

Prospectus

Biotron Limited

ACN 086 399 144

For a renounceable pro rata offer to Eligible Shareholders of approximately 98,078,690 New Shares at an issue price of \$.015 per New Share on the basis of 1 New Share for every 4 Existing Shares held, with one New attaching Option for every New Share issued, to raise up to approximately \$1.47m before issue costs.

ASX Code: BIT

The Offer is partially underwritten by CPS Capital Group Pty Limited.

This Prospectus provides important information about the Company. You should read the entire document including the Entitlement and Acceptance Form. If you have any questions about the New Shares being offered under this Prospectus, or any other matter relating to an investment in the Company, you should consult your professional adviser. An investment in the New Shares offered under this Prospectus is highly speculative.

This Prospectus is not for publication or distribution, directly or indirectly, in or into the United States of America (including its territories and possessions, any state of the US and the District of Columbia). This Prospectus is not an offer of securities for sale into the United States or to, or for the account or benefit of, US Persons. The securities referred to herein have not been and will not be registered under the US Securities Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons. No public offering of securities is being made in the United States.

Important Notice

This Prospectus is dated 10 May 2018 and was lodged with ASIC on that date. Application will be made to ASX for quotation of the New Shares offered under this Prospectus within 7 days of this date.

Neither ASIC, ASX nor any of their respective officers take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates. No securities will be allotted or issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

Nature of this Prospectus

The New Shares which will be issued pursuant to this Prospectus are in the same class of Shares that have been quoted on the official list of the ASX during the 12 months prior to the issue of this Prospectus. This Prospectus is a 'transaction specific prospectus' to which the special content rules under section 713 of the Corporations Act apply. That provision allows the issue of a more concise prospectus in relation to an offer of securities in a class which has been continuously quoted by ASX in the 3 months prior to the date of the prospectus. In general terms 'transaction specific prospectuses' are only required to contain information in relation to the effect of the issue of New Shares on the Company and the rights attaching to the New Shares. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus contains information only to the extent to which it is reasonable for investors and their professional advisers to expect to find the information in it. It does not include all of the information that would be included in a prospectus for an initial public offer.

Prospectus availability

Eligible Shareholders can obtain a copy of this Prospectus during the Offer period on the Company's website at www.biotron.com.au or by contacting the Company. If you access an electronic copy of this Prospectus, you should ensure that you download and read the entire Prospectus.

The electronic copy of this Prospectus available from the Company's website will not include a personalised Entitlement and Acceptance Form. Eligible Shareholders will only be able to accept the Offer by completing the personalised Entitlement and Acceptance Form which accompanies this Prospectus or by making payment using BPAY® (refer to section 7.8 of this Prospectus for further information).

Foreign jurisdictions

The distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws. Applicants who are residents in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed. This Prospectus does not constitute an offer in any place in which, or to any person to whom, it should not be lawful to make such an offer.

Disclaimer of representations

No person is authorised to provide any information or make any representation in connection with the Offer which is not contained in this Prospectus.

Forward looking statements

This Prospectus contains forward looking statements that, despite being based on the Company's current expectations about future events, are subject to known and unknown risks, uncertainties and assumptions, many of which are outside the control of the Company and the Directors. These known and unknown risks, uncertainties and assumptions, could cause actual results, performance or achievements to materially differ from future results, performance or achievements expressed or implied by forward-looking statements in this Prospectus. These risks, uncertainties and assumptions include, but are not limited to, the risks outlined in section 0 of this Prospectus. Forward-looking statements include those containing such words as 'anticipate', 'estimate', 'believe', 'should', 'will', 'may' and similar expressions.

Privacy

Please read the privacy information located in section 8.15 of this Prospectus. By submitting an Entitlement and Acceptance Form, you consent to the matters outlined in that section.

Definitions

Certain terms and abbreviations used in this Prospectus have defined meanings which are explained in the Glossary.

Enquiries

If you have any questions please call the Company Secretary on +61 2 9300 3344 at any time between 8.00am and 5.00pm (AEST) Monday to Friday until the Closing Date. Alternatively, consult your broker, accountant or other professional adviser.

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Corporate Directory

Directors

Mr Michael Hoy
Dr Susan Pond

Dr Michelle Miller
Mr Robert Thomas

Website

www.biotron.com.au

Company Secretary

Mr Peter Nightingale

Underwriter

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Registered Office

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Share Registry*

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MELBOURNE VIC 3001

Tel: 1300 855 080

+61 3 9415 4000

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NORTH RYDE NSW 2113

Phone: +61 2 9805 0488

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Auditor*

KPMG
Level 16, Riparian Plaza
71 Eagle Street
BRISBANE QLD 4000

Solicitor to the Offer

Atkinson Corporate Lawyers

*This party is named for informational purposes only and was not involved in the preparation of this Prospectus.

1 TIMETABLE TO THE OFFER

Ex date - Shares trade ex Entitlement (Ex Date)	15 May 2018
Rights trading starts on a deferred settlement basis	
Record date to determine Entitlement (Record Date)	16 May 2018
Prospectus with Entitlement and Acceptance Form dispatched	21 May 2018
Offer opens for receipt of Applications	
Rights trading ends	30 May 2018
Deferred settlement trading starts	31 May 2018
Closing date for acceptances	6 June 2018
Notify ASX of under-subscriptions	12 June 2018
Issue of New Shares	14 June 2018
Deferred settlement trading ends	
Dispatch of shareholding statements	15 June 2018
Normal trading of New Shares expected to commence	
Last date to issue Shortfall Shares (see section 8.6)	6 September 2018

Note: The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date, subject to such date being no later than 3 months after the date of this Prospectus. As such the date the New Shares are expected to commence trading on ASX may vary.

2 KEY OFFER TERMS AND CAPITAL STRUCTURE

	Underwritten Amount	Full Subscription
Shares currently on issue ¹	392,314,760	392,314,760
Total Options currently on issue	83,445,019	83,445,019
Shares on issue after the Offer ¹	445,648,093	490,393,450
Options on issue after the Offer	136,778,352	181,523,709
Amount raised under this Prospectus (before costs) ¹	\$800,000	\$1,471,180

Notes:

- 1 This assumes no further Shares are issued prior to the Record Date.

3 CHAIRMAN'S LETTER

Dear Shareholder,

On behalf of Biotron Limited, I am pleased to invite you to participate in the 1 for 4 renounceable pro-rata entitlement offer at an issue price of \$0.015 per New Share to raise approximately \$1,471,180 (before costs). The issue price represents a 42% discount to the VWAP of the closing price on the ASX over the last month prior to the announcement to ASX on 10 May 2018, and is partially underwritten for \$800,000 by CPS Capital Group.

As set out in the Investment Highlights section below, the Company has a promising portfolio of antiviral drugs. Its core clinical programs are based on BIT225, a first-in-class drug that has shown encouraging activity in HIV-1, HCV and HIV-1/HCV co-infected populations in clinical studies completed to date. Investment highlights include:

- Mid-stage clinical development company with antiviral drugs that are directed towards treatment or cure of infectious diseases including HIV-1, Hepatitis C virus (HCV), Hepatitis B virus (HBV) and Dengue.
- Over \$30 million spent and 9 clinical trials completed to develop this new class of drugs.
- Biotron's lead drug BIT225 has particular promise in eradicating viral reservoirs of HIV-1 that remain in patients despite treatment with current anti-HIV drugs.
- A key Phase 2 clinical trial of BIT225 for HIV-1, designed to demonstrate a clear clinical benefit for BIT225 over and above that provided by current anti-HIV drugs, has recently concluded. Post-trial analyses are currently in progress and results from the trial are anticipated in mid-2018.
- Antiviral markets for HIV-1 and Hepatitis C and B are huge and growing - estimated at >\$20 billion p.a.
- Expansion of the Company's early stage programs over the last 12 months has identified compounds with activity against Hepatitis B virus (HBV), which is an area of key interest to the pharmaceutical industry.
- The Company is now fully focused on a commercial outcome for the Company's portfolio of antiviral programs.
- Granted patents in all major jurisdictions.
- Active news flow and near term, value-adding milestones anticipated in 2018.
- The Directors have indicated they intend to participate in the Offer.

As outlined in section 5 of this Prospectus, the funds raised by the Rights Issue will be partially used to expand testing of Biotron compounds against specific viral diseases of commercial interest to potential partners, with a key focus on the Company's Hepatitis B virus (HBV) program. Proceeds from this Offer will also strengthen the Company's commercial activities. Additional funds will be used as working capital to enable the Company to focus on achieving a commercial outcome for its programs.

This Prospectus and personalised Entitlement and Acceptance Form should be read carefully and in their entirety before deciding whether to participate in this Offer. In particular Eligible Shareholders should consider the key risk factors outlined in section 6 of this Prospectus, including that the Company's products' early stage, as they are still undergoing preclinical and clinical development, and are not yet commercialised. There are significant risks associated with early stage pharmaceutical investments, which are highly speculative in nature.

On behalf of your Board, I invite you to consider this investment opportunity and thank you for your ongoing support for the Company.

