

28 April 2021

The Manager Companies
ASX Limited
20 Bridge Street
Sydney NSW 2000

(2 pages by email)

Dear Madam

REPORT ON ACTIVITIES FOR THE QUARTER ENDED 31 March 2021

During the quarter ended 31 March 2021, Biotron Limited ('Biotron' or 'the Company') has achieved outcomes including:

- Identified a lead series of compounds with promising activity against SARS-CoV-2, the causative agent of Covid-19, to progress into preliminary safety studies and animal models of disease.
- Progressed its plans for the next stage of clinical development of the Company's lead antiviral drug, BIT225, in consultation with the Company's Chief Medical Officer and international Scientific Advisory Board.
- Continued the design, synthesis and testing of new compounds under its HIV-1 program, with the aim of identifying a next-generation lead anti-HIV-1 drug.
- Continued the design, synthesis and testing of new compounds under its Hepatitis B program.

SARS-CoV-2

During the quarter ended 31 March 2021, the Company identified a lead series of compounds to progress to preliminary safety studies and animal models of COVID-19 disease (announced on 11 March 2021). The series, comprising the three most active compounds tested by the Company in a series of cell culture-based assays against SARS-CoV-2, was identified following an extensive campaign to screen propriety compounds designed specifically to target the virus. The compounds were selected on the basis of inhibiting SARS-CoV-2 replication in three different cell culture models of SARS-CoV-2 virus infection. The assays were performed by collaborators at the Scripps Research Institute, La Jolla, CA, USA.

These compounds are now progressing through preliminary safety studies as well as bioavailability studies in mice. When complete, the compounds are expected to be tested in animal model(s) of COVID-19 infection reflecting the diverse presentation of this disease. It is expected that these planned studies will be completed in mid-2021.

HIV-1 Program

During the quarter ended 31 March 2021, progressed the mapping out of the next stage of clinical development of its lead anti-HIV-1 drug, BIT225 in consultation with the Company's Chief Medical Officer and international Scientific Advisory Board. The completion of long-term toxicology studies of BIT225 in late 2020 was an important milestone as they support long-term dosing of BIT225 in the next stage of clinical development and beyond. As previously advised to the market on 12 March 2020, a completed Phase 2 clinical trial demonstrated that BIT225 induced statistically significant changes to key immune cell populations. These changes had not previously been reported for any HIV-1 therapeutics. The results open the possibility that BIT225 may play a key role in restoring immune function, leading to improved health outcomes and elimination of residual virus.

During the quarter the Company progressed its program to design, synthesise and screen new chemical entities with the aim of identifying a follow-on, next-generation lead. The aim is to identify a lead candidate to progress to formal safety studies.

The Company is focused on achieving a commercial outcome for its promising antiviral programs whilst continuing to progress its clinical HIV-1 program to prepare for more advanced clinical trials, including Phase 3 studies. The current pandemic highlights the importance of novel approaches such as Biotron's viroporin compounds which have the potential to target a broad range of existing and emerging viruses.

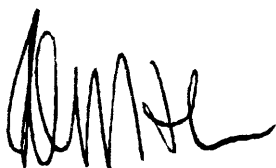
Hepatitis B Program

Hepatitis B Virus (HBV) is an important early-stage program for Biotron. The Company continues to design, synthesise and test new compounds with the aim of identifying a lead candidate. Biotron is working with other experienced groups to access key assays and continues to make good progress. The aim is to identify a lead series to progress to preliminary safety studies and assessment in animal models of HBV infection.

Expenditures

As disclosed in the Company's Quarterly Cash Flow Report, expenditure on these research and development activities during the quarter totalled \$1,017,000 and \$191,000 of related staff costs. As disclosed in the Company's Quarterly Cash Flow Report, payments to related parties and their associates during the quarter totalled \$143,000 for director fees, salaries and superannuation payments. Biotron's cash position of \$3,822,000 places the Company in a sound financial position as it focuses on achieving commercial outcomes for its programs.

By order of the Board



Peter J. Nightingale
Company Secretary

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