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8 February 2007

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

(20 pages by email)

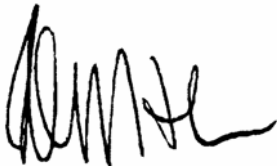
Dear Madam

RE: PRESENTATION OF COMPANY ACTIVITIES

I attach a presentation updating the Company's activities.

For further information, please contact Dr. Michelle Miller, CEO, on (61-2) 61258001.

Yours sincerely



Peter J. Nightingale
Company Secretary

pjn3797



Biotron

Dr. Michelle Miller

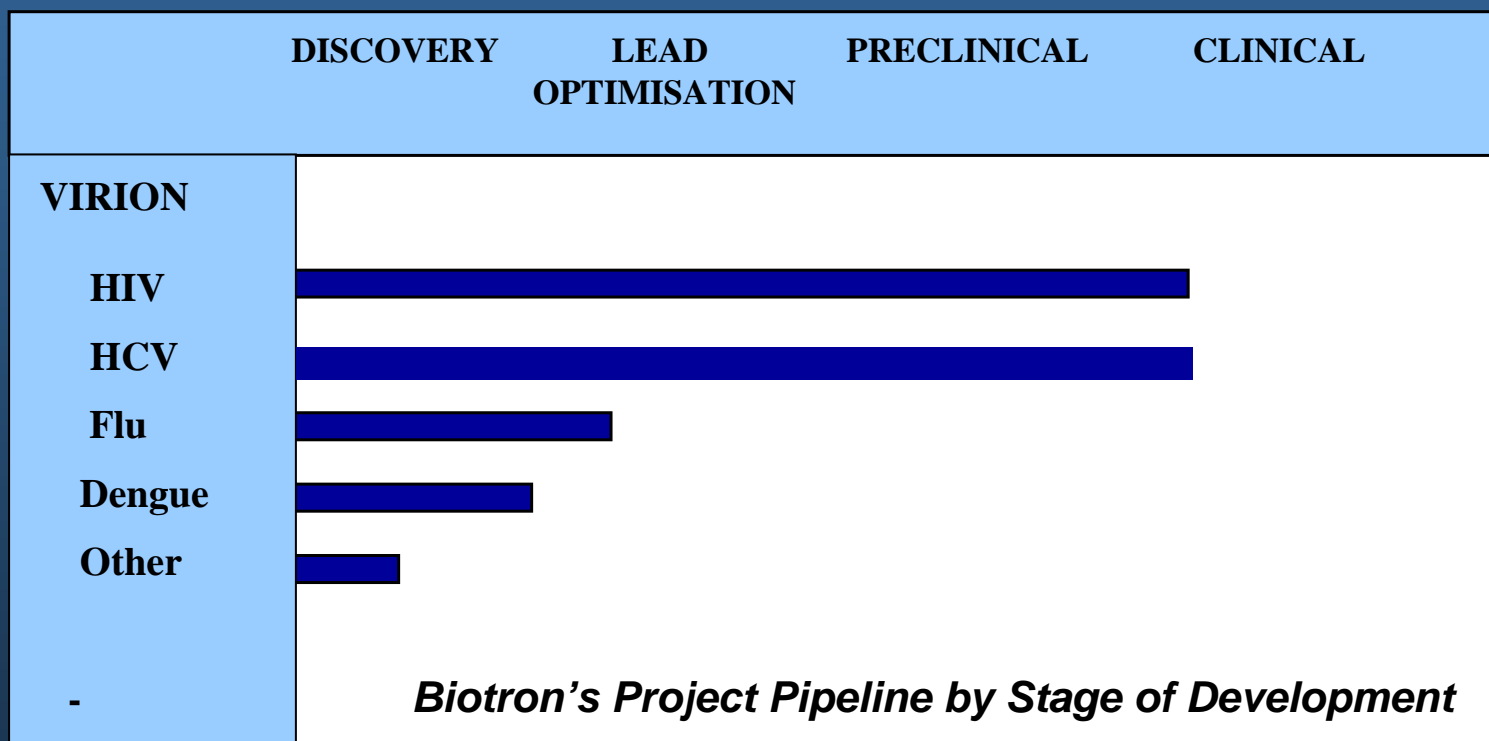
February 2007



BIOTRON LIMITED

- Developing new generation antiviral drugs with large, expanding world markets.
- Current major focus on drugs to treat HIV-1 and Hepatitis C virus.