Yours faithfully,

A handwritten signature in blue ink, appearing to read "Michael J. Hoy".

Michael J. Hoy

Chairman

Biotron Limited

4 INVESTMENT OVERVIEW AND KEY RISKS

This information is a selective overview only. Prospective investors should read the Prospectus in full before deciding to invest in New Shares.

Question	Response	Where to find more information																					
What is the Offer?	1 New Share for every 4 Existing Shares held on the Record Date an issue price of \$0.015, with 1 attaching New Listed Option for every New Share issued. The Offer seeks to issue up to approximately 98,078,690 New Shares and approximately 98,078,690 New Options to raise up to approximately \$1.47m (before costs) if fully subscribed.	Section 8																					
Am I an Eligible Shareholder?	The Offer is made to Eligible Shareholders, being Shareholders who: (a) are the registered holder of Shares as at 5.00pm (AEST) on the Record Date; and (b) have a registered address in Australia or New Zealand. Shareholders who are not eligible to participate in the Offer may not participate in the Offer.	Section 8.5																					
How will the proceeds of the Offer be used?	<table> <tr> <th>Use of funds</th><th>Minimum Subscription</th><th>Full Subscription</th></tr> <tr> <td>Expansion of HBV preclinical program</td><td>100,000</td><td>250,000</td></tr> <tr> <td>Screening against additional antiviral targets</td><td>-</td><td>100,000</td></tr> <tr> <td>Commercialisation activities</td><td>120,000</td><td>200,000</td></tr> <tr> <td>General working capital</td><td>427,257</td><td>766,410</td></tr> <tr> <td>Costs of the Offer</td><td>152,743</td><td>154,770</td></tr> <tr> <td>Total*</td><td>800,000</td><td>1,471,180</td></tr> </table>	Use of funds	Minimum Subscription	Full Subscription	Expansion of HBV preclinical program	100,000	250,000	Screening against additional antiviral targets	-	100,000	Commercialisation activities	120,000	200,000	General working capital	427,257	766,410	Costs of the Offer	152,743	154,770	Total*	800,000	1,471,180	Section 5.2
Use of funds	Minimum Subscription	Full Subscription																					
Expansion of HBV preclinical program	100,000	250,000																					
Screening against additional antiviral targets	-	100,000																					
Commercialisation activities	120,000	200,000																					
General working capital	427,257	766,410																					
Costs of the Offer	152,743	154,770																					
Total*	800,000	1,471,180																					
What are the key risks of a subscription under the Offer?	An investment in the Company has risks that you should consider before making a decision to invest. These risks include: Research and development risks - Whilst the Company is of the view that research by the Company on BIT225 has yielded results that justifies clinical trials, the Company's products are early stage and carry R&D and commercialisation risk.	Section 6																					

Question	Response	Where to find more information
	- Commercialisation risks - Whilst the Company aims to license its technologies and products to a pharmaceutical company for late stage clinical development and sales, there is no guarantee that such a partner will be forthcoming. As a junior biotechnology company with no production or income, the Company is exposed to general market and economic condition risks. - Patent risks - The Company's success will depend, in part, on its ability to obtain adequate and valid patent protection, maintain trade secret protection and operate without infringing on the proprietary rights of third parties or having third parties circumvent the Company's rights. No guarantee can be given that such protection will be successfully and validly obtained by the Company and, if such patents are not granted, it may be possible for a third party to imitate or otherwise obtain and use the Company's products without authorisation or to develop and use similar technology independently. - Future capital needs and additional funding - The ability of the Company to continue as a going concern is dependent on the Company being able to raise additional funds as required to meet ongoing research commitments and for working capital. - Key persons - The scientific, clinical and commercial development of the Company's products requires employees with specific experience and qualifications. There is no guarantee that the services of such persons will continue. Please carefully consider these risks and the information contained in other sections of this Prospectus before deciding whether or not to apply for New Shares.	
Is the Offer underwritten?	Yes, the Offer is underwritten for \$800,000 by CPS Capital Group Pty Limited.	Section 8.4
Is the Offer subject to any conditions?	The Offer is subject to a minimum subscription equal to the underwritten amount of \$800,000. In the event the minimum subscription is not raised, the Company will deal with application moneys received in accordance with the Corporations Act (including by returning application moneys without interest).	Section 8.2
What will be the effect of the Offer on	The effect of the Offer on control of the Company will vary with the level of Entitlements taken up by Eligible Shareholders and the number of Shortfall Shares placed in the Shortfall Offer.	Section 5.5

Question	Response	Where to find more information
control of the Company?	No Shareholder may increase their voting power above 20% as a result of the Offer.	
How do I apply for New Shares and Shortfall Shares under the Offer?	Applications for New Shares and Shortfall Shares can be made by Eligible Shareholders completing the relevant sections of the personalised Entitlement and Acceptance Form and sending it to the Share Registry together with payment by cheque or BPAY in the amount of Entitlement and Shortfall Shares applied for.	Section 7.3
Can I sell my Entitlements under the Offer?	Yes, the Offer is renounceable meaning Entitlement may be transferred.	Section 7.4
How will the Shortfall Shares be allocated?	The Directors reserve the right to place any Shortfall Shares at their discretion within 3 months of the Closing Date.	Section 8.6
How can I obtain further advice?	Contact the Company Secretary on +61 2 9300 3344 at any time between 8.00am and 5.00pm (AEST) Monday to Friday until the Closing Date. Alternatively, consult your broker, accountant or other professional adviser.	

5 PURPOSE AND EFFECT OF THE OFFER

5.1 Introduction

The Company is seeking to raise up to approximately \$1.47m before issue costs under the Offer at a price of \$0.015 per Share, on the basis of 1 New Share for every 4 Existing Shares held as at the Record Date, with 1 New Option for every New Share issued.

5.2 Background and Purpose of the Offer

Biotron is focused on development of new drugs for serious viral diseases with unmet medical need and large, worldwide markets. The Company specialises in the design and development of a first-in-class portfolio of drugs that have the potential to treat a broad range of diseases.

The Company has a promising portfolio of antiviral drugs. The clinical programs, which include studies in HIV-1, HCV and HIV-1/HCV co-infected populations, have shown encouraging efficacy and safety results in clinical studies completed to date.

BIT225 is in mid-stage clinical development. Compared to other anti-HIV-1 drugs, BIT225 has a different mechanism of action and targets reservoirs of the virus. These long-lived pools of virus persist despite conventional drug treatment and are never completely eliminated. The reservoirs act as 'burning embers', producing low levels of virus that cause chronic disease in people infected with HIV-1 through constant activation of the body's immune system. These factors mandate life-long treatment using currently available drugs.

Eradication of HIV-1 is a current focus of scientists, clinicians and the pharmaceutical industry and is an area where BIT225 has potential. For patients to be cured of their infection, all HIV-infected cells need to be eliminated. The cells that Biotron's approach target make up one of several key reservoirs, and it is anticipated that a combination approach with current and other new HIV drugs that target different reservoirs would be required to eradicate HIV from patients.

Despite advances in HIV-1 treatments, the virus continues to be a major global health issue. An estimated 36.7 million people are living with HIV-1; less than one third are receiving antiretroviral treatment (ART). In the USA, approximately 1.1 million people are infected, with 1 in 7 unaware of their infection status. Sales of drugs to treat HIV-1 in major markets (USA and Europe) are US\$12 billion per annum. To date, eradication, or cure, of HIV-1 infections remains elusive, with only one person worldwide ever documented to have been cured of their infection.

Biotron has built a detailed data package on its HIV-1 program, including results from a clinical trial (BIT225-004) in patients which showed that BIT225 targets and reduces levels of HIV-1 residing in long-lived monocyte/macrophage reservoirs. These reservoirs exist even in patients undergoing treatment with current antiretroviral drugs and are responsible for ongoing cycles of reseeded HIV-1 infection.

During 2017, Biotron undertook a pivotal Phase 2 trial of BIT225 in HIV-infected patients. The purpose of this study was to demonstrate that adding BIT225 to current anti-HIV-1 drugs results in an additional, measurable clinical benefit to patients.

The trial is complete, and samples from trial participants are currently being analysed using highly specialised laboratory assays. Once these are complete, the trial will be unblinded, and the data fully evaluated. It is expected that the results from the trial will be available for release to the market in mid-2018.

This study is key to a commercial outcome for Biotron's HIV-1 program.

Whilst BIT225 is an important asset in its own right and demonstrates the robustness of Biotron's approach to antiviral drug development, it is only one of the Company's compounds.

Biotron has observed renewed interest from the pharmaceutical industry in targeting a broad range of viral diseases and continues to screen its compound library for activity against other key viruses. The aim is to build a portfolio of preclinical candidates that could be of interest to potential partners. Respiratory infections can have serious health implications in people with underlying diseases such as asthma and Chronic Obstructive Pulmonary Disorder (COPD). Diseases including Dengue Ebola, Zika and MERS-CoV, which continue to cause public health issues worldwide, are also a focus of attention for the drug developers.

