

Circadian Technologies Limited (CIR.AX)

Buy

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The Cheapest Little Antibody Company on the Planet; Transferring Coverage with a Buy Rating

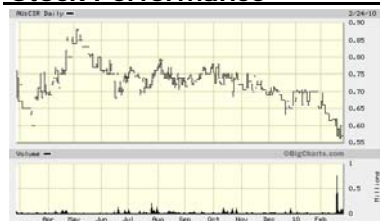
Key Metrics (A\$)

Price:	\$0.57
Rating:	Buy
52-Week Range:	\$0.56-0.88
Cash (M):	\$34.8
Debt (M):	\$0
Debt/Capital:	0%
Book Value/Share:	\$0.86

Market Data (A\$)

Market Cap (M):	\$26
Enterprise Value (M):	(\$12.4)
Shares Out. (M):	46.4
Float (M):	38.0
10-Day Avg. Vol.:	100,829
Institutional Ownership:	N/A

Stock Performance



Source: BigCharts.com

Valuation (FY09E)

EV/Sales:	NM
PE Ratio:	NM

Company Description

Circadian Technologies Limited, a biotechnology company, engages in the development and commercialization of angiogenesis-based therapies for the treatment of cancer and other human illnesses. It owns intellectual properties related to vascular endothelial growth factors (VEGFs), a class of proteins that regulate tumor blood supply. The company's products in pre-clinical development stage include VGX-100 and VGX-200 series for solid tumors; and VGX-300 for solid tumors and eye diseases. The company has commercial partnerships with ImClone to develop anti-VEGFR-3 antibody drug for the treatment of cancer; and Ark Therapeutics to develop Trinam, a Phase III clinical trial drug, in kidney dialysis patients. Circadian Technologies is based in Toorak, Australia.

Investment Conclusion

Circadian Technologies is a developmental stage biotech company mainly focuses on the development of antibodies for the treatment of cancer. The company possesses a basket of validated preclinical assets and a strong patent estate. Current valuation provides an attractive entry point for investors interested in an inexpensive antibody company. The shares are trading well below cash (AUD 0.75/share) and are poised to see near-term potential upside on the basis of the company's minority stake in Antisense Therapeutics, which is on the cusp of a milestone. We are therefore transferring coverage with a Buy rating and a AUD 2.20-2.88 price target range.

Summary

•Circadian Technologies: the cheapest antibody play on the planet?

Circadian Technologies Ltd. is an Australia-based antibody development company that might represent the least expensive way for investors to access an investment in the antibody space. Over the past decade, sales of antibody-based products have grown exponentially, and a number of antibody technology and therapeutic companies have been acquired. Circadian represents the rare opportunity to invest in a company that trades at a negative enterprise value and is in an area of great interest to the biotech and pharmaceutical industries.

•Covering the VEGF landscape-easy as 1, 2, 3. The VEGF signaling pathway is represented by a family of three receptors and the proteins that bind them (ligands). Most investors and physicians know about VEGF based on the success of the success Genentech/Roche's (ROG.VX CHF 179.40; Not Rated) antibody, Avastin. Avastin is directed at the VEGF-A ligand, which binds the VEGF-1 and 2 receptors. In contrast, Circadian is developing antibodies to the ligands VEGF-C and D, which bind the VEGF-2 and 3 receptors. This mechanism may offer additional efficacy and/or a reduction in resistance compared to traditional anti-angiogenic approaches.

•Circadian's approach is unique, IP position is strong. Circadian has three internal and one out-licensed development candidates targeting VEGF-C and D providing multiple opportunities for success. The company's IP position extends out at least to 2025, providing investors with assurance of sustained revenues for the foreseeable future.

•Transferring coverage with a Buy rating. Circadian may be the least expensive publically-traded antibody we can find. At a valuation of AUD 26M, we see significant upside in the shares.

