Biotron Limited
A.B.N. 60 086 399 144

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Sydney NSW 2000
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Website: www.biotron.com.au

27 February 2013

The Manager Companies
ASX Limited
20 Bridge Street
Sydney NSW 2000 (19 pages by email)

Dear Madam

HALF YEAR REPORTS

In accordance with Listing Rule 4.2A, I attach the Company's Appendix 4D and Interim Financial Report for the half year ended 31 December 2012. This Interim Financial Report should be read in conjunction with the Company's 30 June 2012 Annual Report.

Yours sincerely

Peter J. Nightingale
Company Secretary

pjn7106

Appendix 4D

Half Year Report

Name of entity

BIOTRON LIMITED

ABN or equivalent company reference	Financial year ended ('current period')
60 086 399 144	**31 DECEMBER 2012**

Results for announcement to the market

Revenues from ordinary activities	Up	294%	to	132,221
Loss from ordinary activities after tax attributable to members	Up	155%	to	2,325,482
Net loss for the period attributable to members	Up	155%	to	2,325,482

Dividends (distributions)	Amount per security	Franked amount per security
Final dividend Interim dividend	Nil¢ Nil¢	Nil¢ Nil¢
Previous corresponding period Final dividend Interim dividend	Nil¢ Nil¢	Nil¢ Nil¢

Record date for determining entitlements to the dividend. N/A

Brief explanation of any of the figures reported above and short details of any bonus or cash issue or other item(s) of importance not previously released to the market:

Refer attached reports.

NTA backing	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	2.6 cents	4.0 cents

BIOTRON LIMITED

A.B.N. 60 086 399 144

INTERIM FINANCIAL REPORT
FOR THE HALF-YEAR ENDED
31 DECEMBER 2012

BIOTRON LIMITED

CONTENTS

BIOTRON LIMITED

DIRECTORS' REPORT

The directors have pleasure in submitting their report together with the interim financial report of Biotron Limited ('the Company') for the half-year ended 31 December 2012 and the review report thereon.

Directors

The names and particulars of the directors of the Company at any time during or since the end of the financial year are:

Mr Michael J. Hoy
Independent and Non-Executive Chairman

Mr Hoy has more than 30 years' corporate experience in Australia, the United Kingdom, USA and Asia. He is Chairman of CityPrint Holdings Pty Limited, Chairman of Tellesso Technologies Limited and a former director of John Fairfax Holdings Limited and FXF Trust.

He has been a director since 7 February 2000 and Chairman since 16 March 2000.

Dr Michelle Miller, BSc, MSc, PhD, GCertAppFin (Finsia)
Managing Director

Dr Miller has worked for over 20 years in the bioscience industry, with extensive experience in managing commercial bioscience research. She completed her PhD in the Faculty of Medicine at Sydney University investigating molecular models of cancer development. Her experience includes a number of years at Johnson & Johnson developing anti-HIV gene therapeutics through preclinical research to clinical trials. She has experience in early stage start-ups from time spent as an Investment Manager with a specialist bioscience venture capital fund.

She was appointed as Managing Director on 21 June 2002.

Mr Bruce Hundertmark BE (Chemical)
Independent and Non-Executive Director

Mr Hundertmark is an independent businessman and company director with a wide range of experience in diverse business operations. He has specialised in recent years in high technology based company start-up operations and in promoting the formation of venture capital companies including News Datacom Research Limited in Israel, News Datacom Limited in Hong Kong and both PT Indo Bio Products and PT Indo Bio Fuels in Indonesia.

He has been a director of numerous private and publicly listed companies including US Consultants Inc., News International plc, Sky Television plc, Prudential Cornhill Insurance Limited, Harris Scarfe Limited, Bernkastel Wines Limited, Codan Limited, Samic Limited and Investment & Merchant Finance Corporation Limited.

He holds a Bachelors Degree in Engineering (Chemical) from the University of Adelaide and has completed studies to bachelors degree level in economics at the University of Queensland and chemistry at the University of Adelaide. He has worked in the UK, the USA, Japan, Bahrain, Qatar and Indonesia for extensive periods of time in various positions.

Mr Hundertmark was appointed as a director on 16 March 2000.

Dr Susan M. Pond AM, MD DSc, FTSE
Independent and Non-Executive Director

Dr Pond has a strong scientific and commercial background having held executive positions in the biotechnology and pharmaceutical industry for 12 years, most recently as chairman and managing director of Johnson & Johnson Research Pty Limited (2003 - 2009). She has held many previous board positions including as executive director of Johnson & Johnson Pty Limited and non-executive director and chairman of AusBiotech Limited.