BIT – PIPELINE OF ANTIVIRAL PRODUCTS



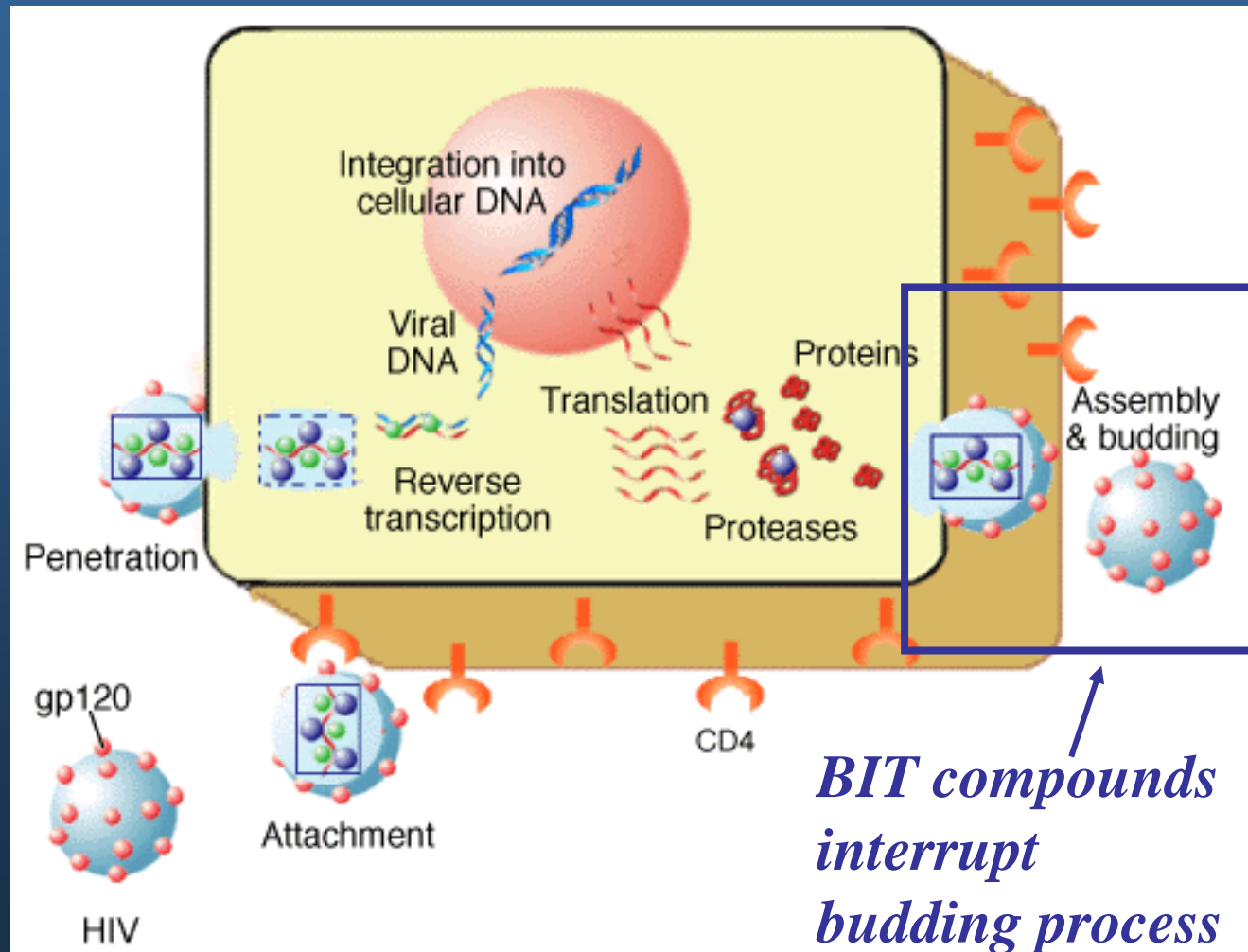
HIV - HIGH GROWTH MARKET

- 37.8 million people with HIV/AIDS at end of 2003
- 4.8 million people were newly infected with HIV in 2003
- In 2003 2.9 million people died of HIV/AIDS-related causes
- US market alone worth >US\$3.3 billion p.a.