MCF Estimates (A\$)

	FY09A	FY10E	FY11E
SALES (M)			
1H	0.29	0.38	
2H	0.43	0.52	
FY (Jun)	\$0.72	\$0.90	\$1.43
EPS			
1H	(0.11)	(0.09)	
2H	(0.12)	(0.12)	
FY (Jun)	(\$0.22)	(\$0.21)	(\$0.22)
P/E	NM	NM	NM

*Differences in EPS due to share count adjustments

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Investment Thesis

Circadian Technologies presents an attractive basket of preclinical assets based on proprietary VEGF technology with novel applications in the treatment of cancer, topped with a strong patent portfolio extending as far as 2025. IMC-3C5, a VEGFR-3 antibody, has already been licensed to ImClone (now wholly-owned by Eli Lilly (LLY, \$33.96, Not Rated) with an IND filing anticipated during 2H10. The shares trade for AUD 0.57, less than the company's cash per share (AUD 0.75/share). We believe there is a near-term upside opportunity due to Circadian's holdings in Antisense Therapeutics and commercialization of a Cancers of Unknown Primaries (CUP) diagnostic product by partner Healthscope Limited (HSP.CR, AUD 4.26, Not Rated) during 2H10.

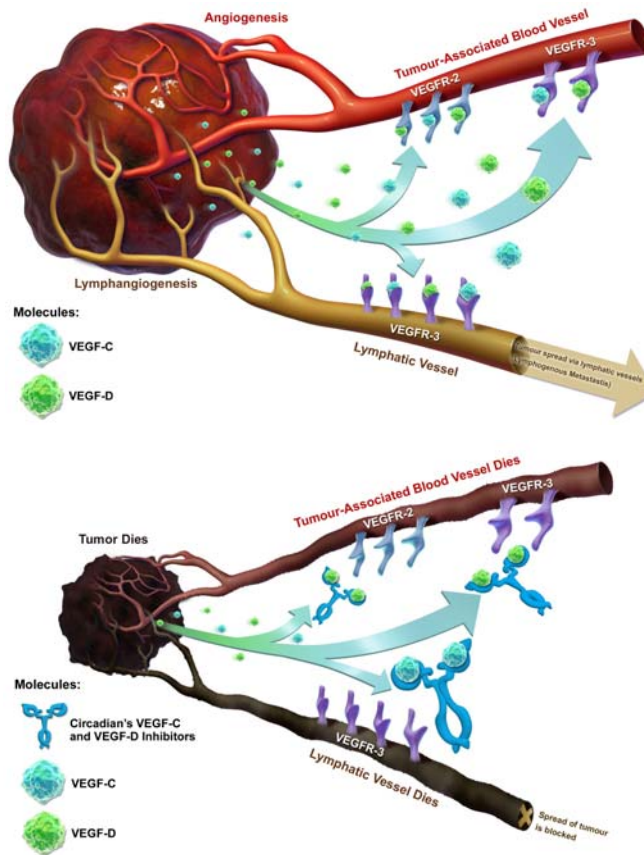
Upcoming Milestones

- **VGX-100 cancer development program**
 - Animal tumor model evaluation, 1H10
 - Toxicology completion, 2H10
 - FDA pre-IND review, 2H10
 - Commencement of bulk cGMP manufacture of clinical grade compound, 1H10
 - IND filing, 1H11
- **IMC-3C5 for cancer**
 - IND filing (by licensee ImClone (Eli Lilly), 2H10)
- **Cancers of Unknown Primaries molecular diagnostic**
 - Market launch of product (by licensee Healthscope Ltd), 2H10
- **Antisense Therapeutics (ASX:ANP, \$0.05, Not Rated) milestone**
 - Antisense Therapeutics partner Teva Pharmaceuticals (TEVA, \$59.45, Not Rated) is to advise of its decision to progress multiple sclerosis treatment ATL/TV 1102 into late stage clinical trials, 1H10
- Resolution of unlicensed gene therapy product being developed by Ark Therapeutics, 1H11
- Continuing extension of IP portfolio covering VEGF-C, VEGF-D and/or VEGFR-3 through patent grants in Europe, Japan and USA, 2010