Dr Pond is currently on the boards of the Australian Nuclear Science and Technology Organisation, Commercialisation Australia, the Centenary Institute and the Australian Academy of Technological Sciences and Engineering, of which she is vice-president. She is a Fellow of the Australian Institute of Company Directors.

Dr Pond holds a first class honours degree in Bachelor of Medicine and Surgery from the University of Sydney and a doctor of medicine degree from the University of New South Wales. She has obtained specialist clinical credentials in internal medicine, clinical pharmacology and clinical toxicology and has held academic appointments at the University of California, San Francisco and the University of Queensland before joining industry.

Dr Pond was appointed as a director on 7 March 2012.

Mr Robert B. Thomas BEc, MSDIA, SF Fin, FICD
Independent and Non-Executive Director

Mr Thomas has over 35 years' experience in the securities industry, with Potter Partners (now UBS), County NatWest and Citigroup.

He is the chairman of TAL Limited (formerly Tower Australia Limited) and Aus Bio Limited and a director of Virgin Australia Limited, Heartware Limited and REVA Medical Limited. He chairs the Stockbrokers Association of Australia and Grahger Capital Securities, is the president of the Library Council of NSW and a director of O'Connell Street Associates Pty Limited. He is a member of the Advisory Boards of Nomura Australia and Inteq Limited.

Mr Thomas has a Bachelor of Economics degree from Monash University (1963 - 1966). He has been a member of the Securities Institute of Australia since 1976 and was appointed as a Fellow to the Institute in 1997. He is a Master Stockbroker and is a Fellow of the Institute of Company Directors.

Mr Thomas was appointed as a director on 7 March 2012.

Dr Denis N. Wade
Independent and Non-Executive Director

Dr Wade has been involved for over 40 years with the development of research based pharmaceuticals and medical devices in both industry and academia. He has been a director of several private and public companies in the healthcare sector, including Heartware Limited and subsequently Heartware International Inc., since December 2004. He was a director and chairman of Gene Shears Pty Limited and, from 1987 until his retirement in 2002, was managing director and chairman of Johnson & Johnson Research Pty Ltd, a research and development company of Johnson & Johnson Inc. He was also a member of the J&J Corporate Office of Science and Technology. Prior to that, Dr Wade was the Foundation Professor of Clinical Pharmacology at the University of New South Wales and served as a member of a number of state and federal bodies related to the drug industry, including the P3 Committee.

He is a former chairman of the Australian Academy National Committee for Pharmacology, the Australasian Society for Clinical and Experimental Pharmacology and Toxicology and a former chairman of the Clinical Pharmacology Section of the International Union of Pharmacology.

Dr Wade holds a first class honours degree in Medicine and Science from the University of Sydney and a Doctorate of Philosophy from the University of Oxford. He was awarded an Honorary Doctorate of Science by the University of New South Wales and is a Fellow of the Royal Australasian College of Physicians and of the Australian Academy of Technological Sciences and Engineering. In 1999 he was made a Member of the Order of Australia.

Dr Wade was appointed as a director on 30 April 2010.

Mr Peter J. Nightingale
Company Secretary

Mr Nightingale graduated with a Bachelor of Economics degree from the University of Sydney and is a member of the Institute of Chartered Accountants in Australia. He has worked as a chartered accountant in both Australia and the USA.

As a director or company secretary Mr Nightingale has, for more than 25 years, been responsible for the financial control, administration, secretarial and in-house legal functions of a number of private and public listed companies in Australia, the USA and Europe including Bolnisi Gold N.L., Callabonna Uranium Limited, Mogul Mining N.L., Pangea Resources Limited, Perseverance Corporation Limited, Sumatra Copper & Gold plc, Timberline Minerals, Inc. and Valdora Minerals N.L. Mr Nightingale is currently a director of ASX listed Augur Resources Ltd, Cockatoo Coal Limited, Planet Gas Limited and Equus Mining Limited and an unlisted public company, Nickel Mines Limited.

Mr Nightingale has been Company Secretary since 23 February 1999.

