

17 December 2003

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

(1 page by email)

Dear Madam

**PUBLICATION OF DISCOVERY OF A DRUG THAT BLOCKS ION CHANNEL ACTIVITY
ASSOCIATED WITH THE P7 PROTEIN OF HEPATITIS C VIRUS**

The Directors are pleased to advise that Biotron Limited ('Biotron') researchers have had a manuscript published describing a potential new drug for the treatment of Hepatitis C virus (HCV). The research has been published in the FEBS Letters journal.

The publication of Biotron's research in a prestigious journal, subjected to rigorous peer-review, is recognition of the importance of the study by the international scientific community.

As previously announced, Biotron's Virion antiviral technology has been extended to cover a range of viruses including HCV, SARS coronavirus and Dengue virus, in addition to HIV-1. The Company has identified a number of compounds that target specific viral proteins and inhibit viral replication, and is in preclinical development for treatment of HIV-1. Biotron has recently been awarded a Biotechnology Innovation Fund (BIF) grant for development of the Virion technology.

The full publication is available in the FEBS Letters journal and can be accessed at <http://www.elsevier.nl/febs/show/>.

For further information, please contact Dr Michelle Miller, CEO, on (61-2) 6125 8001.

Yours faithfully



Peter J. Nightingale
Company Secretary

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