Positive data from on-going antiviral screening are important as they demonstrate the additional depth beyond BIT225 of Biotron's library of compounds and approach to developing drugs that target serious viral diseases. The Company believes that this demonstration of Biotron's core expertise and validation of its assets is key to attracting a commercial partner for Biotron's entire platform.

During the last 12 months, the Company has expanded its antiviral programs with a particular emphasis on Hepatitis B virus (HBV). Several of the Company's compounds demonstrated significant anti-viral activity against HBV. The studies were completed in the USA in cell culture models that are considered 'industry standard' and are well recognised by potential pharma and biotech partners. The World Health Organisation estimates that 257 million people are infected with HBV and that up to 900,000 die every year from the disease for which there is no cure. Estimates by GBI Research indicate that the market for HBV drugs is expected to reach US\$3.5 billion by 2021.

The HBV therapeutic space is currently very active within the pharmaceutical and biotech industry, with significant investor interest in the search for and development of effective HBV treatments. While Biotron's work on its HBV compounds is preclinical, the data from these recent studies further validate Biotron's approach to antiviral drug development and may provide the Company with an early stage development opportunity with an appropriate partner.

In parallel with completing the current Phase 2 HIV-1 clinical trial of BIT225, the Company continues to progress discussions with potential partners. This includes seeking partnerships for commercial development of the Company's antiviral portfolio in emerging markets including China.

The following highlights are anticipated during the rest of 2018 into early 2019:

- (a) Complete post-trial analyses of samples from the Phase 2 HIV-1 trial
- (b) Results from Phase 2 HIV-1 trial
- (c) Initiate discussions with potential partner(s) in China
- (d) Initiate discussions with potential partner(s) on collaborations for specific targets

The Directors intend to apply the proceeds from the Offer as follows:

Use of funds (\$) (approx.) ¹	Minimum ² Subscription	Full Subscription
Expansion of HBV preclinical program	100,000	250,000
Screening against additional antiviral targets	0	100,000
Commercialisation activities	120,000	200,000
General working capita ³	427,257	766,410
Costs of the Offer ⁴	152,743	154,770
Total use of funds	800,000	1,471,180

Notes:

- 1 This table is a statement of the proposed application of the funds raised as at the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the Company's decisions. The Company reserves the right to vary the way funds are applied.
- 2 Funds raised will, in the event less than Fully Subscription is received, be allocated firstly towards the costs of the Offer and then equally between the above items.
- 3 General working capital includes but is not limited to corporate administration and operating costs and may be applied to directors' fees, ASX and share registry fees, legal, tax and audit fees, insurance and travel costs.
- 4 See section 10.5 for further details relating to the estimated expenses of the Offer.

5.3 Statement of financial position

Set out in section 13 is the unaudited Statement of Financial Position of the Company and the Pro-Forma Statement of Financial Position, as at 31 March 2018 and on the basis of the following assumptions:

- (a) the Offer was effective on 31 March 2018;
- (b) no further Shares are issued other than all Shares offered under this Prospectus;
- (c) take up of the Offer assuming Minimum Subscription and Full Subscription are received; and
- (d) costs of the Offer are \$152,743 (Minimum Subscription) and 154,770 (Full Subscription).

The pro-forma Statement of Financial Position has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company set out in section 13. The pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

5.4 Effect of the Offer on the Company's securities

Assuming no further Shares are issued prior to the Record Date, at the close of the Offer, the capital structure of the Company will be:

Shares	Minimum Subscription		Full Subscription	
	Number	%	Number	%
Existing Shares	392,314,760	88.03	392,314,760	80.00
New Shares offered under this Prospectus	53,333,333	11.97	98,078,690	20.00
Total Shares	445,648,093	100	490,393,450	100

Options - Existing

\$0.06 expiring 30 November 2018 (quoted) ¹	78,445,019	78,445,019
\$0.15 expiring 30 November 2018	2,000,000	2,000,000
\$0.18 expiring 30 November 2018	3,000,000	3,000,000

Options - New

\$0.05 expiring 12 December 2019	53,333,333	98,078,690
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¹ The terms do not provide for any change to the exercise price as a result of the Offer.

5.5 Effect on control

There will be no effect on control of the Company if all Shareholders take up their Entitlement.

(a) Underwriter

The Underwriter has advised the Company that neither it, nor any of its associates, currently has a relevant in any Shares, and will not as a result of the Offer, have a voting power of 20% or more in the Company.

As detailed in section 8.4 of this Prospectus, the Underwriter has agreed to partially underwrite up to 53,333,333 New Shares under the Offer.

The Underwriter's relevant interests in the Company following the Offer will depend upon the number of New Shares taken up and the number of New Shares subscribed for by sub-underwriters, however it will not exceed 20%.

(b) Others

As the Offer is renounceable, for the purposes of Listing Rule 7.7.1(c) and section 615 of the Corporations Act, the Company has appointed a nominee to arrange for the sale of the entitlements that would have been given to Ineligible Shareholders and to account to them for the net proceeds of the sale. Eligible Shareholders may rely upon item 10 of section 611 of the Corporations Act (**rights issue exception**) to have a voting power of 20% or more by taking up their Entitlements under the Offer (although as at the date of this Prospectus no Shareholder will by taking up their Entitlement increase their voting power to 20% or more). Eligible Shareholders are not able to rely on the rights issue exception to take up Shortfall Shares in addition to their Entitlements if the Eligible Shareholder will have a voting power of 20% or more as a result of such acquisition.

5.6 Dilution

Shareholders who do not participate in the Offer will have their holdings diluted. Following is a table which sets out the dilutionary effect, assuming the full amount is raised and no further Shares are issued or Options exercised:

Holder	Holding at Record Date		Entitlement	Holding following the Offer if no Entitlement taken up ¹	
	Number	%		Number	%
1	39,231	.01	9,807	39,231	0.008
2	392,314	.1	98,078	392,314	0.08
3	3,923,147	1	980,786	3,923,147	0.8
4	39,231,476	10	9,807,869	39,231,476	8

¹ This assumes full subscription under the Offer.

6 RISK FACTORS

The New Shares offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below and together with information contained elsewhere in this Prospectus and to consult with your professional advisers before deciding whether to apply for the New Shares pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the New Shares.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

6.1 Risk specific to the Offer

(a) Future funding and ability to continue as a going concern

Funds raised from the Offer will be used for the purposes mentioned under section 5.2 of the prospectus. Whilst the Company believes that the Underwritten Amount will be sufficient to carry out certain research and development activities, additional funding will be required to continue both existing and proposed research activities. Raising additional capital may be dilutive to existing Shareholders.

(b) Dilution

Shareholders who do not take up their Entitlement will have their holding in the Company diluted. Details of dilution are set out in section 5.6 above.

6.2 Company and industry risks

The risks outlined below are specific to the Company's operations and to the biotechnology industry in which the Company operates.

(a) Research and development

Biotechnology, scientific research, medical product development and the commercialisation of the results of that work is, by its nature, a high risk undertaking.

There is no guarantee that the Company's research and development projects will be successful or receive regulatory approvals or prove to be commercially successful. Not all drug candidates will reach market. Drug candidates may fail the clinical development process through lack of efficacy or safety. Antiviral activity in laboratory and preclinical studies will not necessarily translate into efficacy in clinical studies in humans. While the Company's HIV-1 program has advanced into clinical trials, with a Phase 2 trial recently completed, the project remains high risk, as do all early-mid stage clinical development projects. The other antiviral programs are, however, still at the research stage, which carries a higher degree of risk. There is no guarantee that the compounds that have demonstrated activity against other viruses in cell-based assays will be suitable for further clinical development. Further studies are required to establish this potential.

Other risks inherent in the development of a product to a marketable stage include the uncertainty of patent protection, including whether patent applications and issued

patents will offer adequate protection. There is also risk associated with obtaining the necessary drug regulatory authority approvals and there may be difficulties caused by rapid advancements in competing and other technologies. The Company is reliant on the success of its research and development projects. Investment in research and development companies cannot be assessed on the same fundamentals as trading and manufacturing companies.

Projects can be delayed, suspended or unsuccessful at any stage, or the research may become unviable for a number of unexpected reasons. The Company is developing therapeutic drugs (drugs for human consumption) which must undergo vigorous testing to satisfy regulatory authorities which endeavour to ensure that they have no long term detrimental effects on humans. A product may be delayed, or prove to be unsuitable, at any time in these trials. It should be noted that the results of earlier studies and trials may not be predictive of future trial results. A product may fail to gain authority approval or the cost of overcoming a problem may preclude resumption of product development. The Company may also face liability where a product, if approved, does not achieve the expected performance or safety standards. There may be different requirements from authorities in different countries and these may delay or even preclude the marketing of a product in certain countries. There may be uncertainties of government or third party payer reimbursement, and there are risks of limited sales and marketing efforts, linked to dependence upon third parties. The testing, marketing and sale of new technology based products entails an inherent risk of product liability, and there can be no assurance that product liability claims will not be asserted against the Company.