Review of Operations

The period under review has seen continued advancement across the Company's antiviral drug development program. There has been a focus on the planned, step-wise progression of the clinical development of the Company's lead drug, BIT225. Significant progress has been achieved, with commencement of a Phase 2 trial in patients co-infected with HIV and Hepatitis C virus (HCV) (BIT225-006) and completion of the clinical phase of the Phase 1b/2a HIV trial (BIT225-004) in late 2012. Additionally, follow-up data from the completed Phase 2a HCV trial (BIT225-005) demonstrated that 100% of patients receiving BIT225 (400 mg) with Interferon and Ribavirin ('IFN/RBV') had undetectable virus at the 48 week time point, compared to 75% who received placebo with IFN/RBV. Supporting activities including manufacture of over 10 kilograms of clinical grade BIT225 and formulation studies to produce capsules of the drug were completed. Three-month preclinical toxicology studies, essential for longer-term human dosing in future trials, commenced.

Significant events achieved in this half-year period include:

- Follow-up data from the 48-week time point of the Company's completed Phase 2a clinical trial of its lead drug BIT225 in HCV-infected patients were presented at an international conference. One hundred percent of patients who received BIT225 (400 mg) in combination with IFN/RBV had undetectable virus at this key time point, compared to 75% who received placebo with IFN/RBV.

- Completion of the clinical phase of the Phase 1b/2a clinical trial of BIT225 in HIV-infected patients.

- Commencement of a Phase 2 trial of BIT225 in patients co-infected with HIV and HCV.

- Commencement of three-month preclinical toxicology studies after completion of manufacture of >10 kg clinical grade BIT225, and completion of capsule formulation studies.

Hepatitis C Virus Clinical Program

Biotron has been focused on the clinical development of its lead drug, BIT225, an investigational, orally-administered, novel antiviral compound in development by Biotron for treatment of HCV and HIV infections.

During the half-year under review, the Company reported additional week 48 follow-up data from the completed Phase 2a trial of BIT225 in combination with the currently approved treatment for HCV - interferon and ribavirin ('IFN/RBV').

The 48 week data demonstrated that 100% of patients who were treated with 400mg BIT225 in combination with IFN/RBV had no detectable virus at this key time point. This compared to 75% of patients who only received IFN/RBV. The data demonstrated that in this trial BIT225 improved the outcome in patients infected with hard-to-treat genotype 1 HCV infection.

The 48-week data extended the previous three-month data, and demonstrated that BIT225 appeared to continue to provide additional benefit to patients after the conclusion of dosing.

Genotype 1 patients make up the majority of HCV infections in the Western world, and are the hardest to treat, with less than half responding to current approved treatment. There is thus, an unmet medical need for drugs that will improve treatment outcomes for this group of patients.

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, 180 million people are infected (3% of the world population). HCV causes inflammation of the liver, which, apart from the acute disease, may lead to cirrhosis, liver cancer and, ultimately, liver failure. Despite the limitations of existing drugs, the worldwide market for anti-HCV drugs, is currently almost US$3.3 billion but is estimated that this market will expand to over US$10.0 billion as safe, effective therapies enter the market.

In a clinical setting, BIT225 would most likely be used in combination with other anti-HCV drugs, subject to continuing positive results and approvals. The pharmaceutical industry is currently focused on developing several new classes of drugs, known as direct-acting antiviral ('DAA') drugs, for HCV which are likely to be used in combination with each other, and which may replace the problematic IFN/RBV treatment. BIT225 represents a first-in-class drug for treatment of HCV, targeting the p7 protein of HCV. In addition to having the potential to be used in combination with IFN/RBV to improve patient outcomes, BIT225 also has the potential to be used in combination with these other new classes of DAA drugs being developed.

Biotron is in the early planning stages for a larger Phase 2 trial of BIT225 in HCV-infected patients. This study is expected to have a 12 week treatment period, and will include additional HCV genotypes. The design of this study is currently being finalised. Further details will be released during the second half of 2013.

HIV Clinical Program

BIT225 is also active against HIV, the virus that causes AIDS. In late 2012, Biotron completed the clinical phase of its Phase 1b/2a clinical trial of BIT225 in HIV-infected patients who were anti-retroviral drug treatment naive.

Laboratory analyses on samples collected from the patients are now in progress. Preliminary data from the trial are anticipated to be available during the first quarter of 2013.

Previously reported preclinical efficacy data has indicated that BIT225 is able to inhibit replication of the HIV virus in monocyte lineage cells in which the virus has been able to 'hide' from current drug treatments.

