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Website: www.biotron.com.au

2 September 2016

The Manager Companies
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

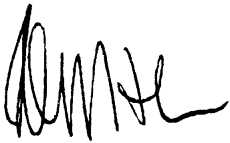
(4 pages by email)

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 September 2016.

Yours sincerely



Peter J. Nightingale
Company Secretary

pjn8600

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2 September 2016

Dear Optionholder

IMPORTANT OPTION EXPIRY NOTICE

Your Options to Acquire Biotron Limited Shares at \$0.12 per Share Expire on 30 September 2016

We are writing to you as a registered holder of options, each to acquire one fully paid ordinary share in Biotron Limited at \$0.12 ('Options'), will expire on 30 September 2016.

Your Options may be exercised in whole or in part by the payment of \$0.12 for each Option by no later than 30 September 2016. There is no obligation on holders of Options to exercise their Options, however, if payment is not received no later than 30 September 2016, 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

The last nine months have been particularly productive for Biotron. The Company has achieved significant scientific advances in three of its programs.

In December 2015 the Company's manuscript describing the potential eradication of HIV-1 from viral reservoirs was accepted for publication in the prestigious Journal of Antimicrobial Chemotherapy. The data demonstrated that BIT225 could reduce levels of HIV-1 infection residing in cellular reservoirs. These results are important as reservoirs of HIV-1 continue to exist in patients undergoing antiretroviral therapy, where they act as burning embers of infection.

Regulatory and ethics submissions for a Phase 2 HIV-1 trial are in progress, and it is expected that this trial will commence shortly, with data anticipated in the first half of 2017.

In February 2016 Biotron initiated screening of compounds targeting Zika virus. In May the Company announced that a number of these compounds had shown activity against the virus. As a result of these positive early results the Company has been focussing development activities on building more extensive data to support the possible use of these candidate compounds as an antiviral treatment for Zika virus.

The US based National Institute of Allergy & Infectious Disease (NIAID) has identified Zika as a priority area for research funding, including creating treatments and broad-spectrum antiviral drugs that would be effective against the virus and similar diseases such as Dengue.

Recently, the Company executed an agreement under which it will utilise the non-clinical and pre-clinical services program offered by NIAID.

In March 2016 Biotron confirmed positive outcomes in the Company's Phase 2 clinical trial of BIT225 to treat hepatitis C virus (HCV) infection. The trial demonstrated the safety and tolerability of BIT225, and importantly, showed that patients treated with BIT225 were significantly more likely to clear HCV within 24 weeks than those patients not treated with BIT225.

Biotron's well-advanced clinical programs for HCV and HIV-1 are now supported with a stronger emphasis on the Company's early stage programs. These include strategies for identifying candidate treatments for important mosquito borne diseases such Zika and Dengue. The Company's novel viroporin targeting approach has the potential to provide infectious disease clinicians with powerful treatment alternatives for these important diseases.

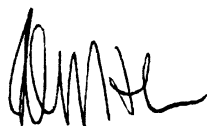
Funds raised through the execution of these options will be used to further develop the Company's antiviral programs with including promising early stage programs including Zika virus and Dengue. There is strong interest internationally in identifying promising early stage programs that have the potential to deliver effective and safe antiviral compounds.

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 \$0.12.
3. Due date for payment to exercise the Options is 30 September 2016.
4. If you do not elect to exercise your Options by 30 September 2016, your Options will lapse and all rights under the Options will cease.
5. Quotation by the ASX of the Options will cease on 22 September 2016, being 5 business days before 30 September 2016.
6. The last market sale price on 1 September 2016 of the Company's fully paid ordinary shares, into which the Options are exercisable, was \$0.062.
7. The highest and lowest market sale price of the Company's fully paid ordinary shares during the past 3 months was \$0.072 on 15 August 2016 and \$0.054 on 27 June 2016 respectively.
8. There is no underwriting agreement currently in place in relation to the Options.

Yours sincerely



Peter J. Nightingale
Company Secretary

pjn8579

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 @ \$0.12 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 Constitution.



Dated this _____ day of _____ 2016.

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 \$0.12.

You can make your cheque or bank draft for the amount in **B** payable to Biotron Limited.

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