

25 November 2010

The Manager Companies
ASX Limited
20 Bridge Street
Sydney NSW 2000

(2 pages by email)

Dear Madam

INTERNATIONAL STUDY SUPPORTS BIOTRON'S HIV DRUG APPROACH

An independent, international published study has provided strong support for Biotron Limited's ('Biotron') HIV drug development program. The study demonstrated how the deadly HIV virus manages to avoid the human body's natural defence mechanisms, showing that the Vpu protein of HIV is central to this process.

Biotron has a first-in-class drug that specifically targets the Vpu protein of HIV. The drug has successfully passed through Phase I safety trials, and a Phase Ib/IIa efficacy trial in HIV-positive patients has been designed, with documentation for regulatory and ethics submissions prepared.

The reported study on Vpu, published in the prestigious peer-reviewed journal *Cell Host & Microbe*, was authored by scientists at Rush University Medical Center, Chicago, IL, USA. The study showed that Vpu stops cells infected with HIV from triggering an immune reaction, 'hiding' the infected cells so that immune cells are unable to seek them out and destroy them. The study infers that drugs targeting Vpu could potentially 'wake up' the cells, making them susceptible to destruction by the body's defence system. The study provides solid evidence of the importance of Vpu as a potential major target for therapeutic intervention.

"This study is really important for Biotron. We have been working on developing drugs to target the Vpu protein of HIV for several years and, until recently, there has been very little known about exactly how Vpu works, despite good evidence that it is critical to the process of establishing HIV infections in specific cell types", said Dr Michelle Miller, Biotron's CEO. "We have been leading the way into the clinic with this new class of drug and to see studies like this from the scientific community underlines the importance of Biotron's HIV program".

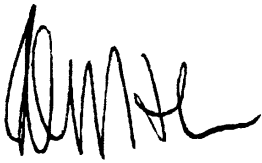
In addition to its HIV drug development program targeting Vpu, Biotron has another first-in-class antiviral drug program targeting Hepatitis C virus (HCV). As previously advised, the Company has recently commenced a Phase II study of its lead antiviral drug, BIT225, in patients infected with HCV.

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.

For further information please contact Dr Michelle Miller, CEO and Managing Director on (61-2) 9805 0488.

Yours sincerely

A handwritten signature in black ink, appearing to read 'PJN', with a stylized flourish at the end.

Peter J. Nightingale
Company Secretary

pjn5732