BIT 225 –A NOVEL APPROACH

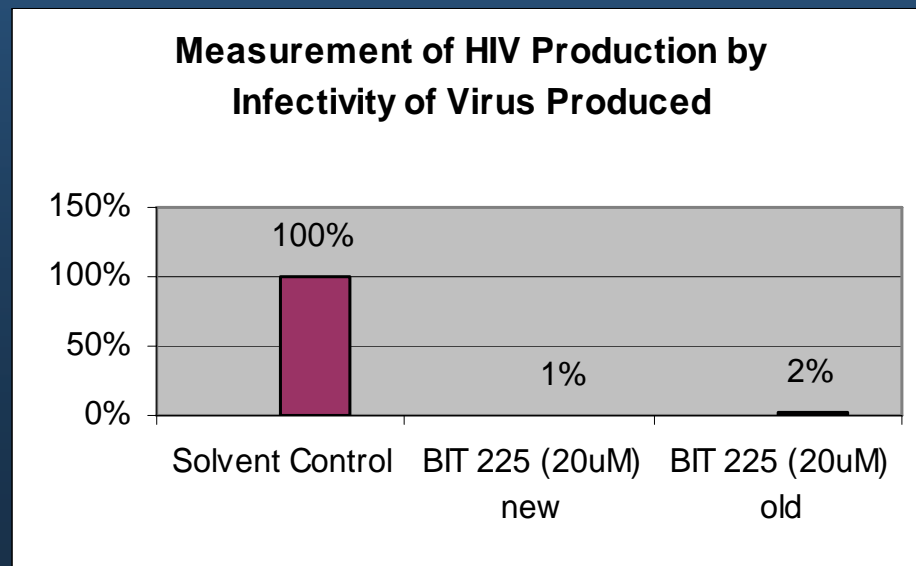
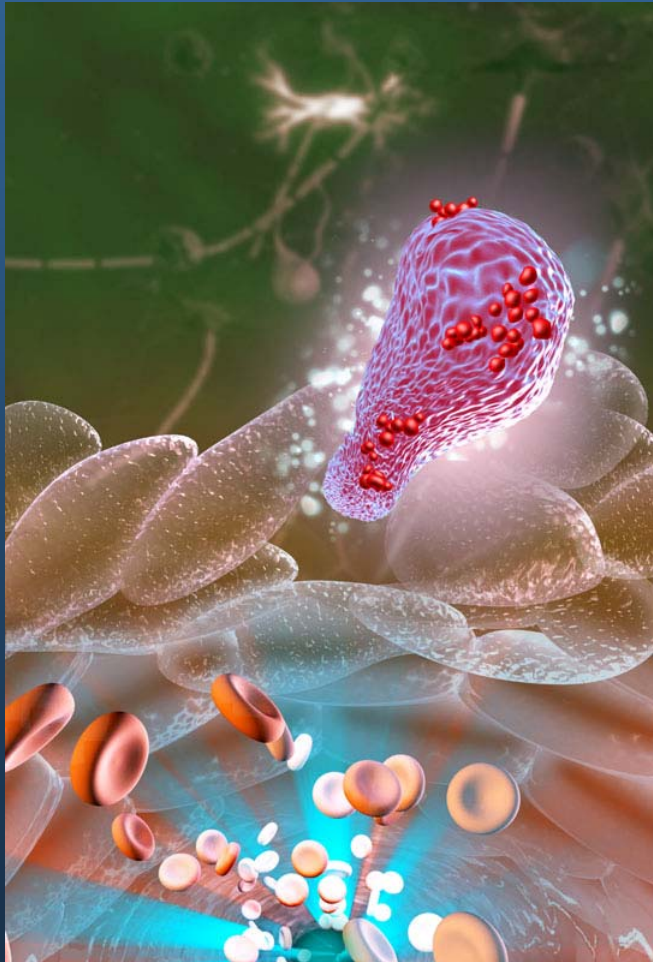
- First-in-class of new anti-HIV drug
 - New mode of action
 - Targets HIV in viral reservoirs *in vivo*
 - Inhibits HIV Viral Protein U (Vpu) protein
 - No existing drugs target HIV Vpu protein

