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Website: www.biotron.com.au

29 October 2018

The Manager Companies
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

(5 pages by email)

Dear Madam,

Option Expiry Notice

The Company advises that the attached Option Expiry Notice has been sent to holders of Biotron Limited listed options (ASX code: BITOA) in relation to the expiry of the options on 30 November 2018.

Yours sincerely



Peter J. Nightingale
Company Secretary

pjn9613



BIT
MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

29 October 2018

Dear Optionholder

IMPORTANT OPTION EXPIRY NOTICE

Your Options to Acquire Biotron Limited Shares at \$0.06 per Share Expire on 30 November 2018

We are writing to you as a registered holder of options, each to acquire one fully paid ordinary share in Biotron Limited at \$0.06 ('Options'), to advise you that your Options will lapse on 30 November 2018.

Your Options may be exercised in whole or in part by the payment of \$0.06 for each Option by no later than 5.00pm (Sydney time) on 30 November 2018. There is no obligation for holders of Options to exercise their Options, however, if payment is not received by 5.00pm (Sydney time) on 30 November 2018, your Options will lapse and all rights under the Options will cease.

To assist you, we attach a Notice of Exercise of Options which is personalised for your Option holding and which provides details of how you can exercise your Options.

Update on Biotron's Activities

In late September 2018, the Company announced positive data from its Phase 2 HIV-1 clinical trial of BIT225 in combination with current antiretroviral drugs. The data showed that BIT225 had a unique effect in patients, inducing beneficial immunological changes. These changes were consistent with the targeting of HIV-1 in reservoirs which remain even in patients taking current antiretroviral drugs.

This important trial builds on a solid foundation of previously reported laboratory studies that showed that BIT225 attacks HIV-1 in macrophage cells that current drugs cannot access.

Unless macrophage cells are cleared of HIV-1 virus, a cure is not possible. Current drugs do an excellent job of taking HIV-1 in the blood to undetectable levels but do not clear virus in macrophages. These cells, which reside in the body's tissues, produce low levels of HIV-1, even in patients taking current antiretroviral drugs. This means that the infection persists. Patients can't stop taking antiretroviral drugs; if they do, the virus quickly rebounds to high levels.

Clearing out virus from these macrophage reservoir cells is an important key step towards eradicating HIV-1 completely. Biotron's data indicate that BIT225 could form part of a cure strategy for HIV-1 infection.

The Company expects to present detailed data from the clinical trial at conferences in late 2018/early 2019.

In addition, Biotron continues to explore regional partnering opportunities in China for the BIT225 Hepatitis C (HCV) program. China has one of the world's largest populations of people infected with HCV and there may be key benefits in this particular population for treatment of HCV with BIT225.

Proceeds from exercise of the Options will place the Company in a sound financial position as it focuses on achieving a commercial outcome following the recent successful results from the phase 2 clinical trial of the Company's lead drug BIT225 for the treatment of HIV-1.

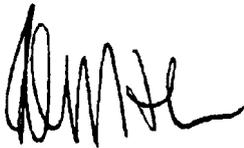
Beyond HIV-1, BIT225 is an important asset as it demonstrates the robustness of Biotron's approach to antiviral drug development and that the Company can generate clinically safe drugs with activity against a new class of viral protein targets. Funds raised through exercise of these Options will enable the Company to advance the development of other promising compounds within its proprietary compound library that have been shown to have activity against other serious viral diseases including Hepatitis C, Hepatitis B, Dengue and others. In turn, this will enable the Company to attract a commercial partner for these applications within the Company's antiviral platform.

Other Information

The following information is provided in accordance with Australian Securities Exchange ('ASX') Listing Rules:

1. The name of the Optionholder and the number of Options held are detailed on the attached Notice of Exercise of Options.
2. Each Option is exercisable to acquire one fully paid ordinary share in Biotron Limited at \$0.06.
3. Due date for payment to exercise the Options is 30 November 2018.
4. If you do not elect to exercise your Options by 30 November 2018, your Options will lapse and all rights under the Options will cease.
5. Quotation by the ASX of the Options will cease on 26 November 2018, being 4 business days before 30 November 2018.
6. The last market sale price on 26 October 2018 of the Company's fully paid ordinary shares, into which the Options are exercisable, was \$0.165.
7. The highest and lowest market sale price of the Company's fully paid ordinary shares during the past 3 months was \$0.445 on 16 October 2018 and \$0.014 on 3 September 2018 respectively.
8. As announced on 15 October 2018, the exercise of 78,249,130 options has been underwritten by CPS Capital Group Pty Ltd. The Underwriting Agreement will guarantee that the Company receives \$4.7 million (**Underwritten Amount**) before costs. The underwriters, who are not related parties of the Company, are to be paid an underwriting fee of 5% (excluding GST) of the Underwritten Amount.

