

1 July 2013

The Manager Companies
ASX Limited
20 Bridge Street
Sydney NSW 2000

(15 pages by email)

Dear Madam

**PRESENTATION OF HIV TRIAL DATA AT
INTERNATIONAL AIDS SOCIETY CONFERENCE**

- **Positive antiviral efficacy data in Phase 2a clinical trial presented to international audience**
- **Data shows BIT225 targets virus 'hiding' in reservoir precursor cells**
- **BIT225 treatment resulted in significantly reduced production of virus by these cells**

Biotron Limited (ASX: BIT) has presented results from a human trial of its lead antiviral drug BIT225 at the 7th International AIDS Society (IAS) conference, being held in Kuala Lumpur, Malaysia this week. It is the world's largest open scientific conference on HIV and AIDS.

In addition, Biotron presented data from the trial at the satellite 'Towards an HIV Cure' symposium, which was held in the 2 days immediately prior to IAS 2013.

In late 2012, Biotron completed the clinical phase of a Phase 1b/2a trial of BIT225 in HIV-1 infected individuals. The trial, which was performed at Siriraj Hospital, Bangkok, Thailand, was designed to demonstrate that BIT225 is able to target and reduce virus levels in monocyte lineage cells. During HIV infection, these cells become infected with the virus and are the seeds of hidden HIV pools in patients, setting up long-lived macrophage reservoir cell populations in various sites in the body.

Data presented at the conference has demonstrated that BIT225 targets HIV replication in monocyte cells in treated patients, resulting in significant reduction in virus levels within these reservoir precursor cells.

Targeting virus within monocyte lineage cells is central to preventing the ongoing cycle of infection and re-infection of T cells with virus from these reservoirs in HIV-infected patients. This trial is the first demonstration of the feasibility of such an approach.

Virus levels in monocytes were assessed by measuring changes in the amount of virus produced by the trial participants' cells during 10 days of treatment with BIT225. To measure changes in virus, monocytes were isolated from the participants' blood during their course of treatment with either BIT225 or placebo, and cultured in the laboratory for 25 days.

Measurement of HIV in the cell cultures demonstrated that there was a reduction in virus production by monocyte cells collected during treatment with BIT225.

The most pronounced antiviral effect was noted in trial participants with the highest viral loads. Their cells demonstrated a statistically significant and up to a three-fold reduction in virus.

The results are important as they suggest that BIT225 has the potential to be included in future HIV elimination or cure strategies. It may provide a way to halt the ongoing cycle of infection and re-infection with virus from these long-lived cells. Targeting virus reservoirs is regarded as the 'holy grail' of current HIV research.

One important source of long-lived virus resides in the brain of HIV-infected patients, contributing to AIDS-related dementia. Up to 24% of people infected with HIV in Western populations develop some degree of neurological impairment. Monocyte lineage cells, known as microglia cells, are implicated in the condition. Additional data presented at the conference included the results of analyses of cerebrospinal fluid (CSF) from two of the trial participants receiving BIT225. The analyses showed that BIT225 is able to cross the blood-brain barrier, indicating that it may be a potential therapeutic option for treatment of this condition.

The BIT225 trial was conducted on 21 patients at an international clinical trial unit in Bangkok, Thailand. Patients enrolled in the study were HIV-infected, with high levels of virus and good CD4+ T cell counts. None had previously received treatment with anti-retroviral drugs. Patients received either BIT225 (400 mg; twice daily) or placebo for a period of 10 days.

Copies of the presentations are attached.

Enquiries

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About Biotron and BIT225

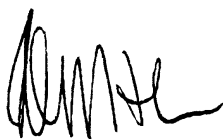
Biotron Limited is engaged in the research, development, and commercialisation of drugs targeting significant viral diseases with unmet medical need, with a major focus on HIV and HCV. The Company has BIT225 in clinical development for both HIV and HCV, and also has several earlier stage preclinical and research programs for several other viral infections including Dengue.

BIT225 is the first in a new class of antiviral drugs that may provide a new approach to the treatment of HIV. BIT225 is synergistic *in vitro* with commonly used anti-retroviral therapies and would potentially be used in conjunction with these treatments.

BIT225 is also in development for the treatment of Hepatitis C virus ('HCV') and has also recorded highly encouraging data in this indication. A phase 2a trial in HCV demonstrated that 100% of patients receiving BIT225 (400 mg) in combination with current standard of care therapies interferon and ribavirin had undetectable virus after 48 weeks.

A further phase 2 trial of BIT225 in patients co-infected with HIV and HCV is currently in progress.

Yours sincerely



Peter J. Nightingale
Company Secretary

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