

BIOTRON SHARE OFFER CLOSES OVERSUBSCRIBED

The Board of Biotron Limited ("Biotron") today announced that it has closed the company's initial public offer oversubscribed. Biotron has successfully raised A\$12 million through the issue of 24 million ordinary shares at A\$0.50 per share plus one free bonus option for every four shares subscribed.

The offer which opened on 18 December was fully underwritten by Johnson Taylor Potter Corporate Finance Limited. The offer values the group at approximately A\$32 million and the company is expected to list on the Australian Stock Exchange on 23 January, 2001 under the ASX code BIT.

Despite the share offer being open over the Christmas period and the NASDAQ index falling between 10 - 15 per cent during the offer period, the company experienced high levels of demand for the stock. In the two days following the opening of the offer over 1,000 enquires and requests for prospectuses were received from the public, excluding Johnson Taylor Potter's clients.

Biotron is a research company which intends to develop compounds and diagnostic tests for sale or license to major pharmaceutical companies and provides investors with access to a portfolio of exciting biotechnology research projects developed by one of Australia's leading medical research institutes, the John Curtin School of Medical Research ("JCSMR") at the Australian National University. Biotron currently has the rights to six research projects developed over a 20 year period at JCSMR as well as the right, but not the obligation, to invest in future research projects at JCSMR related to these six research projects.

Biotron has the right to develop and commercialise: C-Test; Virion; Muscion; Hypoxion; Gabion; and GeneTrans. Of these projects, two projects – C-Test and Virion – are in late stage development and will be the core focus of initial activity.

Four of Biotron's projects (Virion, Hypoxion, Gabion and Muscion) are underpinned by a platform technology – research on ion channels in membranes. This allows several scientists to work in different, yet related areas with the results of work in one area providing benefits to other areas.

Commenting on the announcement, the Chairman of Biotron, Mr Michael Hoy, said:

"We are delighted at the strong demand for Biotron shares which is a reflection of the market's desire to participate in the high growth biotechnology sector through a well funded vehicle with a portfolio of exciting research projects. We are particularly pleased with the level of demand given the offer was open during the Christmas break which is traditionally a quiet time in the financial markets," he said.

Also commenting on the announcement, the Managing Director of Biotron, Dr Noel Chambers, said:

“The level of interest in Biotron shares confirms our view that investors would respond positively to our unique business model focussed on licensing Biotron’s products to global pharmaceutical companies to fast track revenue and minimise risk. We believe our business model has the potential to greatly increase the prospects for commercialisation of leading Australian research through an alliance between a leading research institution and a publicly listed company,” he said.

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