(b) Commercialisation

The Company's ultimate objective is a commercialisation transaction with a pharmaceutical company. There can be no assurance that the Company will be able to successfully negotiate and execute a commercialisation transaction with a pharmaceutical company.

There are competing drug discovery and development programs in the disease areas being researched by the Company. There can be no assurance that other parties will not develop, or achieve commercialisation of products or intellectual property that compete with or supersede the Company's potential products or intellectual property.

The Company's competitors in Australia and abroad are numerous and include, among others, major multinational companies. There can be no assurance that the Company's competitors will not succeed in developing technologies and products that are more effective than any which are being developed by the Company.

(c) Patents

The Company's success will depend, in part, on its ability to obtain adequate and valid patent protection, maintain trade secret protection and operate without infringing on the proprietary rights of third parties or having third parties circumvent the Company's rights. No guarantee can be given that such protection will be successfully and validly obtained by the Company and, if such patents are not granted, it may be possible for a third party to imitate or otherwise obtain and use the Company's products without authorisation or to develop and use similar technology independently.

While we believe appropriate steps have been taken to protect the Company's proprietary technology, the law may not adequately protect it in all places or enable the Company's rights to be enforced with any adequacy. There can be no assurance that the measures that have been taken have been, or will be, adequate to protect the Company's proprietary technology.

The Company will pursue vigorously both its existing and all future patent applications. No guarantee can be given that patent applications will be successful and nor does the grant of a patent guarantee that the patent concerned is valid or that the patented technology does not infringe the rights of others.

The enforceability of a patent is dependent on a number of factors which may vary between jurisdictions. These factors include the validity of the patent and the scope of protection it provides. The validity of a patent depends upon factors such as the novelty of the invention, the requirement in many jurisdictions that the invention not be obvious in light of the prior art (including any prior use or documentary disclosure of the invention), the utility of the invention and the extent to which the patent specification clearly discloses the best method of working or carrying out the invention. The legal interpretation of these requirements often varies between jurisdictions. The scope of rights provided by a patent can also differ between jurisdictions. There can be no assurance even if the Company succeeds in obtaining the grant of patents, that others will not seek to imitate the Company's products and, in doing so, attempt to design their products in such a way as to circumvent the Company's patent rights. Additionally, the ability of the legal process to provide efficient and effective procedures for dealing with actual or suspected infringements can vary considerably between jurisdictions.

(d) Future capital needs and additional funding

The Company recorded a net loss of \$159,799 and a net outflow from operating activities of \$2,011,659 for the half year ending 31 December 2017. As at 31 March 2018, it had approximately \$672,378 cash on hand.

The Company's ability to raise further capital (equity or debt) within an acceptable time, of a sufficient amount and on terms acceptable to the Company will vary according to a number of factors, including prospectivity and commercialisation of products (existing and future).

If the Company is required, or chooses, to advance the Company's projects beyond the completion of those stated objectives, the Company will require additional funding to progress its projects beyond the work programs identified in this Prospectus. There is no assurance that the Company will be able to access this funding on favourable terms or at all. If adequate funds are not available on acceptable terms the Company may not be able to further develop its projects and it may impact on the Company's ability to continue as a going concern.

Under current Australian legislation, the Company is eligible each year for an R&D Tax Incentive refund. The R&D Tax Incentive is an Australian Government program under which companies receive cash refunds for 43.5% of eligible expenditure on research and development. There is no guarantee that this program will continue in the future or that the eligibility criteria will not change.

(e) Reliance on key personnel and consultants

The Company's success largely depends on the core competencies of its Directors, management and third party consultants and their familiarisation with, and ability to operate in, the biotechnology industry. The financial performance of the Company and the value of an investment in the Company partly depend on the ability of the Company to retain these key personnel and consultants to perform research, development commercialisation work.

(f) Insurance

The Company, where economically feasible, insures its operations in accordance with industry practice. However, in certain circumstances, the Company's insurance, if obtained, may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a negative effect on the financial performance of the Company and the value of an investment in the Company.

6.3 General investment risks

The risks outlined below are some of the general risks that may affect an investment in the Company.

(a) Securities investments and share market conditions

There are risks associated with any securities investment. The prices at which the securities trade may fluctuate in response to a number of factors.

Furthermore, the stock market, and in particular the market for biotechnology companies may experience extreme price and volume fluctuations that may be unrelated or disproportionate to the operating performance of such companies. These factors may materially adversely affect the market price of the securities of the Company regardless of the Company's operational performance. Neither the Company nor the Directors warrant the future performance of the Company, or any return of an investment in the Company.

(b) Liquidity risk

The market for the Company's Shares may be illiquid. As a consequence investors may be unable to readily exit or realise their investment.

(c) Economic risk

Changes in both Australia and world economic conditions may adversely affect the financial performance of the Company. Factors such as inflation, currency fluctuations, interest rates, industrial disruption and economic growth may impact on future operations and earnings. The Company's possible revenues and price of its securities can be affected by these factors which are beyond the control of the Company and its Directors.

7 ACTIONS REQUIRED BY ELIGIBLE SHAREHOLDERS

7.1 What you may do

As an Eligible Shareholder, you may:

- (a) subscribe for all or part of your Entitlement (see section 7.2);
- (b) subscribe for all of your Entitlement and apply for Shortfall Securities (see section 7.3);
- (c) sell all of your Entitlement (see section 7.4);
- (d) take up part of your Entitlement and sell the balance (see section 7.5);
- (e) transfer your Entitlement other than on ASX (see section 7.6); or
- (f) allow all or part of your Entitlement to lapse (see section 7.7).

7.2 Subscribe for all or part of your Entitlement

Applicants should read this Prospectus in its entirety in order to make an informed decision on the prospects of the Company and the rights attaching to the New Shares and attaching Options offered by this Prospectus before deciding to apply for New Shares. If you do not understand this Prospectus you should consult your stockbroker, accountant or other professional adviser in order to satisfy yourself as to the contents of this Prospectus.

If you wish to subscribe for all or part of your Entitlement, complete the accompanying Entitlement and Acceptance Form in accordance with the instructions set out on that form. The Entitlement and Acceptance Form sets out the number of New Shares and attaching options you are entitled to subscribe for.

7.3 Subscribe for all of your Entitlement and apply for Shortfall Shares

Eligible Shareholders who take up their Entitlement in full may, in addition to their Entitlement, apply for Shortfall Shares regardless of the size of their present holding by completing the accompanying Entitlement and Acceptance Form in accordance with the instructions set out on that form. See section 8.6 for details of the manner in which Shortfall Shares will be allocated.

Surplus application moneys will be returned to Applicants as soon as practicable following the close of the Offer.

7.4 Sell all of your Entitlement

If you wish to sell your Entitlements in full, you should instruct your Stockbroker personally and provide details as requested, which appear on the reverse of the Entitlement and Acceptance Form.

DO NOT forward your requests for sale to the Company's share registry.

Rights trading will commence on ASX on a deferred basis on 15 May 2018. Sale of your Rights must be completed by 30 May 2018 when Rights trading is expected to cease.

7.5 Take up part of your Entitlement and sell the balance on ASX

If you wish to sell part of your Entitlements and take up the balance you should:

- Instruct your Stockbroker personally and provide details as requested, which appear on the reverse of the Entitlement and Acceptance Form, AND

- Send the payment slip to the Company's share registry with your cheque, bank draft or money order payment OR make payment using BPAY, in order to take up the balance of your Entitlements.

You will need to ensure that the completed Entitlement and Acceptance Form reaches the Company's share registry, by 5.00 pm Australian Eastern Standard Time on 6 June 2018.

Cash will not be accepted and no receipts will be issued.

Rights trading will commence on ASX on a deferred basis on 15 May 2018. Sale of your Rights must be completed by 30 May 2018 when Rights trading is expected to cease.

7.6 Take up part of your Entitlement and transfer the balance other than on ASX

If you are a Shareholder and hold Existing Shares on the issuer sponsored sub-register, forward a completed renunciation form (obtainable through your stockbroker or the Share Registry) together with your personalised Entitlement and Acceptance Form completed by the transferee together with a cheque for the appropriate application money to reach the Company's share registry (at the postal address shown below), by 5.00 pm Australian Eastern Standard Time on 6 June 2018.

If you are a Shareholder and hold Existing Shares registered on CHESS, you should contact your sponsoring broker.

Cash will not be accepted and no receipts will be issued.

7.7 Allow all or part of your Entitlement to lapse

If you are an Eligible Shareholder and do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

If you take no action, your Entitlement will lapse. You will receive no benefit or New Shares and your Entitlement will become Shortfall Shares.

If you wish to participate in the Offer, you must take action to accept your Entitlement in accordance with the instructions above and on the accompanying personalised Entitlement and Acceptance Form.

The number of Existing Shares you hold as at the Record Date and the rights attached to those Existing Shares will not be affected if you choose not to accept any of your Entitlement.

7.8 Payment methods

BPAY

If you are paying by BPAY, refer to your personalised instructions on your Entitlement and Acceptance Form. Shareholders who wish to pay by BPAY must ensure that payment is received by no later than 5.00pm AEST on the Closing Date.

