



Dear Shareholders,

Biotron recently released an update on progress on the BIT225-008 study in patients with Hepatitis C virus (HCV) infection.

The latest data confirms positive outcomes from this Phase 2 study of BIT225, Biotron's first-in-class antiviral drug.

Highlights include:

- BIT225 was safe and well tolerated. None of the HCV genotype 1 (G1) patient withdrawals were related to BIT225 side effects.
- The antiviral effect from BIT225 was evident over and above the standard of care drugs that the patients were taking.
- HCV G1 patients treated with BIT225 and Interferon/Ribavirin (IFN/RBV) were significantly more likely to clear virus within 24 weeks of commencing treatment than those treated with IFN/RBV alone.
- 12 weeks after stopping BIT225 treatment, 82% of HCV G1 patients treated with BIT225 +IFN/RBV were clear of virus, compared to 60% of those treated with IFN/RBV alone.
- HCV G1 patients treated with BIT225 cleared the virus faster than those treated with IFN/RBV alone.
- The study also provided key data on the performance of the capsule formulation of BIT225. The results will inform future studies with the drug.

### **Positive Results for BIT225-008 HCV Study**

The purpose of the BIT225-008 study was to assess the safety of three month dosing of BIT225 and its antiviral activity in patients infected with HCV. The results have demonstrated that both of these criteria were successfully met.

This is in line with the results from previous trials.

This was the first trial to use a new capsule form of BIT225. The trial provided key information on how well this new formulation delivered BIT225. Patients treated with the capsules had higher blood levels of the drug than were achieved with the previously used powder form of BIT225. This shows that the capsules were more efficient at delivering BIT225 to the blood than the powder form of the drug. This information is key for further development of BIT225.

The data from BIT225-008 means that lower dosages can be used in future studies, which will further improve the safety profile of the drug.

The results in the HCV genotype 3 (G3) cohort, which were reported previously, were less clear because of the higher than expected clearance of virus in the IFN/RBV arm. All G3 patients treated with IFN/RBV cleared the virus, meaning that it was impossible to show an improvement with BIT225 for the G3 subtype.

However, non-clinical studies have shown that BIT225 is pan-genotypic, which means it is active against all the main HCV genotypes, including G3.

Data from this study and previous clinical trials show that BIT225 appears to have an antiviral effect against HCV over and above the standard of care combination IFN/RBV.

The data supports a potential role for BIT225 in combination with new HCV drugs that have recently entered the market. While these new drugs are efficient, they are very expensive. There is also the need to further improve treatment regimens by shortening treatment time.

Detailed analyses of the results from BIT225-008 are expected to be presented at a scientific conference later in 2016. This will bring the Company closer to a commercial outcome for this program.

### **HIV-1 Program Update**

It should be noted that the results for safety and the capsule formulation from the BIT225-008 trial are also relevant for the Company program on HIV-1.

BIT225 works in a different way to other HIV-1 drugs, and specifically targets viral reservoirs. These long-lived pools of virus persist despite drug treatment, and are never completely eliminated. The reservoirs act as “burning embers”, producing low levels of virus that cause chronic disease in people infected with HIV-1 through constant activation of the body’s immune system. These factors mandate life-long treatment using currently available drugs.

Therefore, eradication of HIV-1 is a current focus of scientists, clinicians, and the pharmaceutical industry and an area where BIT225 has potential.

Biotron has built up a detailed data package on its HIV-1 program. A previous study in HIV-1-infected patients demonstrated that BIT225 is able to target virus residing in monocyte-lineage cells, which make up one of the major viral reservoirs. Recently, Biotron reported these results in two papers published by international, peer-reviewed scientific journals.

Biotron, in consultation with HIV-1 clinical experts, is in the process of designing a pivotal Phase 2 trial. The purpose of this study will be to demonstrate that adding BIT225 to current anti-HIV-1 drugs results in an additional, measurable clinical benefit to patients.

This study is key to a commercial outcome for Biotron’s HIV-1 program.

Preparation of the trial protocol and other regulatory documentation is in progress. The Company expects to make an ethics submission mid-year.

Details on the study design and location will be released once finalised.

### **Other Viral Diseases Update**

Over the last year or so, there have been a number of high profile international outbreaks of viral diseases, including Ebola, Middle East Respiratory virus (MERS-CoV) and more recently, Zika virus. Covered extensively in the media, they are a reminder that there is an ongoing need for new drugs to treat life-threatening diseases.

Biotron’s core expertise lies in designing and developing drugs that target a class of virus protein known as viroporins. Viroporins are found in a very broad range of viruses, and have key roles in the virus life cycle.

Whilst BIT225 is an important asset in its own right and demonstrates the robustness of Biotron’s approach to antiviral drug development, it is only one of the Company’s compounds.

Biotron’s proprietary compound library is a rich source of potential hits against other viruses. Screening against other viruses, including Zika virus, is in progress. Hits from this screening will act as starting points for further chemistry to generate compounds with increased potency against Zika and other viruses.

Thank you for your continued support as we progress development and commercialisation plans for BIT225. Don’t forget to subscribe to receive emailed updates and announcements at [www.biotron.com.au](http://www.biotron.com.au).

Sincerely,



**Michelle Miller**  
**CEO & Managing Director**