The Technology

We believe there is much opportunity in Circadian's antibody pipeline, which focuses on blocking interaction between Vascular Endothelial Growth Factor Receptors-2 and -3 (VEGFR-2 and VEGFR-3) and their specific ligands, VEGF-C and VEGF-D. By doing so, these compounds block tumor angiogenesis and reduce metastasis. Angiogenesis, which is the growth of new blood vessels from pre-existing vessels, is a key process in tumor growth and the inhibition of is a proven process in slowing the growth of cancer cells. Production and secretion of VEGF proteins is commonly observed in most aggressive tumors, and expression of VEGF profoundly influences the prognosis of cancer patients (Alitalo and Carmeliet, 2002; Kerbel and Kamen, 2004). Thus, VEGF and its receptors represent one of the best validated signaling pathways in angiogenesis within tumor cells and an appropriate target for monoclonal antibodies (please refer to Figure 1). Over 500 patents have been granted or are pending worldwide, 250 of which are in the largest markets (U.S., Europe, Australia and Japan) and extend as far out as 2025. Circadian is continuing its efforts to expand its patent estate.

Figure 1: Targeting VEGF to Inhibit Tumor Growth

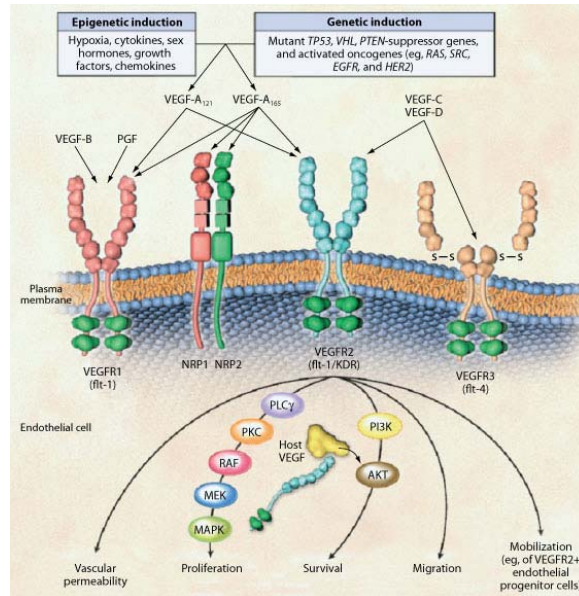


Source: Company presentation.

VEGF Antibodies

The use of antibodies in the inhibition of VEGF receptors has been popularized by bevacizumab, a monoclonal antibody against VEGF-A marketed by Genentech as Avastin. Avastin was first approved by the FDA for metastatic colorectal cancer and received approval in 2004. Avastin went on to gain indications in further use, such as metastatic renal cell carcinoma, glioblastoma, HER2 negative breast cancer and non small cell lung cancer (NSCLC). While proven effective in the treatment of cancer, clinical results show an incomplete inhibition of angiogenesis, thus creating an opportunity for improved anti-angiogenesis drugs. Studies show that 25-50% of responders become “resistant” to Avastin within 12-18 months, most likely due to tumor growth from other factors other than VEGF-A and/or other angiogenic factors that are being turned on as VEGF-A is blocked (i.e. VEGF-C or VEGF-D). Circadian’s strategy builds upon Avastin’s application by targeting these other angiogenic factors.