You should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment. It is your responsibility to ensure that funds submitted through BPAY are received by 5.00pm AEST on the Closing Date.

If you have more than one shareholding and consequently receive more than one Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those shareholdings

only use the Customer Reference Number specific to that shareholding as set out in the applicable Entitlement and Acceptance Form. Do not use the same Customer Reference Number for more than one of your shareholdings. This can result in your application monies being applied to your Entitlement in respect of only one of your shareholdings (with the result that any application in respect of your remaining shareholdings will not be recognised as valid).

The Company shall not be responsible for any postal or delivery delays or delay in the receipt of the BPAY payment.

Cheque, bank draft or money order

Alternatively, if you are paying by cheque, bank draft or money order, the completed Entitlement and Acceptance Form must be accompanied by a cheque, bank draft or money order made payable to 'Biotron Limited' and crossed 'Not Negotiable' for the appropriate application money in Australian dollars calculated at \$0.015 per New Share accepted. Your cheque, bank draft or money order must be paid in Australian currency and be drawn on an Australian branch of an Australian financial institution. The Company will present the cheque or bank draft on the day of receipt of the Entitlement and Acceptance Form. You must ensure that your cheque account has sufficient funds to cover your payment, as your cheque will be presented for payment on receipt. If your bank dishonours your cheque your application will be rejected. Dishonoured cheques will not be represented.

If the amount of your cheque(s), bank draft(s) or money order(s) for application money (or the amount for which those cheque(s) or bank draft(s) clear in time for allocation) is insufficient to pay for the number of New Shares you have applied for in your Entitlement and Acceptance Form, you may be taken to have applied for such lower number of New Shares as your cleared application money will pay for (and to have specified that number of New Shares in your Entitlement and Acceptance Form) or your Application may be rejected.

The Entitlement and Acceptance Form must be received by the Company at the following addresses by no later than 5.00pm (AEST) on the Closing Date:

By Post To:

Biotron Limited
c/ Computershare Investor Services Pty Limited
GPO BOX 505
MELBOURNE VIC 3001

7.9 Entitlement and Acceptance Form is binding

Receipt of a completed and lodged Entitlement and Acceptance Form together with a cheque, bank draft or money order for the application monies, or by making a payment in respect of an Application by BPAY, constitutes a binding offer to acquire New Shares on the terms and conditions set out in this Prospectus and, once lodged, cannot be withdrawn.

By completing and returning your Entitlement and Acceptance Form with the requisite application monies, or by making a payment in respect of an Application by BPAY, you will be deemed to have represented that you are an Eligible Shareholder. In addition, you will also be deemed to have represented and warranted on behalf of yourself or each person on whose account you are acting that the law in your place of residence and/or where you have been given the Prospectus, does not prohibit you from being given the Prospectus and that you:

- (a) agree to be bound by the terms of the Offer;
- (b) declare that all details and statements in the Entitlement and Acceptance Form are complete and accurate;
- (c) declare that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Entitlement and Acceptance Form;
- (d) authorise the Company and its respective officers or agents, to do anything on your behalf necessary for the New Shares to be issued to you, including to act on instructions of the Company's share registry upon using the contact details set out in the Entitlement and Acceptance Form;
- (e) declare that you are the current registered holder of Shares and are an Australian or New Zealand resident, and you are not in the United States or a US Person, or acting for the account or benefit of a US Person;
- (f) acknowledge that the information contained in, or accompanying, the Prospectus is not investment or financial product advice or a recommendation that New Shares are suitable for you given your investment objectives, financial situation or particular needs; and
- (g) acknowledge that the New Shares have not, and will not be, registered under the securities laws in any other jurisdictions outside Australia and New Zealand and accordingly, the New Shares may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of applicable securities laws in particular the US Securities Act.

The Entitlement and Acceptance Form does not need to be signed to be a valid application. An Application will be deemed to have been accepted by the Company upon the issue of the New Shares.

If the Entitlement and Acceptance Form is not completed correctly or if the accompanying payment of the application monies is for the wrong amount, it may still be treated as a valid application for New Shares. The Directors' decision whether to treat an acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final. However, an Applicant will not be treated as having applied for more Shares than is indicated by the amount of the application monies received by the Company.

8 DETAILS OF THE OFFER

8.1 Shares offered for subscription

By this Prospectus the Company makes a renounceable pro rata offer to Eligible Shareholders on the basis of 1 New Share for every 4 Existing Shares held as at the Record Date at a price of \$0.015 per New Share, with 1 New Option for every new Share issued, to raise up to approximately \$1.47m before issue costs. Fractional entitlements will be rounded down to the nearest whole number. The Offer is only open to Eligible Shareholders. The Company reserves the right to reject any application that it believes comes from a person who is not an Eligible Shareholder.

Details of how to apply for New Shares are set out at section 7.

All New Shares offered under this Prospectus will rank equally with Existing Shares. The rights and liabilities of the New securities offered under this Prospectus are summarised in section 9.

8.2 Minimum subscription

The minimum subscription under the Offer is equal to the underwritten amount of \$800,000. In the event the minimum subscription is not raised within 4 months of the date of this Prospectus, then the Company will repay all application money received in full and without interest. The Company will not accept any over-subscriptions.

8.3 Acceptances

This Offer may be accepted in whole or in part prior to the Closing Date subject to the rights of the Company to extend the Offer period or close the Offer early.

Instructions for accepting your Entitlement are set out in section 7 and on the Entitlement and Acceptance Form which accompanies this Prospectus.

8.4 Underwriting

The Underwriter has agreed to underwrite up to 53,333,333 Shortfall Shares in accordance with the Underwriting Agreement. The Underwriter will be paid:

- (a) lead manager fee of \$60,000;
- (b) 6 million New Options;
- (c) management fee of 1% of total amount raised;
- (d) underwriting fee of 5% on the amount underwritten;
- (e) placement fee of 5% of any Shortfall placed by the Underwriter in excess of the underwritten amount.

The Company will also be required to reimburse the Underwriter for all of the reasonable costs incurred by the Underwriter in relation to the Offer.

The underwriting of the Offer is conditional upon the satisfaction or waiver by the Underwriter of the certain conditions ordinarily found in an agreement of this type, including that:

- (f) (Due Diligence): the Underwriter being satisfied acting reasonably (in its sole and absolute discretion) with the Due Diligence Program and the Due Diligence Results by the Lodgement Date (10 May 2018);
- (g) (Underwriter's consent to be named): the Underwriter being satisfied (in its sole and absolute discretion) with the form of the Prospectus and having given its consent to be named in the Prospectus prior to the Lodgement Date as evidence thereof; and
- (h) (Prospectus): the Prospectus being lodged with ASIC prior to 5.00pm (Perth time) on the Lodgement Date.

In accordance with the Underwriting Agreement and as is customary with these types of arrangements:

- (i) the Company has (subject to certain limitations, including where the loss arises through the Underwriter performing its underwriting obligation) agreed to indemnify the Underwriter, its officers, employees, advisers and related bodies corporate, and the

- (j) officers, employees and advisers of any of its related bodies corporate against losses suffered or incurred in connection with the Offer;
- (k) the Company and the Underwriter have given representations, warranties and undertakings in connection with (among other things) the conduct of the Offer;
- (l) the Underwriter may (in certain circumstances, including having regard to the materiality of the relevant event) terminate the Underwriting Agreement and be released from their obligations under it on the occurrence of certain events which are typical for an underwriting agreement, including (but not limited to) where:
 - (i) (Indices fall): the S&P ASX 200 Index is at any time after the date of the Underwriting Agreement is 10% or more below its respective level as at the close of business on the Business Day prior to the date of the Underwriting Agreement;
 - (ii) (Price): the Price is greater than the volume weighted average market price for Shares calculated over 5 days on which sales in Shares which were recorded prior to allotment of new Shares;

8.5 Entitlement to Offer

The Offer is made to Eligible Shareholders, who are those Shareholders that:

- (a) are the registered holder of Shares as at 5.00pm (AEST) on the Record Date; and
- (b) have a registered address in Australia or New Zealand.

8.6 Shortfall

Any New Shares not applied for under the Offer will become Shortfall Shares. The Directors reserve the right to issue any Shortfall Shares at their discretion within 3 months after the Closing Date (**Shortfall Offer**).

The Shortfall Offer is, to the extent it is made in Australia, made under this Prospectus. To the extent the Shortfall Offer is made outside Australia, the Shortfall Offer is made without disclosure, a prospectus, lodgement, filing or registration, or other requirements of any applicable securities law, and only in circumstances where it is lawful to do so (such as to institutional or sophisticated investors).

Eligible Shareholders may apply for Shortfall Shares by completing the accompanying Entitlement and Acceptance Form in accordance with the instructions set out on that form. Other investors who are not Eligible Shareholders may apply for Shortfall Shares using the Shortfall Application Form attached to this Prospectus. Persons outside Australia doing so represent to the Company that they can apply for Shortfall Shares in circumstances which do not require the offer for Shortfall Shares or this Prospectus to be registered.

