

17 December 2009

The Manager Companies
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AUSTRALIAN DRUG HOPE: BIOTRON PROGRESSES BREAKTHROUGH HIV TREATMENT

BIOTRON STUDY RESULTS REPORTED TO PRESTIGIOUS HIV CONFERENCE

There is new hope for HIV positive people around the world, with an international AIDS conference being told that an Australian anti-viral drug in development is able to stop the virus spreading.

The drug, developed by Sydney based company Biotron Limited (ASX: BIT) and known as BIT225 was tested in a study involving 18 HIV positive patients at Sydney's St Vincent's Hospital.

Scientists at the Fourth International Workshop on HIV Persistence During Therapy heard the drug was able to inhibit replication of the HIV virus in monocyte cells isolated from the HIV-infected patients, where until now, it has been able to 'hide' from current drug treatments. Monocytes collected from the patients were treated with BIT225 to see the effect of the drug on virus within the cells.

Biotron's senior virologist Dr John Wilkinson told delegates at the convention that BIT225 was able to stop the virus replicating in these storage cells by up to 99 per cent.

Moreover, it was also able to stop the virus transferring to uninfected T Cells.

"In people infected with HIV there is an ongoing cycle of infection of T Cells with HIV from reservoir cells and, at present, there is no drug that can target this process," he said.

"Treatment and elimination of this reservoir remains a major therapeutic challenge.

"Even patients who have been treated with highly active anti-retroviral therapy can experience rapid virus rebound because of these virus reserves in reservoir cells.

"By specifically targeting HIV in reservoir cells, Biotron's BIT225 offers the potential to stop this on-going cycle of infection."

As further international recognition of Biotron's approach to treatment of HIV, a manuscript describing BIT225's ability to inhibit HIV replication in reservoir cells has been published this week in a highly regarded international peer-reviewed scientific journal (¹as an electronic version ahead of printed version).

Biotron is now progressing protocols for a Phase Ib/IIa trial of BIT225 in HIV patients. This trial is in addition to the proposed Phase II trial of the same drug in patients infected with Hepatitis C virus (HCV).

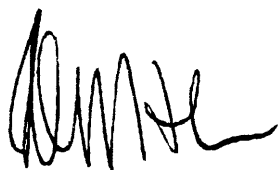
Dr Wilkinson said the market potential of any drug capable of treating HIV infection is very large with the disease costing the USA \$3.3 billion every year.

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Yours faithfully



Peter J. Nightingale
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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 HIV

BIT225 represents a novel, first in class approach to the treatment of HIV. BIT225 specifically targets HIV in reservoir cells and represents an opportunity to attack HIV at its source in the body. Current HIV therapies have little or no effect on HIV in the underlying reservoir of infected cells where the virus hides from the immune system. The market for HIV is very large, with the USA market alone for HIV worth over US\$3.3 billion per annum.

¹Gabriela Khoury, Gary Ewart, Carolyn Luscombe, Michelle Miller, and John Wilkinson
The Antiviral Efficacy of the Novel Compound BIT225 Against HIV-1 Release from Human Macrophages. Antimicrob. Agents Chemother. published ahead of print on 7 December 2009, doi:10.1128/AAC.01308-09