Figure 2: VEGF Receptors and Angiogenesis Machinery

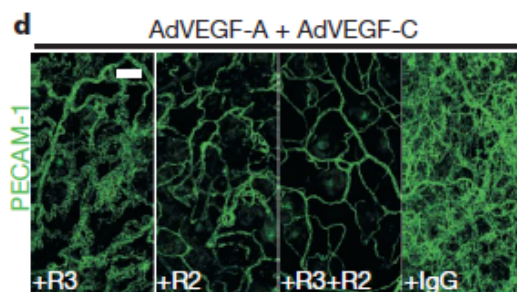


Source: "The Breast Cancer Report" Volume 1, Number 2 (Summer 2008)

IMC-3C5

IMC-3C5 is an anti-VEGFR-3 antibody in preclinical development for solid tumors and is licensed to ImClone under Eli Lilly. A study by Circadian's collaborator Professor Kari Alitalo implicates that targeting VEGFR-3 may provide additional efficacy for anti-angiogenic therapies, especially toward vessels that are resistant to VEGF or VEGFR-2 inhibitors. (*Nature*. 2008 Jul 31;454(7204):656-60). Results suggest that VEGFR-3 may drive angiogenesis even in conditions of therapeutic targeting of VEGFR-2. In mouse models, Alitalo and his collaborators showed that simultaneous blockade of both VEGFR-3 and VEGFR-2 with monoclonal antibodies normalized the vasculature, whereas excess vessels were observed in mouse ears that were treated with either antibody alone, indicating VEGFR-3 signals can sustain a low degree of angiogenesis even in the presence of VEGFR-2 blockers.

Figure 3: Analysis of Blood Vessels in Ear Skin Overexpressed with Both VEGF and VEGF-C Followed by Treatment with Indicated Monoclonal Antibodies



Source: *Nature*. 2008 Jul 31;454(7204):656-60

ImClone plans on filing an IND in 2H10, and plans to initially target head and neck targets. As part of the license agreement, Vegedics, a subsidiary of Circadian, will receive undisclosed annual license fees and product milestone payments, as well as royalties on sales.

VGX Series

Circadian currently owns world wide rights to its other antibodies, focused on targeting the VEGF-C and VEGF-D proteins, under development providing further licensing opportunities.

VGX-100

VGX-100 is a fully human monoclonal antibody targeting VEGF-C protein which is an activator (ligand) of VEGFR-3. Preclinical studies demonstrate growth inhibition and reduction in frequency of tumor metastasis within animal models in a variety of tumor types, including prostate cancer and glioma. Preliminary toxicology studies show no serious adverse effects. The company announced that it intends to initiate human clinical trials during the first half of 2011 with this compound.

VGX-200 series

The VGX-200 series is a set of humanized monoclonal antibodies targeting the VEGF-D protein, another known activator of VEGFR-3. Circadian intends to initiate human clinical trials in 2012.

VGX-300

VGX-300 is a soluble form of VEGFR-3. Circadian had achieved a milestone in October 2009 after determining the manufacturability of VGX-300 in commercial quantities. VGX-300 is being developed for use in combination with chemotherapy to achieve more complete tumor control by its ability to capture and block activity of both VEGF-C and VEGF-D. The compound is currently being evaluated in both cancer and eye diseases. The company hopes to initiate human clinical trials of VGX-300 in 2012. VGX-300 was created from the extracellular domains of the VEGFR-3 fused to the constant (Fc) region of an antibody. In this sense, it is similar in its physical configuration as Amgen's (AMGN, \$56.38, Not Rated) Enbrel, which fuses the extracellular domain of the TNF receptor to an Fc domain. It is also similar to the TRAP technology pioneered by Regeneron (REGN, \$24.65, CIT), although Regeneron uses different receptor sub-units as the variable regions of its antibodies (riloncept, aflibercept).

Commercialization of Assets to Provide Potential Near-Term Benefit

While we do not factor these products into our valuation of Circadian, the company has two potential near term assets that will provide incremental revenue if commercialized. The rights to royalties to Trinam, in development by Ark Therapeutics, are being disputed by Circadian's subsidiary Vegenics. Second, partner Healthscope is planning on commercializing a diagnostic in the second half of 2010. We describe both below.

