, up 0.2 cents or 4.88 percent to 4.3 cents on small volumes, followed by Progen up 29 cents or 4.79 percent to $6.34 on modest volumes and Evogenix up 4.0 percent.

CSL and Tissue Therapies climbed more than three percent; Cochlear, Neuren, Peptech and Psivida put on more than two percent; with Biota, Clinical Cell, Novogen, Proteome and Ventracor up more than one percent.

Genetic Technologies was again the worst stock, falling three cents or 11.76 percent to 22.5 cents with 855,974 shares traded, followed by Phylogica down 2.5 cents or 7.14 percent to 32.5 cents on small volumes and Metabolic shedding a further one cent or 6.25 percent to 15 cents with 2.4 million shares traded.

Biosignal fell 3.45 percent; Apollo lost 2.5 percent; with Avexa, Optiscan, Prana and Sirtex down more than one percent.

BIOPHARMICA

Swinburne University of Technology, laser systems manufacturer Optotech and Nanotechnology Victoria have completed a Surface Enhanced Raman Scattering (SERS) commercial development agreement.

Biopharmica has a 52 percent interest in the technology and has been collaborating with Swinburne University to commercialise proprietary nanostructured fibre tips (SERS Probe) to be used in biological and chemical analysis across a range of applications.

The agreement provides a total investment of $355,000 in cash and personnel resources for development of a portable high-sensitivity device for the rapid detection of contaminants in water.

Biopharmica said the product to be developed would supply an un-met demand for field instrumentation.

The company said the SERS Probe technology would also receive $295,765 in grant funding from the National Health Medical Research Council to develop a prototype of a portable, low-cost SERS spectrometer for use as part of a continuous, in-vivo glucose biosensor. The research will evaluate and test the performance of the device as a step towards achieving a minimally invasive controlled insulin delivery system.

The main obstacle in the development of SERS based instrumentation is the limited availability of SERS probes which are disposable optical elements selectively coated for generating a SERS response.

Biopharmica said Swinburne University of Technology, research fellow at the Centre for Atoms Optics and Ultrafast Spectroscopy, Dr Paul Stoddart, had developed proprietary nanostructured fibre tips able to be used for SERS analysis. The optical fibres provide an inexpensive solid-state solution of enhanced sensitivity. Biopharmica said Dr Stoddart was awarded a Victoria Fellowship in 2006 for his work in this area.

Raman spectroscopy uses an intense laser light source to illuminate a sample in which a small portion of the light is shifted in a characteristic manner. Biopharmica says this provides a spectrum (a signature), which can then be compared against spectral libraries to provide a chemical identification. No sample preparation is required and the Raman signal is unaffected by glass containers or water content.

SERS exploits an effect whereby chemicals in close proximity to a roughened metal surface, usually gold or silver, have a greatly increased Raman response, typically by a factor of 106 times. Biopharmica said the “significantly increased sensitivity of the SERS technique [opened] an opportunity for the development of new instrumentation”.

Biopharmica was untraded at 10 cents.

BIOLAYER

Biolayer has begun a collaboration with Cleveland Biosensors, a neighboring Brisbane company which has developed the Biofiniti hand-held instrument for “rapid, accurate analysis on a wide variety of samples”.

Biolayer said the Biofiniti testing system enabled on-the-spot testing in the medical, veterinary, food and water industries.

As part of the collaboration Biolayer will apply different Mix&Go coatings on beads used in a Biofiniti device that tests on-the-spot levels of microcystin in water.

The company said microcystin was “a highly sensitive indicator of water contamination by algae” and would normally be measured off-site using laboratory testing, with results taking a week. Cleveland Biosensors developed the Biofiniti test to measure extremely low levels of microcystin in less than 20 minutes, helping water managers identify and treat contaminated water.

Preliminary experiments with Biolayer's Mix&Go have shown promising results in reducing test costs and making test kits easier to manufacture.
Biolayer chief executive officer David Beins said Biofiniti was "a very promising technology with an exciting future".
Biolayer climbed half a cent or 4.17 percent to 12.5 cents.

PRIMA BIOMED

Prima Biomed has requested a trading halt pending an announcement on its phase IIa Cvac trial for late stage ovarian cancer.
Trading will resume on March 14, 2007 or on an earlier announcement.
Prima last traded at 4.6 cents.

KARMELSONIX

Karmelsonix hopes to raise up to $1.5 million through a $400,000 placement and a $1.1 million three-for-seven renounceable rights issue at 2.5 cents a share.
The record date for eligible shareholders is March 22 2007 with a closing date of April 12.
Shares and options expect to be quoted on a deferred settlement basis on March 27. One new option will be granted for every share issued.
The prospectus will be dispatched on March 13 and the rights issue is underwritten by Patersons Securities.
The funds will be used for continued working capital, the scheduled delivery to market of the first commercial product and product development.
Karmelsonix cancelled the planned rights issue on March 1, following the February 28 stock market correction, when the company's share price fell below the three cents minimum agreed with the underwriter.
Karmelsonix was unchanged at 3.1 cents

BONE

Bone Medical has released a presentation to the ASX as two of the company's principals undertake an investor road-show.
Executive chairman Paul Hopper and director Leon Ivory are meeting institutional investors in Melbourne, Brisbane, Sydney and Perth.
Mr Ivory told Biotech Daily that recently released anti-tumor necrosis factor (TNF) data had been well received and the company's Axcess oral peptide delivery technology was being used by a British company with a second peptide being formulated for oral delivery.
The presentation said the enteric coated capsule protected peptides from gastric degradation releasing the active contents in "the jejunum in an area with neutral pH".
On February 21 Bone said its TNF down-regulator candidate BN006, reduced pain by blocking the response to the stimulus that leads to the production of the unwanted TNF.
Bone closed up two cents or 5.41 percent to 39 cents.