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30 November 2011

The Manager Companies
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

(4 pages by email)

Dear Madam,

Option Expiry Notice

The Company advises that the attached Option Expiry Notice has been sent to holders of Biotron Limited listed options (ASX code: BITO) in relation to the expiry of the options on 30 December 2011.

Yours sincerely



Peter J. Nightingale
Company Secretary

pjn6396

30 November 2011

Dear Optionholder

IMPORTANT OPTION EXPIRY NOTICE

Your Options to Acquire Biotron Limited Shares at \$0.10 per Share Expire on 30 December 2011

We are writing to you as a registered holder of options, each to acquire one fully paid ordinary share in Biotron Limited at \$0.10 ('Options'), will expire on 30 December 2011.

Your Options may be exercised in whole or in part by the payment of \$0.10 for each Option by no later than 30 December 2011. There is no obligation on holders of Options to exercise their Options, however, if payment is not received no later than 30 December 2011, your Options will lapse and all rights under the Options will cease.

To assist you, we attach a Notice of Exercise of Options which is personalised for your Option holding and which provides details of how you can exercise your Options.

Update on Biotron's Activities

In October Biotron announced that it had successfully completed the Phase 2a clinical trial of its lead antiviral drug, BIT225, in Hepatitis C virus (HCV)-infected patients. Preliminary analysis of data from this trial, released to the market as headline summary results, indicated that BIT225 had successfully reduced virus levels in these patients. The HCV-infected patients participating in the trial were all infected with genotype 1, the hardest to treat form of the virus, and were taking the standard approved treatment of interferon and ribavirin. Patients that received BIT225 in addition to these approved drugs had a significantly improved outcome compared to those receiving placebo along with interferon and ribavirin.

These results validated Biotron's novel approach to treatment of HCV. BIT225 is a first-in-class drug and has the potential to be used with either interferon based therapies or with other direct-acting antiviral drugs in interferon free regimens.

In early December, Biotron will present data from the Phase 2a HCV trial at an international HCV conference in the US, and further details of the trial results will be released at that time.

HCV remains an area of considerable licensing activity. In October the pharmaceutical company Roche bought the US-based biotech company Anadys (NASDAQ:ANDS) for US\$230 million - Anadys has two clinical programs. Its most advanced candidate is a polymerase inhibitor compound which has recently completed a Phase 2b trial (the stage after 2a, which Biotron has just completed) as well as a Phase 1 program. Last week the US biotech Gilead Sciences Inc (NASDAQ:GILD) bought out Phasmasset Inc (NASDAQ:VRUS), which has three clinical stage HCV programs in development, for US\$11 billion.

The ultimate treatment for HCV is expected to be a combination of different classes of drugs, and to date BIT225 is the only one in its class. What these deals tells us is that global pharmaceutical companies are aware of the need for new therapies in the Hepatitis C space and are prepared to put a price on that need.

BIT225 is also in development for treatment of HIV, with a Phase 1b/2a trial currently underway in Thailand. 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. BIT225 has the potential to be used in the HCV/HIV co-infected population, which makes up to 30% of all HIV-positive cases.

Biotron is focused on continuing to add value to its exciting HCV and HIV clinical programs while working towards a commercial outcome for shareholders. Anticipated activities over the next 12 months include the following:

1. Complete Phase 1b/2a HIV trial of BIT225, currently underway in Thailand.
2. Undertake formulation studies of BIT225, to facilitate dosing by capsules or tablets in future trials.
3. Undertake 3-month toxicity studies of BIT225, to facilitate longer dosing with BIT225 in future trials.
4. Design next stage of clinical development of BIT225, in consultation with industry and medical advisors who specialise in the antiviral clinical field, and progress through regulatory and ethics submissions.