Trinam

Trinam is a treatment in Phase III development by Ark Therapeutics to extend the functioning of intravenous access grafts used in kidney dialysis patients. Circadian, through its subsidiary Vegenics, licensed its VEGF-D gene therapy to Ark Therapeutics but has since terminated the agreement due to non-payment of fees. The company is currently commencing arbitration proceedings against Ark to rule out the claim that Ark retains a license covering the use of Vegenic's IP in Trinam.

Ark's claim is rooted in its acquisition of Lymphatix Oy, in 2008. Lymphatix Oy is a Finnish company formed by the Ludwig Institute of Cancer Research (LICR) and Licentia, the commercial arm of the University of Helsinki. In 2001, LICR and Licentia granted Ark a non-exclusive license under its VEGF-D IP that Ark contends gives them the rights to market Trinam. In 2007, LICR and Licentia assigned all of their interest in VEGF-C and VEGF-D intellectual property to Vegenics Limited, including royalties due by Ark. In 2009, Ark

issued a refusal in response to Vegenic's invoice for payment of the minimum royalty as stated by the license thus sparking termination of the agreement.

We have not yet factored Trinam into our valuation but a successful litigation will return product rights to Circadian, providing a potential source of future upside. The company hopes to settle the issue before commercialization, assuming the success of Phase III trials, and a determination may be made in the next 12-18 months.

Cancer of Unknown Primaries (CUP) Diagnostics

Cancer of Unknown Primary (CUP) involves a condition in which a cancer is found in one or more metastatic sites but the primary site is unknown. According to the American Cancer Society, CUPs are thought to account for 2-5% of all cancer cases. In February 2009, Circadian signed an agreement with Healthscope, an Australian private health care provider, to commercialize a novel diagnostic technology for Cancers of Unknown Primaries (CUP) developed in collaboration between Circadian and the Peter MacCallum Cancer Centre. Healthscope owns rights to the test in Australia, New Zealand, Singapore and Malaysia while Circadian retains rights in the rest of the world. If successfully commercialized, we would anticipate the pricing of such a test to be \$2,000 to \$4,000 range.

Valuation

Given that Circadian is at a pre-clinical stage of development, a valuation exercise is, in our view, nearly impossible to perform as the evidence of activity seen in animal models may or may not play itself out in human clinical trials. This is in spite of the fact that the biological evidence points to significant anti-tumor activity brought about by the inhibition of VEGF C and D and the blockade of VEGFR-3. In spite of this, we believe an approximation of fair value can be achieved by examining the market capitalization of early-stage publically traded companies that have antibody development programs. Two in particular, YM Biosciences (YMI, \$1.42, CIT) and Peregrine Pharmaceuticals (PPHM, \$3.28, Not Rated), come to mind. YM is developing the anti-EGFR antibody, nimotuzumab, for the treatment of pediatric glioma and head and neck cancer, among other indications. The market capitalization of YM is approximately \$100 million vs. cash of \$36 million. Peregrine is developing bavituximab, an anti-phosphatidylserine antibody for a number of indications in both cancer and HCV. In addition, the company is developing Cotara, a radiolabeled antibody for the treatment of glioblastoma multiforme. Peregrine has a market capitalization of approximately \$160 million vs. \$13.6 million in cash. Given the degree of validation of the VEGF receptor family and the unique competitive position that Circadian finds itself in, we believe it is not unreasonable over time for the shares to gravitate toward the market cap of these companies. We therefore has established a target valuation range for Circadian in the range of USD 100-130 million, or AUD 2.20-2.88 per share.

Summary and Conclusion

Our analysis of Circadian suggests that the shares are undervalued in many respects. As we mentioned earlier, the shares are currently trading below cash of AUD 0.75/share, or a total of AUD 34.8 million at the end of December 2009.