While current approved HIV drugs successfully reduce HIV levels in the blood, they have not been effective in eliminating the virus from underlying reservoirs such as monocyte lineage cells. Treatment and elimination of HIV from reservoirs remains a major therapeutic challenge. The aim of this trial is to demonstrate the safety and pharmacokinetics of the drug in HIV-infected patients and to measure the ability of BIT225 to reduce HIV loads in HIV-infected reservoir cells.

By specifically targeting HIV in reservoir cells, Biotron's BIT225 offers the potential to stop the ongoing cycle of infection in the body. BIT225 is synergistic with commonly used anti-retroviral therapies and would potentially be used in conjunction with these treatments.

HIV/HCV Co-Infection Clinical Program

During the half-year period under review, the Company commenced a Phase 2 trial of BIT225 in patients co-infected with HIV and HCV. Biotron's lead drug, BIT225, is uniquely placed due to its dual anti-HIV and anti-HCV activity.

The aim of this trial is to generate efficacy data in this unique, specific population with a significant unmet medical need, as well as extend the data to other HCV genotypes, including genotypes 2 and 3. Additionally, the trial will provide detailed pharmacokinetic and safety data on BIT225 in the presence of other anti-HIV drugs.

The proportion of patients infected with both HIV and HCV is significant, and this co-infected group offers particular challenges to treatment with current therapies. HCV is a more serious disease in HIV-positive patients, and is a leading cause of death in these patients. It has been estimated that between 25% and 40% of HIV-positive patients in the USA are co-infected with HCV, and these people have a significantly worse prognosis than mono-infected patients. Both the USA and European drug regulatory agencies are recognising the need for new treatment strategies for this difficult-to-treat population.

It is anticipated that the clinical, or dosing phase, of the trial will be completed in the first half of 2013.

Biotron's trials in HIV and HCV patients are important steps in the Company's development programs. Demonstration that BIT225 can attack these viruses in patients will be a major advance in terms of Company and technology valuations. Biotron continues to actively promote its technologies and engage with potential international partners, and remains focused on achieving a commercial outcome to its programs.

New Formulations, Drug Manufacture and Extended Toxicity Studies

In addition to the Company's clinical programs discussed above, additional activities which support these programs are underway. These supporting activities are equally central to achieving a successful commercial outcome for BIT225.

During the half-year period under review, the Company has successfully completed studies to develop a new, improved formulation of BIT225 in capsule form suitable for use in extended trials in larger patient populations. To date BIT225 has been given to trial participants in powder form, suspended just before dosing in a taste masking liquid.

In late 2012 the Company commenced extended preclinical toxicology studies of its lead antiviral drug BIT225. These non-human studies will assess the safety profile of BIT225 when given daily for three months. Previously, BIT225 was tested for 28 days in preclinical toxicology studies before the commencement of the first human trials with the drug.

The extended toxicology studies are expected to enhance BIT225's data package and enable future clinical trials in which patients can be dosed with BIT225 for up to three months. This is important as clinical trials of other new classes of drugs for treating HCV have moved to three month dosing regimens. It is anticipated that, if successful, BIT225 would most likely be used in a cocktail with these other new classes of drugs.

In addition to the above, the Company completed the manufacture of over 10 kilograms of clinical grade BIT225 drug. This material will be used for future clinical trials of BIT225. Data from ongoing stability studied from previously manufactured clinical grade BIT225 has shown that the drug remains stable at room temperature for over 6 years.

Subsequent Events

No matters or circumstances have arisen since the end of the half-year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

The lead auditor's independence declaration is set out on page 6 and forms part of the Directors' Report for the half-year ended 31 December 2012.

This report has been signed in accordance with a resolution of the Directors and is dated 27 February 2013:

Michael J. Hoy
Director

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2012, there have been:

(i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and

(ii) no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

KPMG

Adam Twemlow
Partner

27 February 2013
Brisbane

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BIOTRON LIMITED

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

	Notes	31 December 2012 $	31 December 2011 $
Administration and consultants' expenses		(177,953)	(168,087)
Depreciation		(3,850)	(5,989)
Direct research and development expenses		(1,745,037)	(930,207)
Employee and director expenses		(407,102)	(340,795)
Legal expenses		(12,105)	(3,440)
Rent and outgoings expenses		(30,939)	(30,909)
Other expenses from ordinary activities		(80,717)	(62,932)
Operating loss before financing income		(2,457,703)	(1,542,359)
Interest income		132,221	44,910
Net finance income		132,221	44,910
Loss before tax		(2,325,482)	(1,497,449)
Income tax expense		-	-
Loss for the period		(2,325,482)	(1,497,449)
Other comprehensive income for the period		-	-
Total comprehensive loss for the period		(2,325,482)	(1,497,449)
Basic loss per share attributable to ordinary equity holders	6	(1.02) cents	(1.12) cents
Diluted loss per share attributable to ordinary equity holders	6	(1.02) cents	(1.12) cents

The above condensed interim statement of comprehensive income is to be read in conjunction with the accompanying notes to the condensed interim financial statements.