BIT- 225 TARGETS DIFFERENT STAGE OF HIV LIFE CYCLE



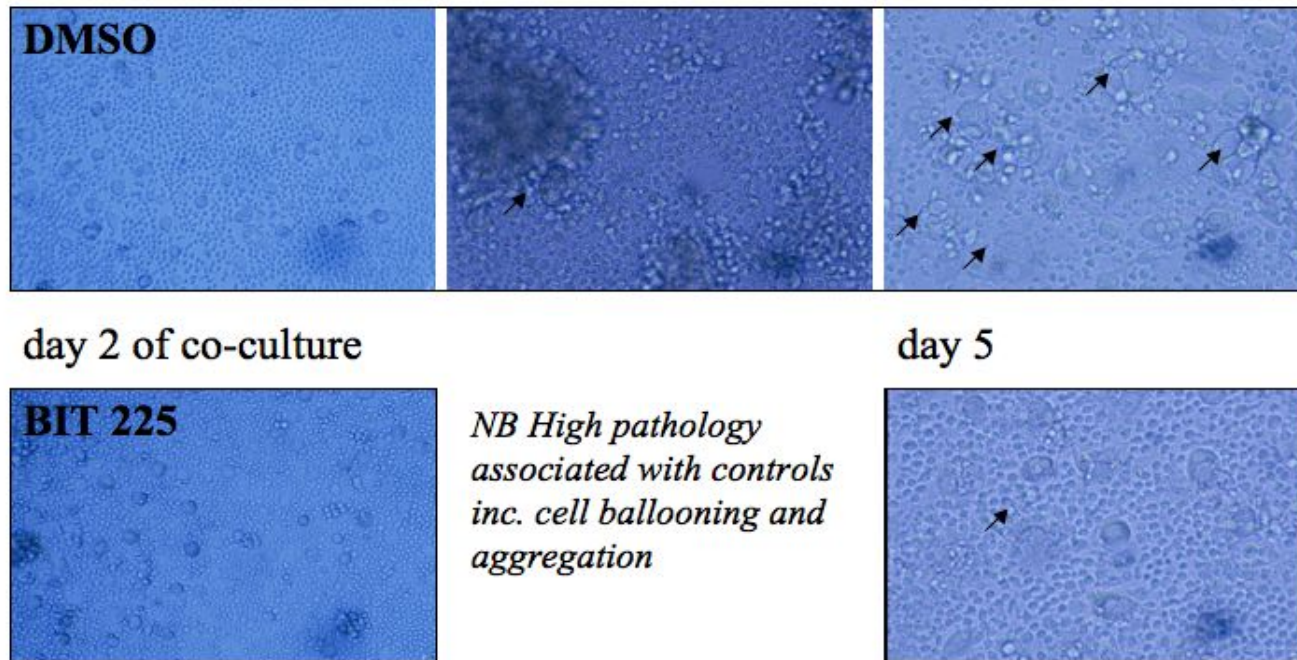
BIT- 225 ACTIVE IN VIRAL RESERVOIR CELLS

- Eradication of HIV from reservoirs is essential to prevent development of AIDS
- Current HIV drugs cannot eradicate the underlying seat of infection (termed the viral reservoir)