Circadian also controls 120 million shares of a separate Australian company, Antisense Therapeutics. Antisense is engaged in the development of antisense pharmaceuticals and its lead product, ATL/TV 1102 is partnered with Teva Pharmaceuticals for the treatment of multiple sclerosis. At the current price of Antisense shares of AUD 0.05, this translates into a AUD 0.13/share value to Circadian. Antisense is expecting an announcement in the coming weeks from Teva regarding a decision to move forward with ATL/TV 1102 into late stage clinical trials. Shares of Antisense has recently seen surge in volume due to an unrelated news announcement, thus we believe shares are poised to obtain a more sustainable surge upon this decision.

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Buy

Finally, running a comparison of the historical acquisition values of antibody companies, as can be seen below, we see that the average transaction value in the antibody space to be in the \$1 billion range. The company we would most liken to Circadian is Arius Research, a development stage antibody company based in Canada. The company was bought by Roche in July of 2008 for \$189 million. While Arius, like Circadian, had a portfolio of pre-clinical antibody candidates, we would argue that the targets of these antibody candidates had far less validation than those possessed by Circadian.

Figure 4: Historical Antibody Buyouts

Date	Client Company	TKR	Rating	R&D Company	Type	Stage of Development	Notes	Size (\$ in MM)
Sep-09	Bristol-Myers Squibb	BMY	Not Rated	Medarex	Public Product	Large Phase 3	mAb platform	\$ 2,100
Feb-09	Cephalon	CEPH	Not Rated	Arana Therapeutics	Public Product	Large Phase 2	mAb platform	\$ 207
Oct-08	Eli Lilly	LLY	Not Rated	ImClone Systems	Public Product	Large Approved		\$ 6,500
Jul-08	Roche	SWX:ROG	Not Rated	ARIUS Research	Public Platform	Large Preclinical	mAb platform	\$ 189
Nov-07	Astellas Pharma	TSE:4503	Not Rated	Agensys	Private Platform	Large Phase 1	mAb platform	\$ 387
Mar-07	Eisai	TSE:4523	Not Rated	Morphotek	Private Platform	Large Phase 1	mAb platform	\$ 325
Dec-06	GlaxoSmithKline	GSK	Not Rated	Domantis	Private Platform	Large Preclinical	domain antibodies	\$ 454
Nov-06	Genentech	Private		Tanox	Public Platform	Large Approved	mAb platform	\$ 919
Dec-05	Amgen	AMGN	Not Rated	Abgenix	Public Platform	Large Approved	mAb platform	\$ 2,200
May-04	UCB	ENXTBR:UCB	Not Rated	Celltech	Public Platform	Large Approved	mAb platform	\$ 2,710
Mean								\$ 1,163
Median								\$ 687
Min								\$ 189
Max								\$ 6,500