BIOTRON LIMITED

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2012

	31 December 2012 $	30 June 2012 $
Current assets		
Cash and cash equivalents	6,301,296	7,891,781
Trade and other receivables	37,285	503,700
Other assets	15,131	43,254
Total current assets	6,353,712	8,438,735
Non-current assets		
Plant and equipment	23,399	22,991
Total non-current assets	23,399	22,991
Total assets	6,377,111	8,461,726
Current liabilities		
Trade and other payables	233,456	52,865
Employee entitlements	143,282	139,314
Total current liabilities	376,738	192,179
Total liabilities	376,738	192,179
Net assets	6,000,373	8,269,547
Equity		
Issued capital	32,548,656	32,548,656
Reserves	522,000	465,692
Accumulated losses	(27,070,283)	(24,744,801)
Total equity	6,000,373	8,269,547

The above condensed interim statement of financial position is to be read in conjunction with the accompanying notes to the condensed interim financial statements.

BIOTRON LIMITED

CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

	31 December 2012 $	31 December 2011 $
Cash flows from operating activities		
Cash receipts from R&D tax benefit	503,700	447,490
Payments for research and development	(1,591,710)	(979,029)
Cash payments in the course of operations	(630,438)	(536,983)
Cash absorbed by operations	(1,718,448)	(1,068,522)
Interest received	132,221	43,511
Net cash used in operating activities	(1,586,227)	(1,025,011)
Cash flows from investing activities		
Payments for property plant and equipment	(4,258)	-
Net cash used in investing activities	(4,258)	-
Cash flows from financing activities		
Proceeds from issue of shares	-	8,027,813
Net cash from financing activities	-	8,027,813
Net (decrease)/increase in cash and cash equivalents	(1,590,485)	7,002,802
Cash and cash equivalents at 1 July	7,891,781	2,144,831
Cash and cash equivalents at 31 December	6,301,296	9,147,633

The above condensed interim statement of cash flows is to be read in conjunction with the accompanying notes to the condensed interim financial statements.

BIOTRON LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

Attributable to equity holders of the Company

	Issued Capital $	Option Premium Reserve $	Accumulated Losses $	Total $
Balance at 1 July 2011	23,087,673	2,171,485	(22,858,858)	2,400,300
Total comprehensive income for the period				
Loss for the period	-	-	(1,497,449)	(1,497,449)
Other comprehensive income	-	-	-	-
Transaction with owners, recorded directly in equity				
Ordinary shares issued	8,027,813	-	-	8,027,813
Share based payment transaction	-	126,245	-	126,245
Transfer expired options	-	(491,625)	491,625	-
Exercise of options	1,423,929	(1,423,929)	-	-
Balance at 31 December 2011	32,539,415	382,176	(23,864,682)	9,056,909
Balance at 1 July 2012	32,548,656	465,692	(24,744,801)	8,269,547
Total comprehensive income for the period				
Loss for the period	-	-	(2,325,482)	(2,325,482)
Other comprehensive income	-	-	-	-
Transaction with owners, recorded directly in equity				
Ordinary shares issued	-	-	-	-
Share based payment transaction	-	56,308	-	56,308
Transfer expired options	-	-	-	-
Exercise of options	-	-	-	-
Balance at 31 December 2012	32,548,656	522,000	(27,070,283)	6,000,373

The above condensed interim statement of changes in equity is to be read in conjunction with the accompanying notes to the condensed interim financial statements.

1. REPORTING ENTITY

Biotron Limited (the 'Company') is a company domiciled in Australia. The Company is primarily involved in the research and development of new treatments for serious viral diseases such as HIV and Hepatitis C virus.

The annual financial statements of the Company as at and for the year ended 30 June 2012 is available upon request from the Company's registered office at Level 2, 66 Hunter Street, Sydney, NSW, 2000 or at www.biotron.com.au.