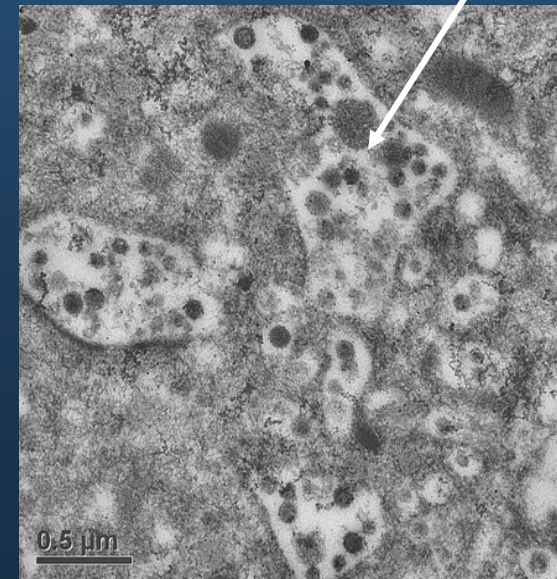
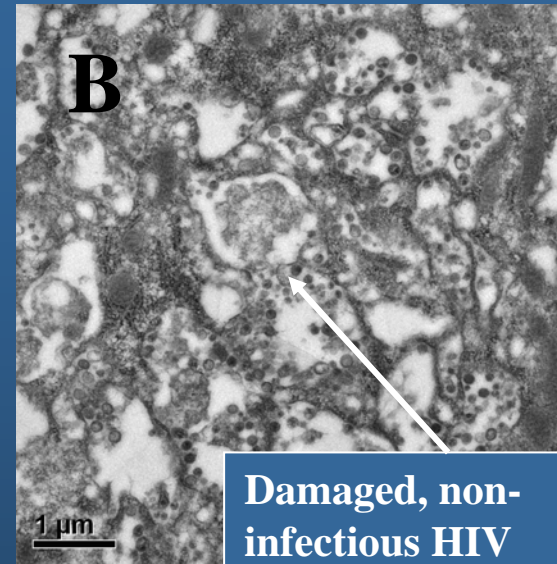
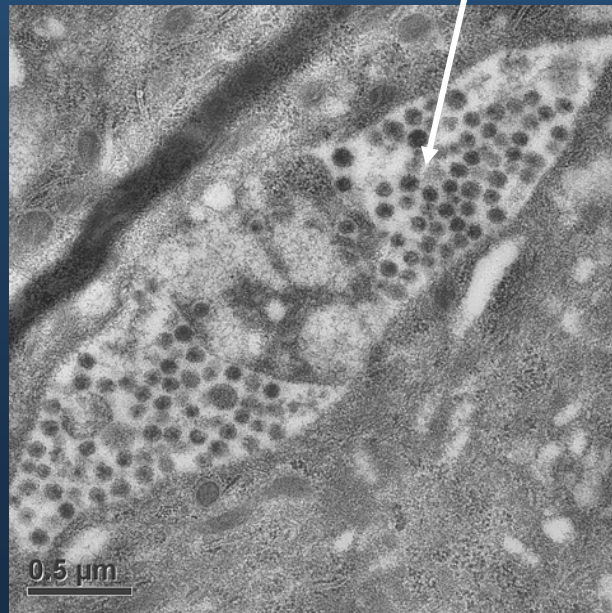
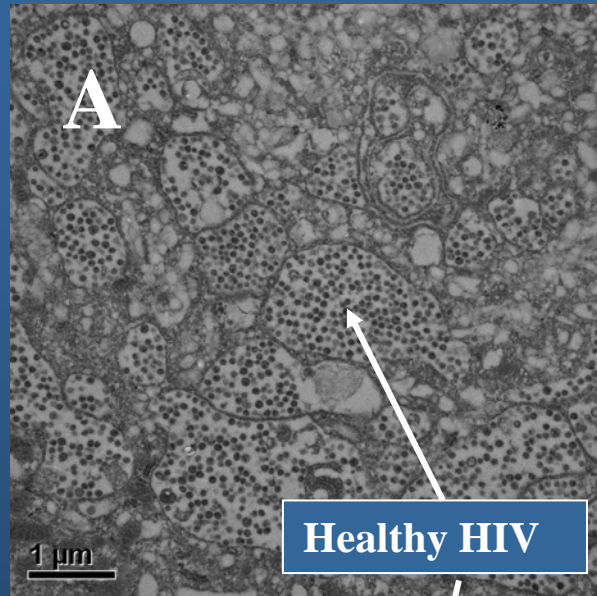