Source: Evaluate Pharma

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Buy

Profit & Loss	2006A	2007A	2008A	2009A	2010E	2011E	2012E	2013E	2014E	2015E	2016E
Licensing and collaborative	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Product	3.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Royalty	0.8	0.0	0.0	0.0	0.4	0.8	0.8	0.8	0.8	0.8	0.8
Other revenues	0.0	0.2	0.4	0.7	0.5	0.6	0.5	0.5	0.5	0.5	0.5
Revenues	4.0	0.2	0.4	0.7	0.9	1.4	1.3	1.3	1.3	1.3	1.3
CoGS	1.3	9.9	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Gross Profit	2.6	(9.7)	(1.6)	(1.3)	(1.1)	(0.6)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)
Gross margin	66%	-5944%	-421%	-182%	-122%	-40%	-53%	-53%	-53%	-53%	-53%
G&A	3.7	4.0	3.6	4.7	4.9	5.7	7.4	8.5	10.2	11.7	12.9
R&D	3.4	3.2	3.4	4.5	5.2	6.0	8.1	9.0	11.6	14.0	18.9
Other op ex	1.7	(0.1)	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	(6.2)	(16.8)	(8.9)	(10.5)	(11.3)	(12.3)	(16.2)	(18.2)	(22.5)	(26.4)	(32.5)
EBIT margin	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Depreciation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation Intangibles	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	(6.2)	(16.8)	(8.9)	(10.5)	(11.3)	(12.3)	(16.2)	(18.2)	(22.5)	(26.4)	(32.5)
EBITDA margin	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Non operating expenses	0.9	1.2	0.0	1.8	0.3	0.0	0.0	0.0	0.0	0.0	0.0
Net Interest Income/Other	0.3	29.9	7.8	2.4	2.0	1.6	1.0	0.8	1.0	1.3	2.0
Interest expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBT	(6.8)	11.9	(1.1)	(9.9)	(9.6)	(10.7)	(15.2)	(17.4)	(21.5)	(25.1)	(30.5)
EBT margin	nm	7270%	nm	nm	nm	nm	nm	nm	nm	nm	nm
Provision for taxes	0.1	5.7	1.2	0.0	0.2	0.2	0.2	0.2	0.2	(3.8)	(10.7)
Net Income	(6.9)	6.2	(2.3)	(9.9)	(9.7)	(10.9)	(15.4)	(17.6)	(21.7)	(21.3)	(19.8)
Participation of preferred stock	0.0	0.0	1.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income to common	(6.9)	11.1	(1.2)	(9.9)	(9.7)	(10.9)	(15.4)	(17.6)	(21.7)	(21.3)	(19.8)
net margin	nm	6773%	nm	nm	nm	nm	nm	nm	nm	nm	nm
NoSH	31.4	40.1	40.1	45.2	46.4	48.7	51.2	53.7	56.4	59.2	62.2
EPS - basic	(0.22)	0.28	(0.03)	(0.22)	(0.21)	(0.22)	(0.30)	(0.33)	(0.39)	(0.36)	(0.32)

Source: Company documents and Merriman Curhan Ford estimates

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Half-yearly P&L	Dec	June	Dec	June
June fiscal year (AUD\$)	H1'09A	FY'09A	H1'10A	FY'10E
Licensing and collaborative	0.00	-	0.00	0.00
Product	0.00	-	0.00	0.00
Royalty	0.00	-	0.38	0.02
Other revenues	0.29	0.43	0.00	0.50
Revenues	0.29	0.43	0.38	0.52
CoGS	0.91	1.12	0.79	1.21
Gross Profit	-0.62	0.69	-0.41	(0.69)
<i>Gross margin</i>	-211%	1.82	-109%	(1.22)
G&A	2.02	2.64	2.49	2.46
R&D	2.12	2.37	1.98	3.26
Other op ex	0.00	0.02	0.00	0.00
EBIT	(4.8)	5.72	(4.9)	(6.41)
<i>EBIT margin</i>		<i>nm</i>		<i>nm</i>
Depreciation	0.00	-	0.00	0.00
Amortisation Intangibles	0.00	-	0.00	0.00
EBITDA	(4.8)	5.72	(4.9)	(6.41)
<i>EBITDA margin</i>		<i>nm</i>		<i>nm</i>
Non operating expenses	0.00	1.76	0.27	0.00
Net Interest Income/Other	0.05	2.32	0.80	1.20
Interest expense	0.00	-	0.00	0.00
EBT	(4.7)	5.17	(4.4)	(5.21)
<i>EBT margin</i>		<i>nm</i>		<i>nm</i>
Provision for taxes	0.05	0.05	0.00	0.15
Participation o fpreferred stock				
Net Income to common	(4.7)	5.17	(4.4)	(5.36)
<i>net margin</i>		<i>nm</i>		<i>nm</i>
NoSH	45.25	45.25	45.25	46.40
EPS - diluted	(0.10)	0.11	(0.10)	(0.11)

