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The Manager Companies
ASX Limited
20 Bridge Street
Sydney NSW 2000 (3 pages by email)

Dear Madam

# BIOTRON HEPATITIS C SUCCESS: INTERNATIONAL CONFERENCE TOLD OF NEW DRUG HOPE

*Promising first human trial results. Drug to progress to Phase II*

A landmark human trial of a new treatment for chronic Hepatitis C infection has shown promising results, with virus levels diminishing in study patients.

An international conference has been told the drug, BIT225, developed by Sydney company, Biotron Ltd (ASX: BIT), works by targeting the p7 protein, a viral protein essential to virus production and replication.

Last week, Biotron's development manager, Dr Carolyn Luscombe, told the HepDART conference in Hawaii the human trial was the first testing of the drug in patients infected with Hepatitis C.

"This is a key milestone for Biotron," she said. "The results of the trial are of considerable international interest as BIT225 is the first drug that specifically targets the p7 protein of Hepatitis C to reach the clinic."

It is estimated that 170 million people around the world are infected by the Hepatitis C Virus. In the United States alone, four million people have been infected with 2.7 million suffering chronic infection.

The virus causes inflammation of the liver, which may lead to fibrosis and cirrhosis, liver cancer and ultimately, liver failure.

Existing drugs have limited effectiveness and can be toxic. Doctors say fifty per cent of sufferers do not respond to current therapies, signalling a need for new treatments that directly target and halt replication and production of the virus.

A phase II trial of the BIT225 treatment is planned to commence early next year, with researchers examining how this drug works in combination with current approved treatments for HCV, Interferon and Ribavirin.

“In a clinical setting, BIT225 would be most likely to be used in such a combination,” Dr Luscombe said.

“Anti-viral drugs cannot be used on their own to treat chronic infections due to the development of drug resistance.”

The HepDART conference is a bi-annual event enabling clinicians, researchers and industry authorities to communicate new drug developments for viral hepatitis.

**Enquiries**

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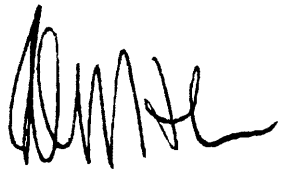
Yours faithfully



Peter J. Nightingale
Company Secretary

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**About Biotron**

Biotron Limited is engaged in the research, development, and commercialisation of drugs targeting significant viral diseases with unmet medical need, with a major focus on HIV and HCV. The Company has BIT225 in clinical development for both HIV and HCV, and also has several earlier stage preclinical and research programs for several other viral infections including influenza, Dengue and Hepatitis B.

**About BIT225 and HCV**

BIT225 represents a first-in-class drug for treatment of HCV, targeting the p7 protein of HCV. It is estimated that in the USA alone, some 4 million people have been infected with Hepatitis C with 2.7 million suffering from chronic infection. Worldwide, 170 million people are infected. HCV causes inflammation of the liver, which may lead to fibrosis and cirrhosis, liver cancer and, ultimately, liver failure. Existing drugs for HCV have limited effectiveness and toxicity issues, leaving a significant need for new therapies. The worldwide market is currently almost US$3.0 billion, but is estimated that this market will expand to over US$10.0 billion as safe, effective therapies enter the market.

Monotherapy with interferon-α and combination therapy with interferon-α and the ribonucleoside analog ribavirin are the two different regimens currently approved as therapy for chronic hepatitis C. Treatment with interferon-α alone, or in combination with ribavirin, has limited effectiveness. The use of interferonbased therapy for the treatment of HCV can be further limited by frequent side effects, injectable administration and poor patient tolerance and adherence. Many patients receiving interferon can experience influenza-like symptoms, fatigue and depression. Ribavirin can be problematic for patients with pre-existing anemia, kidney problems or heart disease.

BIT225 has been shown to be synergistic with interferon and ribavirin, the current approved drugs for HCV treatment, as well as with NS5B-inhibitors which are a new class in development. The use of BIT225 in combination with either the current standard of care treatment, or NS5B inhibitors, holds exciting potential therapeutic treatment of human HCV infections.