BIT225 INHIBITS HIV-1 ASSOCIATED PATHOLOGY

T-cells co-cultured with HIV-infected macrophages



Human cells infected with HIV – Untreated (A) and Treated with BIT225 (B)



BIT- 225 PROFILE

- ✓ • Good activity against HIV *in vitro*
- ✓ • Active against resistant strains of HIV
- ✓ • Synergistic with leading current HIV therapies
- ✓ • Relatively easy synthetic process for manufacture
- ✓ • Novel compound - new mechanism of action

BIT- 225 CURRENT STATUS

- Kilogram-scale quantities of BIT225 manufactured to GMP standards
- Formal preclinical safety and toxicity studies completed
 - Cardiovascular, respiratory, neurological studies
 - Genotoxicity
 - 28-day toxicity studies in rats and dogs
 - Comprehensive program supports progression to human clinical trials
- Completion of this phase represents key value-adding milestone for BIT

BIT- 225 - CLINICAL TRIALS

- Phase I safety study
 - Ethics submission documents completed
 - Trial site in Melbourne
 - ~2 month study
- Phase IIa proof-of-concept in HIV+'s
 - Commence on completion of Phase I
 - ~2 month study
- Will be major value-adding milestones
 - Set up for licensing to major pharmaceutical co.
 - Attract funding for full Phase II

HEPATITIS C VIRUS (HCV) MARKET

- 4x more prevalent than HIV
- 4m patients in US (2.7m chronic infection); 170m worldwide
- Worldwide market ~US\$2.8 billion currently predicted to expand to >US\$10b
- US surgeon general considers hepatitis C is one of the most significant public health threats facing US.
- Existing therapies relatively ineffective and toxic

BIT225 & HCV

- BIT225 also targets HCV p7 protein
- BIT225 has good antiviral activity against HCV surrogate viruses
 - HCV can't grow in cell cultures so closely related viruses are used as surrogate models of infection
- Preclinical data and the Phase I clinical trial of BIT225 will also support a Phase IIa clinical trial against HCV
- Plan to initiate Phase IIa proof-of-concept trial of BIT225 for HCV once Phase I trial is completed

RECENT HCV DEALS

- June '06 – Novartis and Human Genome Sciences
 - Phase II; US\$45m upfront; up to US\$507m milestone payments
- June '06 – J&J and Vertex
 - Phase II; US\$165m upfront; up to US\$380m milestone payments
- June '06 – Novartis and GeneLabs
 - Research phase; US\$12.5m upfront; US\$175m milestone payments
- Oct '06 – Roche and Intermune
 - Preclinical; US\$60m upfront; up to US\$470m milestone payments
- Nov '06 – Biota and Boehringer Ingelheim
 - Research phase; A\$103m

ANTICIPATED MILESTONES 2007

BIT225 HIV Program:

- Commencement of Phase I clinical trial Q1 07
- Commencement of Phase IIa clinical trial clinical trial Q2 07
- Results of Phase I/IIa clinical trials mid-2007

BIT225 HCV Program

- Commencement of Phase IIa clinical trial Q2 07
- Results of Phase IIa clinical trial mid-2007

FINANCIAL SUMMARY

- \$2.4 million cash as at 31 December 2006
 - Plus \$0.45m from ANU deal received in January 2007
- Seeking matching funds from AusIndustry for trials
- Sufficient cash on hand for proposed Phase I and Phase IIa trials for HIV and HCV
- Biotron market cap ~\$22 million

INVESTMENT SUMMARY

- First-in-class, patent protected, anti-HIV and anti-HCV drugs
 - Clinical trials with BIT225 due to commence Q1 07
 - HIV and HCV
 - Potential for second-generation follow-up drugs
- Antiviral programs for Influenza and Dengue viruses
- Antivirals – higher chance of successful development through the clinic and to market
- Positioned to gain maximum value over next 6 months



Biotron

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Chief Executive Officer

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