

XX September 2001

The Manager Companies  
Australian Stock Exchange Limited  
20 Bridge Street  
SYDNEY NSW 2000

(3 pages by facsimile 1 300 300 021)

Dear Madam

**RE: C-TEST CLINICAL TRIALS  
AND  
COLLABORATION AGREEMENT**

The Directors are pleased to advise that Biotron Limited ('Biotron' or 'the Company') has commenced clinical trials of a cancer diagnostic product (CT-1) emerging from the Company's C-Test Project. CT-1 is a simple diagnostic blood test for the early detection of cancer.

Further, the Directors are pleased to announce a strategic collaboration agreement with Bruker Daltonics Inc., a multi-national leading developer and provider of innovative life-science tools based on mass spectrometry.

**Background**

Biotron is a research company with rights to six 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 ('ANU'). C-Test, which is one of the Company's two principal projects, comprises two cancer diagnostic tests. CT-1 is for the general detection of cancers and the second (CT-2) is designed to diagnose the type of cancer.

Unlike in therapeutic trials where compounds are normally required to be passed through three phases of clinical trials prior to marketing, the diagnostic clinical trial is a single clinical trial designed to meet all the requirements of international regulatory bodies.

## **C-Test**

It is widely recognised that simple and rapid blood tests for cancers have considerable clinical potential. Not only can such tests be used for the early diagnosis of cancer but they also allow the detection of tumour recurrence following surgery and chemotherapy. A number of cancer-specific blood tests have been developed which depend upon the detection of tumour-specific antigens in the circulation. However, depending on the tumour type, there is considerable variation in the reliability of the current tests. Furthermore, appropriate tumour-specific antigens have not been identified for many cancers.

CT-1 is being developed as a general diagnostic test for the presence of cancer. Unlike other tests that measure the increase in the blood levels of a cancer-specific antigen, CT-1 detects the loss of a normal blood constituent derived from the immune system.

The sensitive technique of matrix assisted laser desorption/ionisation time of flight (MALDI-TOF) mass spectrometry has been applied to the detection of the molecules. Our preclinical studies in mice and rats have validated this approach, with MALDI-TOF detecting low molecular weight species that are T cell-dependent and rapidly disappear from the sera of tumour-bearing rats and mice.

## **Clinical Trials**

Following installation of a Bruker Daltonics Inc. OMNIFLEX™ mass spectrometer at the Company's ANU based laboratories, the Company has successfully conducted a program of tests on human blood as further proof of concept and also to optimise collection, extraction and detection methods to be used in the full scale clinical trial. The Company is now proceeding with full scale clinical trials.

Under agreement with Biotron, the clinical trials will be conducted by National Health Sciences Centre Limited ('NHSC').

The clinical trials, which are expected to be completed within twelve months, will involve testing blood samples from approximately 1,500 patients sourced from medical institutions in New South Wales, Victoria and the ACT. Initially, cancers to be tested will be prostate, breast, colo-rectal and lung cancers. The clinical trial will meet the requirements of the International Conference on Harmonisation guidelines for Good Clinical Practice.

NHSC was founded six years ago as a centre of innovation in clinical research with its founding members including the Australian National University, the University of Canberra, the Canberra Clinical School, the Canberra Hospital and the ACT Department of Health and Community Care.

The NHSC Clinical Trials Unit has close relationships with international pharmaceutical companies including Eli Lilly, Servier, NovoNordisk, Pharmacia, Novartis and Aventis.

## **Collaboration Agreement**

Biotron has negotiated a strategic collaboration agreement with Bruker Daltonics Inc. and Affiliates ('Bruker'), a multi-national leading developer and provider of innovative life science tools based on mass spectrometry.

Under the terms of the agreement, it is intended that Bruker's OMNIFLEX™ mass spectrometer with reflector and associated software and hardware ('OMINFLEX™ System') will become an integral part

of Biotron's C-Test diagnostic product, although Biotron is not limited to using the OMINFLEX™ System.

Biotron and Bruker will collaborate technically and commercially in the application of MALDI-TOF spectrometry to the detection and analysis of biomarkers related to cancer and other MALDI-TOF applications.

Training in the use of the OMINFLEX™ System has been provided by Bruker and the machine is in operation, providing the Company with the ability to perform mass spectrometry tests in support of the C-Test clinical trials.

MALDI-TOF mass spectrometry is a rapidly growing tool for academic research and pharmaceutical/biotech discovery laboratories, as well as pharmaceutical/biotech manufacturing. The arrangement with Bruker could provide considerable financial benefit to Biotron and extends the opportunities for the commercialisation of the final C-Test diagnostic product.

For further information, please contact Noel Chambers on (02) 61258001.

Yours faithfully

Michael J. Hoy  
Chairman

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