It is possible that there may be no Shortfall Shares available for issue.

Subject to the above, the Directors reserve the right at their absolute discretion and subject to the Corporations Act and Listing Rules, issue Shortfall Shares at their discretion, and to reject any application for Shortfall Shares or to issue a lesser number of Shortfall Shares than that applied for. It is an express term of the Shortfall Offer that applicants for Shortfall Shares will be bound to accept a lesser number of Shortfall Shares allocated to them than applied for. If a lesser number is allocated, excess application money will be refunded without interest as soon as practicable after the Closing Date.

8.7 New Zealand Shareholders

The Offer contained in this Prospectus to Eligible Shareholders with registered addresses in New Zealand is made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2013 (New Zealand). Members of the public in New Zealand who are not existing Shareholders on the Record Date are not entitled to apply for any New Shares. This Prospectus has not been registered, filed or approved by any New Zealand regulatory authority. This Prospectus is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

8.8 Treatment of Ineligible Shareholders and sale for Ineligible Shareholders' Entitlement

Given the small number of Ineligible Shareholders and the cost of complying with applicable regulations outside Australia and New Zealand, the Company has decided that it would be unreasonable to extend the Offer to Ineligible Shareholders. The Prospectus will not be sent to those Shareholders.

This Prospectus does not constitute an offer of securities in any jurisdiction where, or to any person to whom, it would not be lawful to issue the Prospectus or make the Offer. No action has been taken to register or qualify the New Shares or the Offer or otherwise to permit an offering of the New Shares in any jurisdiction other than as set out in this section.

This document is not for publication or distribution, directly or indirectly, in or into the United States of America (including its territories and possessions, any state of the US and the District of Columbia). This document is not an offer of securities for sale into the United States or to, or for the account or benefit of, US Persons. The securities referred to herein have not been and will not be registered under the US Securities Act, and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons. No public offering of securities is being made in the United States.

Recipients may not send or otherwise distribute this Prospectus or the Entitlement and Acceptance Form to any person outside Australia or New Zealand (other than to Eligible Shareholders).

Subject to ASIC's consent, the Company has appointed the Underwriter for Non-Eligible Foreign Shareholders of the Company's Shares.

The Company must transfer to the nominee the New Shares that would otherwise be issued to the Non-Eligible Foreign Shareholders who accept the Offer or the right to acquire those New Shares. The Nominee must sell the New Shares, or those rights, and distribute to each of those Non-Eligible Foreign Shareholders their proportion of the proceeds of the sale net of expenses.

For the purposes of Listing Rule 7.7.1(c), the Company has appointed the Underwriter as nominee to arrange for the sale of the Non-Eligible Foreign Shareholders' Entitlements and to account to them for the net proceeds of the sale.

The proceeds of sale (in Australian dollars) will be distributed to the Non-Eligible Foreign Shareholders for whose benefits the Rights have been sold in proportion to their shareholdings as at the Record Date (after deducting the costs of the sale).

8.9 Beneficial holders, nominees, trustees and custodians

The foreign selling restrictions under the Offer summarised in section 8.8 of this Prospectus apply to the underlying beneficial holder. Nominees, trustees and custodians must not apply on behalf of any beneficial holder that would not itself be an Eligible Shareholder. Shareholders who are nominees, trustees or custodians are advised to seek independent advice as to how they should proceed. Shareholders who hold Shares on behalf of persons whose registered address is not in Australia or New Zealand are responsible for ensuring that applying for New Shares does not breach securities laws in the relevant overseas jurisdictions.

Nominees and custodians that hold Shares should note that the Offer is available only to Eligible Shareholders. The Company is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of securities. If any nominee or custodian is acting on behalf of a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Offer is compatible with applicable foreign laws.

8.10 Allotment and application money

New Shares will be issued only after all application money has been received and ASX has granted permission for the New Shares to be quoted. It is expected that New Shares will be issued on 14 June 2018 and normal trading of the New Shares on ASX is expected to commence on 15 June 2018.

All application monies will be deposited into a separate bank account of the Company and held in trust for Applicants until the Shares are issued or application monies returned. Any interest that accrues will be retained by the Company and will not be paid to Applicants.

8.11 Quotation

The Company will apply to ASX within 7 days after the date of this Prospectus for quotation of the New Shares offered by this Prospectus on ASX. If ASX does not grant permission for the quotation of the New Shares offered under this Prospectus within 3 months after the date of this Prospectus, or such longer period as modified by ASIC, none of the New Shares offered by this Prospectus will be allotted or issued. In these circumstances, all Applications will be dealt with in accordance with the Corporations Act including the return of all application monies without interest.

A decision by ASX to grant official quotation of the New Shares is not to be taken in any way as an indication of ASX's view as to the merits of the Company or of the New Shares.

Quotation, if granted, of the New Shares offered by this Prospectus will commence as soon as practicable after statements of holdings of the New Shares are dispatched.

8.12 Market prices of Existing Shares on ASX

The highest and lowest market sale price of the Existing Shares, which are on the same terms and conditions as the New Shares being offered under this Prospectus, during the 3 months immediately preceding the lodgement of this Prospectus with the ASIC, and the last market sale price on the date before the lodgement date of this Prospectus, are set out below.

	3 month high	3 month low	Last market sale price
Price (\$)	\$0.031	\$0.021	\$0.031
Date	8 May 2018	2 March 2018	8 May 2018

8.13 CHESS

The Company participates in the Clearing House Electronic Subregister System (**CHESS**). CHESS is operated by ASX Settlement Pty Ltd (**ASPL**), a wholly owned subsidiary of ASX.

Under CHESS, the Company does not issue certificates to investors. Instead, security holders will receive a statement of their holdings in the Company, including New Shares issued under this Prospectus. If an investor is broker sponsored, ASPL will send a CHESS statement.

The CHESS statement will set out the number of New Shares issued under this Prospectus, provide details of your holder identification number and give the participation identification number of the sponsor.

If you are registered on the issuer sponsored sub register, your statement will be dispatched by the Company's share registrar and will contain the number of New Shares issued to you under this Prospectus and your security holder reference number.

A CHESS statement or issuer sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their shareholding changes. Shareholders may request a statement at any other time, however, a charge may be made for additional statements.

8.14 Taxation and duty implications

The Directors do not consider that it is appropriate to give Shareholders advice regarding the taxation consequences of the Company conducting the Offer or Shareholders applying for New Shares under this Prospectus, as it is not possible to provide a comprehensive summary of the possible taxation positions of Shareholders. The Company, its advisers and officers, do not accept any responsibility or liability for any taxation consequences to Shareholders in the Offer. Shareholders should, therefore, consult their own professional tax adviser in connection with the taxation implications of the Offer.

No brokerage or stamp duty is payable by Applicants in respect of Applications for New Shares under this Prospectus.

8.15 Privacy

The Company collects information about each Applicant provided on an Entitlement and Acceptance Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's security holding in the Company.

By submitting an Entitlement and Acceptance Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Entitlement and Acceptance Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the Share Registry, the Company's related body corporates, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

The Corporations Act requires the Company to include information about the Shareholder (including name, address and details of the Shares held) in its public register. The information contained in the Company's public register must remain there even if that person ceases to be a Shareholder. Information contained in the Company's register is also used to facilitate distribution payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its security holders) and compliance by the Company with legal and regulatory requirements.

If you do not provide the information required on the Entitlement and Acceptance Form, the Company may not be able to accept or process your Application. An Applicant has the right to gain access to the information that the Company holds about that person subject to certain exceptions under law. A fee may be charged for access. Such requests must be made in writing to the Company's registered office.

8.16 Enquiries

Any queries regarding the Offer should be directed to the Company Secretary on +61 2 9300 3344.

You can also contact your stockbroker or professional adviser with any queries in relation to the Offer.

9 RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

9.1 Rights and liability attaching to Shares

Full details of the rights and liabilities attaching to the Shares are:

- detailed in the Constitution, a copy of which can be inspected, free of charge, at the registered office of the Company during normal business hours; and
- in certain circumstances, regulated by the Corporations Act, the Listing Rules and the general law.

The following is a summary of the more significant rights and liabilities attaching to the Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

(a) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at a general meeting of members every member has one vote on a show of hands and one vote per Share on a poll. Voting may be in person or by proxy, attorney or representative.

(b) Dividends

Except as otherwise required by the Corporations Act and to the terms on which shares are on issue and the rights and restrictions attaching to shares, the Directors may from time to time:

- (i) declare dividends (whether final or interim) to be paid to members on such terms, including the amount and the time for and the method of payment, as the Directors think fit; or
 - (ii) determine that a dividend is payable, fix the amount and time for payment.
- (c) Future issues of securities

Subject to the Corporations Act and the Listing Rules, the Directors may issue, grant options over, or otherwise dispose of unissued shares in the Company at the times and on the terms that the Directors think proper and a share may be issued with preferential or special rights.
- (d) Transfer of Shares

A shareholder may transfer Shares by a market transfer in accordance with any computerised or electronic system established or recognised by ASX for the purpose of facilitating transfers in Shares or by an instrument in writing in a form approved by ASX or the Board.
- (e) Meetings and notices

Each shareholder is entitled to receive notice of, and to attend, general meetings for the Company and to receive all notices, accounts and other documents required to be sent to shareholders under the Constitution, the Corporations Act or the Listing Rules.