2. STATEMENT OF COMPLIANCE

The condensed interim financial statements are general purpose financial statements prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001.*

The Company's condensed interim financial statements do not include all of the information required for full annual financial statements, and should be read in conjunction with the 30 June 2012 annual financial statements and any public announcements by the Company during the half-year in accordance with continuous disclosure obligations arising under the *Corporations Act 2001.*

These condensed interim financial statements were authorised for issue by the directors on 27 February 2013.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied by the Company in these condensed interim financial statements are the same as those applied by the Company in its financial statements as at and for the year ended 30 June 2012.

4. ESTIMATES

The preparation of the condensed interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed interim financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements as at and for the year ended 30 June 2012.

5. CAPITAL AND RESERVES

The Company did not issue any new ordinary shares during the half-year ended 31 December 2012 (half-year ended 31 December 2011: $9,451,742). There were no amounts unpaid on the shares issued in the prior period and there were no material share issue costs.

No dividends were declared or paid by the Company during the current or prior period.

6. LOSS PER SHARE

	31 December 2012 $	31 December 2011 $
Basic and diluted loss per share have been calculated using:		
Net loss for the period	2,325,482	1,497,449
Weighted average number of ordinary shares	228,296,944	133,972,792

Options on issue are potential ordinary shares, but are not included in the calculation of diluted loss per share as they are not dilutive.

7. SHARE BASED PAYMENTS

The Company has a share option program that entitles key management personnel to be granted options in the Company.

There were no options issued during the half-year ended 31 December 2012 or the half-year ended 31 December 2011.

Share based payment expense arising from options issued in prior periods amounted to $56,308 (half-year ended 31 December 2011: $126,245).

8. SEGMENT REPORTING

The Company operates solely in the biomedical industry in Australia.

9. SUBSEQUENT EVENTS

No matters or circumstances have arisen since the end of the half-year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

BIOTRON LIMITED

DIRECTORS' DECLARATION

In the opinion of the directors of Biotron Limited:

(a) the financial statements and notes, set out on pages 7 to 12, are in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Company's financial position as at 31 December 2012 and of its performance for the half-year ended on that date; and

(ii) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This report has been signed in accordance with a resolution of the directors and is dated 27 February 2013:

Michael J. Hoy
Chairman

Michelle Miller
Managing Director

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF BIOTRON LIMITED

We have reviewed the accompanying interim financial report of Biotron Limited (the 'Company'), which comprises the condensed interim statement of financial position as at 31 December 2012, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows for the half-year ended on that date, notes 1 to 9 comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' Responsibility for the Interim Financial Report

The directors of the Company are responsible for the preparation of the interim financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the interim financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the interim financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of Interim and Other Financial Reports Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Company's financial position as at 31 December 2012 and its performance for the half-year ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Biotron Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001.*

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Biotron Limited is not in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the Company's financial position as at 31 December 2012 and of its performance for the half-year ended on that date; and
b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

KPMG

Adam Twemlow
Partner

KPMG
27 February 2013
Brisbane

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BIOTRON LIMITED

CORPORATE DIRECTORY

Directors:

Mr Michael J. Hoy (Chairman).
Dr Michelle Miller (Managing Director).
Mr Bruce Hundertmark.
Dr Susan M. Pond.
Mr Robert B. Thomas.
Dr Denis N. Wade.

Company Secretary:

Mr Peter J. Nightingale

Registered Office:

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SYDNEY NSW 2000
Phone: 61-2 9300 3344
Fax: 61-2 9221 6333
E-mail: enquiries@biotron.com.au
Homepage: www.biotron.com.au

Principal Administration Office:

Suite 19, 56 Delhi Road
NORTH RYDE NSW 2113
Phone: 61-2 9805 0488
Fax: 61-2 9805 0688

Share Registrar:

Computershare Investor Services Pty Limited
117 Victoria Street
West End Queensland 4101
Phone: 61-7 3237 2100
Fax: 61-7 3229 9860

Auditors:

KPMG
Level 16, Riparian Plaza
71 Eagle Street
BRISBANE QLD 4000

Home Exchange:

ASX Limited
20 Bridge Street
SYDNEY NSW 2000

Solicitors:

Minter Ellison
88 Phillip Street
SYDNEY NSW 2000

Biotron Limited, incorporated and domiciled in Australia, is a publicly listed company limited by shares.