In addition, the funds will be used to ensure that the Company can appropriately assess the alternatives for the maximising of returns to shareholders which may focus on completing a commercial deal with a pharmaceutical company to continue the development of BIT225 to a marketable drug or further clinical studies which the Company can undertake to add value to a subsequent commercial deal with a pharmaceutical company. Biotron's strategy is to continue collating positive clinical trial data, as well as other supporting studies, that will systematically grow the value of the clinical programs. Discussions with potential partners are on-going, and we will continue to engage with them now we have completed the HCV trial. It is important that Biotron be in a strong financial position, so it can undertake the proposed activities that will add value to the company, and also to ensure that the company can negotiate with potential partners from a position of financial strength.

Other Information

The following information is provided in accordance with Australian Securities Exchange ('ASX') Listing Rules:

1. The name of the Optionholder and the number of Options held are detailed on the attached Notice of Exercise of Options.
2. Each Option is exercisable to acquire one fully paid ordinary share in Biotron Limited at \$0.10.
3. Due date for payment to exercise the Options is 30 December 2011.
4. If you do not elect to exercise your Options by 30 December 2011, your Options will lapse and all rights under the Options will cease.
5. Quotation by the ASX of the Options will cease on 21 December 2011, being 5 business days before 30 December 2011.
6. The last market sale price on 28 November 2011 of the Company's fully paid ordinary shares, into which the Options are exercisable, was \$0.12.
7. The highest and lowest market sale price of the Company's fully paid ordinary shares during the past 3 months was \$0.13 on 12 October 2011 and \$0.091 on 20 September 2011 respectively.
8. There is no underwriting agreement currently in place in relation to the Options.

Yours sincerely



Peter J. Nightingale
Company Secretary

pjn6380

NOTICE OF EXERCISE OF OPTIONS

TO: The Directors
 Biotron Limited
 Level 2
 66 Hunter Street
 Sydney NSW 2000

Optionholder Entitlement Details	
HIN/SRN	<input style="width: 100%;" type="text"/>
Number of Options held	<input style="width: 100%;" type="text"/>
Amount payable on full exercise of Options @ \$0.10 per Option	<input style="width: 100%;" type="text"/>

I/We _____ being the registered holder(s) of the options hereby exercise my/our option to subscribe for _____ **A** ordinary shares in Biotron Limited. In respect of the shares the subject of this notice, I/we enclose application monies of \$ _____ **B**.

I/We authorise you to register me/us as the holder(s) of the shares to be allotted to me/us and I/we agree to accept such shares subject to Biotron Limited's Constitution.

Holder Identification Number ('HIN') or Securityholder Reference Number ('SRN'):

INDIVIDUALS TO SIGN BELOW

COMPANIES TO SIGN BELOW

Executed in accordance with the Company's Constitution

 Individual or Securityholder 1

 Director

 Securityholder 2

 Director/Secretary (Delete inapplicable)

 Securityholder 3

 Sole Director and Sole Company Secretary

If a joint holding, all shareholders must sign. If this form is being signed by a person who is not the registered holder, then the relevant authority (e.g. power of attorney) must either have previously been exhibited to the Company or its Registrar or be attached to this form.

If only one signatory needs to sign on behalf of a Company and that signatory is not the Sole Director and Sole Company Secretary then a certified copy of the



Dated this _____ day of _____ 2011.

How to Complete this Form

A Enter the number of Options you wish to exercise. **B** Enter the amount of exercise monies being **A** x \$0.10.

You can pay by Bpay® (see below) or make your cheque or bank draft for the amount in **B** payable to Biotron Limited. By paying by Bpay®, you will be deemed to have completed an exercise notice for the number of Options subject to your application payment.

You can pay by cheque or bank draft by returning this completed and signed form together with your cheque or bank draft in the enclosed reply paid envelope to the Company at Level 2, 66 Hunter Street, Sydney NSW 2000.

	Bill Code: 126185 Ref: <input style="width: 100%;" type="text"/>	BPAY® this payment via internet or phone banking from your cheque, savings or credit card account. Applicants should be aware of their financial institution's cut-off time (the time payment must be made to be processed overnight) and ensure payment is processed on time. It is the Applicant's responsibility to ensure funds are submitted correctly.
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