Shareholders may requisition meetings in accordance with the Corporations Act.
- (f) Liquidation rights

The Company has one class of shares on issue, ordinary shares. Each ordinary Share ranks equally in the event of liquidation.
- (g) Variation of rights

Subject to the Corporations Act and Listing Rules, the rights attached to the Shares may be varied in accordance with the Corporations Act
- (h) Election of directors

At every annual general meeting one third of the Directors (rounded up to the nearest whole number) must retire from office. Any Director who would have held office for more than 3 years if that Director remains in office until the next general meeting must retire. These retirement rules do not apply to certain appointments including the managing director.
- (i) Indemnities

To the extent permitted by law the Company must indemnify each past and present Director and secretary against any liability incurred by that person as an officer of the Company and any legal costs incurred in defending an action in respect of such liability.
- (j) Winding up

Subject to the Corporations Act, the ASX Listing Rules and any rights or restrictions attached to a class of shares, on a winding up of the Company any surplus must be divided among the shareholders of the Company.

(k) Shareholder liability

As the Shares offered under the Prospectus are fully paid Shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(l) Alteration to the Constitution

The Constitution can only be amended by a special resolution passed by at least three quarters of shareholders present and voting at the general meeting. At least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

(m) Listing Rules

If the Company is admitted to trading on the Official List, then despite anything in the Constitution, if the Listing Rules prohibit an act being done, the act must not be done. Nothing in the Constitution prevents an act being done that the Listing Rules require to be done. If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be). If the Listing Rules require the Constitution to contain a provision and it does not contain such a provision, the Constitution is deemed to contain that provision. If the Listing Rules require the Constitution not to contain a provision and it contains such a provision, the Constitution is deemed not to contain that provision. If a provision of the Constitution is or becomes inconsistent with the Listing Rules, the Constitution is deemed not to contain that provision to the extent of the inconsistency.

9.2 Rights and liability attaching to Options

Options offered under this Prospectus are subject to the following terms:

- (a) The Options will be issued for no consideration.
- (b) Each Option entitles the holder to be issued one Share.
- (c) The exercise price of the Options is \$0.05 each.
- (d) The expiry date of an Option is 12 December 2019.
- (e) The Options may be exercised at any time prior to the expiry date, in whole or in part, upon payment of the exercise price per Option.
- (f) The Company will apply for quotation of the Options on the official list of the ASX.
- (g) The Options are freely transferable subject to any restriction or escrow arrangements imposed by the Corporations Act and the ASX Listing Rules.
- (h) The holder of an Option may not exercise less than 10,000 Options at any one time unless the holder has less than 10,000 Options in which event the Holder must exercise all of the Options together.
- (i) The Company will provide to each Option holder a notice that is to be completed when exercising the Options (Notice of Exercise). Options may be exercised by the Option holder in whole or in part by completing the Notice of Exercise and forwarding the same to the Secretary of the Company to be received prior to the expiry date. The Notice of Exercise must state the number of Options exercised, the consequent number of Shares to be issued and the identity of the proposed subscribers. The Notice of Exercise by an

Option holder must be accompanied by payment in full for the relevant number of Shares being subscribed, being an amount of the exercise price per Share.

- (j) All Shares issued upon the exercise of the Options will rank equally in all respects with the Company's then issued Shares. The Company must apply to the ASX in accordance with the Listing Rules for all Shares pursuant to the exercise of Options to be admitted to quotation.
- (k) There are no participating rights or entitlements inherent in the Options and the holders will not be entitled to participate in new issues or pro-rata issues of capital to Shareholders during the term of the Options. Thereby, the Option holder has no rights to a change in:
 - (i) the exercise price of the Option; or
 - (ii) period of exercise of the Option; or
 - (iii) except in the event of a Bonus Issue (defined below), a change to the number of underlying securities over which the Option can be exercised.
- (l) The Company will ensure, for the purposes of determining entitlements to any issue, that Option holder will be notified of a proposed issue after the issue is announced. This will give Option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in such issues.
- (m) In the event the Company proceeds with a pro rata issue (other than a Bonus Issue) of Shares, the exercise price will be reduced in the manner permitted by the Listing Rules at the time of the pro rata issue.
- (n) If from time to time on or prior to the Expiry Date the Company makes a bonus issue of securities to holders of Shares in the Company (Bonus Issue), then upon exercise of his or her Options a holder will be entitled to have issued to him or her (in addition to the Shares which he or she is otherwise entitled to have issued to him or her upon such exercise) the number of securities which would have been issued to him or her under that Bonus Issue if the Options had been exercised before the record date for the Bonus Issue.
- (o) In the event of any reconstruction (including consolidation, subdivisions, reduction or return) of the authorised or issued capital of the Company, all rights of the Option holder shall be reconstructed (as appropriate) in accordance with the ASX Listing Rules.]

10 ADDITIONAL INFORMATION

10.1 Continuous disclosure obligations

The Company is a 'disclosing entity' (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities. The New Shares which will be issued pursuant to this Prospectus are in the same class of Shares that have been quoted on the Official List during the 12 months prior to the issue of this Prospectus.

This Prospectus is a "transaction specific prospectus" to which the special content rules under section 713 of the Corporations Act apply. That provision allows the issue of a more concise prospectus in relation to an offer of securities in a class which has been continuously quoted by ASX in the three months prior to the date of the prospectus. In general terms "transaction specific prospectuses" are only required to contain information in relation to the effect of the issue of New Shares on the Company and the rights attaching to the New Shares. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the period from lodgement of the Company's annual financial statements of the Company for the financial year ended 30 June 2017 to the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

The Company confirms that, to the extent to which it is reasonable for investors and their professional advisers to expect to find the information in this Prospectus, there is no information

- (a) that has been excluded from a continuous disclosure notice in accordance with ASX Listing Rules; and
- (b) is information that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
 - (ii) the rights and liabilities attaching to New Shares.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial statements of the Company for the financial year ended 30 June 2017 being the last financial statements for a financial year, of the Company lodged with the ASIC before the issue of this Prospectus;

- (ii) any half-year financial report lodged with ASIC by the Company after the lodgement of that annual report and before the lodgement of this Prospectus; and
- (iii) any continuous disclosure notices given by the Company after the lodgement of the financial statements referred to in paragraph (i) and before the lodgement of this Prospectus with ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be obtained free of charge from the Company's registered office during normal office hours or from asx.com.au.

The Company has lodged the following announcements with ASX since its 2017 annual report was lodged with ASX on 18 October 2017:

Date	Description of Announcement
10/05/2018	Announcement and presentation
08/05/2018	Trading Halt Request
24/04/2018	Appendix 4C - quarterly
06/04/2018	Update on Progress of BIT225 Phase 2 HIV-1 Clinical Trial
23/02/2018	Half Yearly Report and Accounts
16/01/2018	Appendix 4C - quarterly
10/01/2018	Biotron Presents to Biotech Showcase 2018
08/12/2017	Appendix 3B
20/11/2017	Results of Meeting
20/11/2017	AGM Presentation
20/11/2017	Resignation of a Director
15/11/2017	Biotron Compounds Demonstrate Activity Against HBV
01/11/2017	\$1.6 Million R&D Tax Incentive Received
26/10/2017	Response to ASX Price Query

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours or from www.asx.com.au.

10.2 Directors' interests

As at the date of this Prospectus the Directors have a relevant interest in securities of the Company and remuneration as set out below.

	Remuneration (\$)	Shares	Options
Mr Michael Hoy	62,787	6,231,863	1,246,372
Dr Michelle Miller	273,750	762,500	5,512,500
Dr Susan Pond	33,486	436,197	87,239
Mr Robert Thomas	33,486	6,900,000	1,004,793

Notes:

- 1 The Chairman and non-executive Directors are entitled to annual directors' fees of \$75,344 and \$40,183 (inclusive of superannuation) respectively.

The Constitution provides that the Directors may be paid for their services as Directors. Non-executive directors may only be paid a sum not exceeding such fixed sum per annum as may be determined by the Company in general meeting, to be divided among the non-executive directors and in default of agreement then in equal shares.

The Company also pays premiums to insure all of the Directors against liabilities for costs and expenses incurred by them in defending legal proceedings arising from their conduct whilst acting in the capacity as a Director of the Company.

Other than as set out above or elsewhere in this Prospectus, no Director or proposed Director holds at the date of this Prospectus, or held at any time during the last 2 years before the date of lodgement of this Prospectus with ASIC, any interest in:

- (a) the formation or promotion of the Company; or
- (b) any property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Company or the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given:

- (d) to a Director or proposed Director or to any firm which any such Director is a partner, to induce him or her to become, or to qualify as, a Director; or
- (e) for services provided by a Director or proposed Director or to any firm which any such Director is a partner, in connection with the formation or promotion of the Company or the Offer.