Yours sincerely



Peter J. Nightingale
Company Secretary

For all enquiries:

Phone:



(within Australia) (02) 9300 3344
(outside Australia) +61 2 9300 3344

BIT

MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Make your payment:



See overleaf for details of the Offer and how to make your payment

Notice of Exercise of Options

 **Options exercisable for A\$0.06 each and expiring at 5.00pm (Sydney time) on Friday, 30 November 2018**

This is an important document that requires your immediate attention. It can only be used in relation to the optionholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

You are reminded that the Options to subscribe for fully paid ordinary shares in the capital of Biotron Limited registered in your name expire at 5.00pm (Sydney time) on Friday, 30 November 2018. These Options are exercisable wholly or in part (for a minimum of 8,333 only if exercised in part) by the payment of A\$0.06 for each Option exercised. If the total balance of Options you hold is less than 8,333 Options, exercising the whole balance is permitted by the payment of A\$0.06 for each Option exercised. Payment must be received by 5.00pm (Sydney time) on Friday, 30 November 2018. For every one Option exercised, the Option holder will be issued and allotted one fully paid ordinary share in the capital of Biotron Limited.

Options not exercised by 5.00pm (Sydney time) on Friday, 30 November 2018 will lapse.

PAYMENT OPTIONS

You can exercise either all or some of your Options. If you are only exercising some, you must exercise for a minimum of 8,333 Options. Enter the number of Options you wish to exercise and the amount of payment for those exercised Options.

Payment methods are shown below.

BPAY®: See overleaf. Do not return the payment slip with BPAY payment.

Payment will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques received may not be re-presented and may result in your Application being rejected. Paperclip (do not staple) your cheque(s) to the payment slip. Receipts will not be forwarded. Funds cannot be debited directly from your account.

By Mail: Complete the payment slip overleaf and detach and return with your payment. Make your cheque payable in Australian dollars to "**Biotron Limited**" and cross "**Not Negotiable**". The cheque must be drawn on an Australian bank. Cash is not accepted.

Entering your contact details is not compulsory, but will assist us if we need to contact you.

Turn over for details of the Options →

Biotron Limited Notice of Exercise of Options
Payment must be received by 5.00pm (Sydney time) on Friday, 30 November 2018

Option Exercise Notice

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STEP 1 Registration Name & Option Details

 For your security keep your SRN/HIN confidential.

Registration Name: MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Entitlement No: 12345678

Offer Details: Number of Options (ASX code: BITOA) held at 29 October 2018:

1

Number of Fully Paid Ordinary Shares to be issued on full exercise of Options:

1

Amount payable on full exercise of Options at A\$0.06 per Option:

A\$0.06

STEP 2 Make Your Payment



Bill Code:
Ref No:

Pay by Mail:



Make your cheque, bank draft or money order payable to "Biotron Limited" and cross "Not Negotiable".

Return your cheque with the payment slip (below) to:

Biotron Limited
c/- Computershare Investor Services Pty Limited
GPO BOX 505 Melbourne Victoria 3001 Australia

Contact your financial institution to make your BPay payment from your cheque or savings account.

Lodgement of Acceptance

If you are exercising your Options and your payment is being made by BPAY, you do not need to return the payment slip below. Your payment must be received by no later than 5.00pm (Sydney time) on Friday, 30 November 2018. Securityholders should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. Neither Computershare Investor Services Pty Limited (CIS) nor Biotron Limited accepts any responsibility for loss incurred through incorrectly completed BPAY payments. It is the responsibility of the Optionholder to ensure that funds submitted through BPAY are received by this time.

If you are paying by cheque, bank draft or money order the payment slip below must be received by CIS by no later than 5.00pm (Sydney time) on Friday, 30 November 2018. You should allow sufficient time for this to occur. A reply paid envelope is enclosed for Optionholders in Australia. Other Optionholders will need to affix the appropriate postage. Return the payment slip below with cheque attached. Neither CIS nor Biotron Limited accepts any responsibility if you lodge the payment slip below at any other address or by any other means.

Privacy Notice

The personal information you provide on this form is collected by Computershare Investor Services Pty Limited (CIS), as registrar for the securities issuers (the issuer), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided above or emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at <http://www.computershare.com/au>.

Detach here

Biotron Limited Option Exercise Payment Details

Number of Options exercised:

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Amount enclosed at A\$0.06 per Option exercised:

A\$

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Entitlement No: 12345678

Payment must be received by 5.00pm (Sydney time) on Friday, 30 November 2018

MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Contact Details

Contact Name _____ Daytime Telephone _____

Cheque Details

Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
				A\$

123456789123456789+000000001-3051+14