Source: Company documents and Merriman Curhan Ford estimates

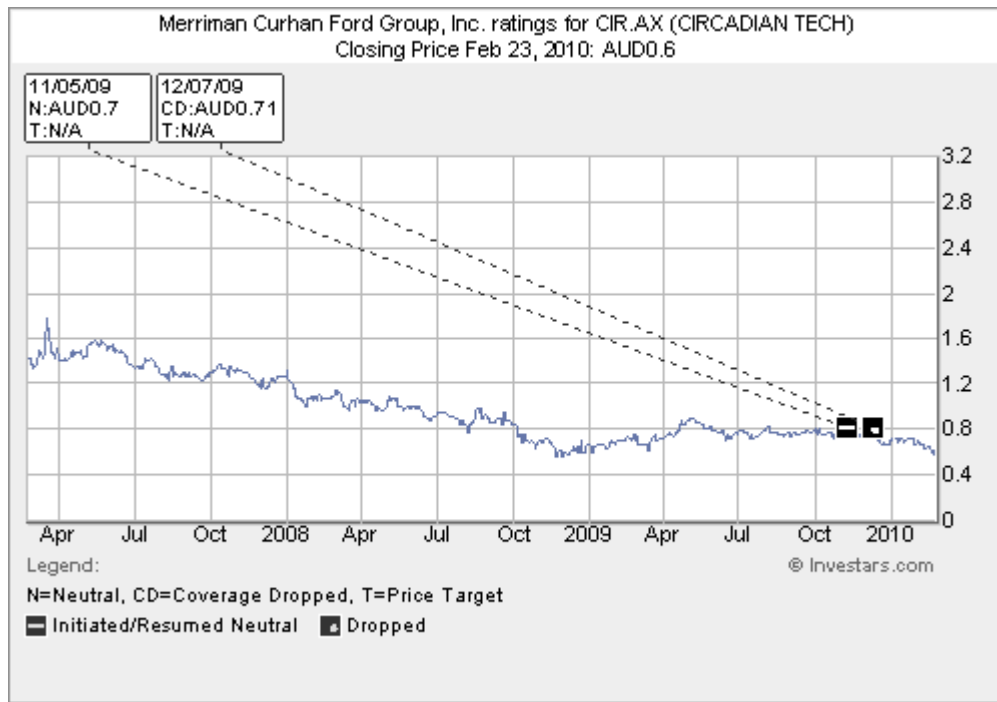
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Balance sheet (AUD\$)	2006A	2007A	2008A	2009A
Assets				
Cash and cash equ.	11.0	48.2	46.2	38.8
Accounts receivable	0.9	0.3	0.5	0.5
Inventory	0.4	0.0	0.0	0.0
Other current assets	0.2	0.2	0.3	0.1
Current assets	12.5	48.7	47.1	39.4
Net PPE	1.4	0.1	0.1	0.1
Intangibles	1.6	0.0	0.0	0.0
LTA	0.0	18.1	6.7	1.8
Total assets	15.5	66.9	53.9	41.3
Liabilities				
ST notes	0.0	0.0	0.0	0.0
Accounts payable	0.7	0.5	0.2	0.3
Other current liabilities	0.9	2.6	1.6	2.0
Current Liabilities	1.6	3.1	1.8	2.3
NTF	0.0	0.0	0.0	0.0
Debt 1	0.0	0.0	0.0	0.0
Debt 2	0.0	0.0	0.0	0.0
Debt 3	0.0	0.0	0.0	0.0
Deferred income	0.0	0.0	0.0	0.0
Other long-term liabilities	0.0	7.9	4.6	0.2
Total Liabilities	1.6	11.0	6.4	2.5
Shareholders equity				
Common Stock	51.9	33.2	33.2	38.4
Retained earnings	(44.1)	0.8	1.0	1.1
Other equity accts	6.0	21.9	13.3	(0.7)
Total SH equity	13.9	55.8	47.4	38.7
Total Liabilities & SH equity	15.5	66.9	53.9	41.3
Source: Company documents and Merriman Curhan Ford estimates				

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Buy



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