

17 October 2018

The Manager Companies
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

(2 pages by email)

Dear Madam,

Biotron Secures \$4.7 Million Underwriting Agreement

Biotron Limited (ASX: BIT) is pleased to announce that the Company has entered into an Option Underwriting Agreement ('the Agreement') with CPS Capital Group Pty Ltd ('CPS Capital').

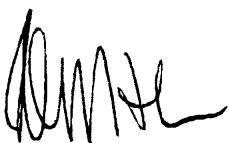
Under the Agreement, CPS Capital will underwrite any shortfall arising from 78,429,130 listed options exercisable at \$0.06, with an expiry date of 30 November 2018 (ASX: BITOA). The Agreement includes customary terms and conditions for an underwriting, including an underwriting fee of 5% and with the principal commercial termination event being a 7% fall in the ASX All Ordinaries Index at any time after the date of the agreement.

The underwriting will, subject to the terms of the agreement, ensure that approximately \$4.7 million will be added to the Company's balance sheet, which will place the Company in a sound financial position as it focuses on achieving a commercial outcome following the recent successful results from the phase 2 clinical trial of the Company's lead drug BIT225 for the treatment of HIV-1.

Beyond HIV-1, BIT225 is an important asset as it demonstrates the robustness of Biotron's approach to antiviral drug development and that the Company can generate clinically safe drugs with activity against a new class of viral protein targets. The underwritten funding will enable the Company to advance the development of other promising compounds within its proprietary compound library that have been shown to have activity against other serious viral diseases including Hepatitis C, Hepatitis B, Dengue and others. In turn, this will enable the Company to attract a commercial partner for these applications within the Company's antiviral platform.

The Directors wish to thank all shareholders for their continued support.

Yours sincerely



Peter J. Nightingale
Company Secretary

pjn9611

About Biotron

Biotron Limited is engaged in the research, development, and commercialisation of drugs targeting significant viral diseases with unmet medical need. The Company has BIT225 in clinical development for HIV-1, and a promising preclinical program for HBV. In addition, Biotron has several earlier stage programs designing drugs that target a class of virus protein known as viroporins which have a key role in the virus life cycle of a very broad range of viruses, many of which have caused worldwide health issues such as Dengue, Ebola, Middle East Respiratory virus, Influenza and Zika viruses.

Enquiries

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