

Level 8, 261 George Street
Sydney NSW 2000
Tel: (61-2) 9247 8212
Fax: (61-2) 9247 3932
E-mail: pnightingale@biotron.com.au
Website: www.biotron.com.au

16 November 2007

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

(1 page by email)

Dear Madam,

**Biotron Share Purchase Plan
\$2.5 Million Underwriting Agreement**

The Directors of Biotron Limited (the 'Company') are pleased to announce details of the Biotron Share Purchase Plan ('SPP'). The SPP will provide eligible shareholders with the opportunity to subscribe for up to \$4,998 worth of new shares in the Company without brokerage or other transaction costs and at a discount to the prevailing market share price.

Martin Place Securities Pty Limited has underwritten the issue of 14,700,000 shares, \$2.5 million, to be issued pursuant to the SPP.

The Company's shares are being offered under the SPP at \$0.17 per share, a discount of approximately 11% to the volume weighted average share price in the five trading days immediately prior to the date of this announcement.

The SPP is available to shareholders with a registered address in either Australia or New Zealand on the record date of 16 November 2007. The offer is non-renounceable and is scheduled to close on 20 December 2007.

The maximum number of shares that can be issued under the SPP is 26,923,069.

The funds raised by the SPP will be used to support the Company's ongoing operational costs, including funding the clinical development of the Company's drug BIT225 into Phase IIa clinical trials in infected patients. BIT225 has successfully completed a preclinical safety program and a Phase I human clinical trial in healthy volunteers and this next stage of clinical development is designed to demonstrate efficacy of the drug in patients. BIT225 represents a new, first-in-class drug treatment for HIV and has also been shown to have good antiviral activity in surrogate models of the hepatitis C virus (HCV) and is highly synergistic with the two leading approved HCV therapies.

Full SPP details will be set out in an offer document which will be sent to eligible shareholders.

For further information, please contact Peter J. Nightingale, Company Secretary, on (61-2) 9247 8212.

Yours sincerely,



Peter J. Nightingale
Company Secretary