10.3 Interests of promoters and named persons

Except as disclosed in this Prospectus, no expert, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, nor any firm in which any of those persons

is or was a partner nor any company in which any of those persons is or was associated with, has now, or has had, in the 2 year period ending on the date of this Prospectus, any interest in:

- (a) the formation or promotion of the Company; or
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
- (c) the Offer.

CPS Capital Group Pty Limited has acted as underwriter and lead manager to the Offer. The fees to be paid for this service are set out in section 8.4. CPS Capital Group Pty Limited has received approximately \$161,266 for services to the Company in the 2 years prior to the date of this Prospectus.

Atkinson Corporate Lawyers has acted as solicitor to the Offer. In respect of this work, the Company will pay approximately \$7,500 exclusive of GST. Subsequently fees will be paid in accordance with normal hourly rates. Atkinson Corporate Lawyers or its director has received approximately \$5,351 exclusive of GST for services to the Company in the 2 years prior to the date of this Prospectus.

10.4 Consents

Each of the persons referred to in this section:

- (a) has given and has not, before the date of lodgement of this Prospectus with ASIC withdrawn their written consent:
 - (i) to be named in the Prospectus in the form and context which it is named; and
 - (ii) where applicable, to the inclusion in this Prospectus of the statement(s) and/or reports (if any) by that person in the form and context in which it appears in this Prospectus;
- (b) has not caused or authorised the issue of this Prospectus;
- (c) has not made any statement in this Prospectus or any statement on which a statement in this Prospectus is based, other than specified below;
- (d) to the maximum extent permitted by law, expressly disclaims all liability in respect of, makes no representation regarding, and takes no responsibility for, any part of this Prospectus, other than the references to their name and the statement(s) and/or report(s) (if any) specified below and included in this Prospectus with the consent of that person.

Name	Role
CPS Capital Group Pty Limited	Underwriter
Atkinson Corporate Lawyers	Lawyer

10.5 Expenses of the Offer

The total expenses of the Offer are estimated to be up to \$154,770, consisting of the following:

Cost	\$
Legal fees	7,500
ASX and ASIC fees	9,270
Capital raising fees	115,000
Printing, postage and other expenses	23,000
Total	154,770

These expenses have or will be paid by the Company.

This assumes that the full subscription is raised and that the Underwriter does not place any Shortfall in excess of the Underwritten Amount.

10.6 Litigation

As at the date of this Prospectus, the Company is not involved in any other legal proceedings of a material nature and the Directors are not aware of any other legal proceedings pending or threatened against the Company.

11 DIRECTORS' RESPONSIBILITY AND CONSENT

Each Director has consented to the lodgement of this Prospectus with the ASIC and has not withdrawn that consent.

Dated: 10 May 2018


.....

Signed for and on behalf of Biotron Limited
By Michelle Miller
Managing Director

12 GLOSSARY

Where the following terms are used in this Prospectus they have the following meanings:

\$, A\$ or Dollars	Australian dollars unless otherwise stated.
Applicant	a person who submits a valid Entitlement and Acceptance Form pursuant to this Prospectus.
Application	a valid application made on an Entitlement and Acceptance Form to subscribe for New Shares pursuant to this Prospectus.
ASIC	the Australian Securities & Investments Commission.
ASX	ASX Limited ACN 008 624 691 and where the context permits the Australian Securities Exchange operated by ASX Limited.
Board	the board of Directors.
Business Day	Monday to Friday inclusive, except any day that ASX declares is not a business day.
Closing Date	the date set out in section 1.
Company or Biotron	Biotron Limited (ACN 086 399 144).
Constitution	the constitution of the Company.
Corporations Act	the Corporations Act 2001 (Cth).
Director	a director of the Company.
Eligible Shareholders	a Shareholder as at the Record Date with a registered address in Australia or New Zealand.
Entitlement or Right	a Shareholder's entitlement to subscribe for New Shares offered by this Prospectus.
Entitlement and Acceptance Form	the personalised entitlement and acceptance form attached to this Prospectus.
Ex Date	the date set out in section 1.
Existing Share	a Share issued as at 5.00pm (AEST) on the Record Date.
Full Subscription	approximately \$1.47 million before costs.
Ineligible Shareholder	a Shareholder who is not an Eligible Shareholder.

Listed Option	means an Option on the terms set out in section 9.2 and offered under this Prospectus.
Listing Rules	the listing rules of the ASX.
New Shares	Shares issued pursuant to this Prospectus.
Offer	an offer made under this Prospectus to subscribe for New Shares.
Official List	the official list of the ASX.
Opening Date	the date set out in section 1.
Option	an option to be issued a Share.
Prospectus	this Prospectus and includes the electronic prospectus.
Record Date	the date set out in section 1.
Share	a fully paid ordinary share in the Company.
Share Registry	the Company's share registry, Computershare Investor Services Pty Limited.
Shareholder	the registered holder of Shares in the Company.
Shortfall Offer	has the meaning given in section 8.6.
Shortfall Shares	New Shares for which valid Applications have not been received by the Closing Date.
Minimum Subscription	means \$800,000.
US person	has the meaning given to that term in Regulation S under the US Securities Act.
US Securities Act	the United States Securities Act of 1933, as amended.
AEST	Australian Eastern Standard Time

13 PRO FORMA STATEMENT OF FINANCIAL POSITION

	31 March 2018 (unaudited)	Pro forma Adjustments (Underwritten amount)	31 March 2018 Pro forma (Underwritten amount)	Pro forma Adjustments (Full subscription)	31 March 2018 Pro forma (Full subscription)
	\$	\$	\$	\$	\$
Current Assets					
Cash and cash equivalents	672,378	647,257	1,319,635	1,316,410	1,988,788
Other assets	87,372	-	87,372	-	87,372
Total Current Assets	759,750	647,257	1,407,007	1,316,410	2,076,160
Non-Current Assets					
Property, plant and equipment	20,856	-	20,856	-	20,856
Total Non-Current Assets	20,856	-	20,856	-	20,856
Total Assets	780,606	647,257	1,427,863	1,316,410	2,097,016
Current Liabilities					
Trade and Other Payables	45,525	-	45,525	-	45,525
Employee entitlements	237,223	-	237,223	-	237,223
Total Liabilities	282,748	-	282,748	-	282,748
Net Assets	497,858	647,257	1,145,115	1,316,410	1,814,268
Equity					
Issued Capital	40,326,281	647,257	40,973,538	1,316,410	41,642,691
Reserves	288,514	-	288,514	-	288,514
Accumulated Losses	(40,116,937)	-	(40,116,937)	-	(40,116,937)
Total Equity	497,858	647,257	1,145,115	1,316,410	1,814,268

For all enquiries:

Phone:
 the Company Secretary (02) 9300 3344

Web:
 www.investorcentre.com/contact

BIT
MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Make your payment:

 See overleaf for details of the Offer and how to make your payment

Renounceable Rights Issue — Entitlement and Acceptance Form

 **Your payment must be received by 5:00pm (AEST) on Wednesday, 6 June 2018**

This is an important document that requires your immediate attention. It can only be used in relation to the shareholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

ASX will quote a market for rights between 15 May 2018 and 30 May 2018. Please refer to the Prospectus for details on how to renounce your rights.

Step 1: Registration Name & Offer Details

Details of the shareholding and entitlements for this Offer are shown overleaf.

Please check the details provided and update your address via www.investorcentre.com if any of the details are incorrect.

If you have a CHESS sponsored holding, please contact your Controlling Participant to notify a change of address.

Step 2: Make Your Payment

You can apply to accept either all or part of your Entitlement. If you take up your full Entitlement, you may also apply for Additional New Shares. Enter the number of New Shares you wish to apply for and the amount of payment for those New Shares.

By making your payment you confirm that you agree to all of the terms and conditions as detailed in the Prospectus dated 10 May 2018.

Choose one of the payment methods shown below.

BPAY®: See overleaf. Do not return the payment slip with BPAY payment.

By Mail: Complete the reverse side of the payment slip and detach and return with your payment. Make your cheque, bank draft or money order payable in Australian dollars to **"Biotron Limited"** and cross **"Not Negotiable"**. The cheque must be drawn from an Australian bank. Cash is not accepted.

Payment will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques received may not be re-presented and may result in your Application being rejected. Paperclip (do not staple) your cheque(s) to the payment slip. Receipts will not be forwarded. Funds cannot be debited directly from your account.

Entering your contact details is not compulsory, but will assist us if we need to contact you.

Turn over for details of the Offer →

Sale of your Entitlement rights in full by your Stockbroker/ Agent

If you wish to sell your rights entitlement in full, you should instruct your Stockbroker personally and provide details as requested, which appear overleaf.

DO NOT forward your requests for sale to Computershare Investor Services Pty Limited.

Disposal of your Entitlement rights held on the Issuer sponsored sub-register

A Standard Renunciation Form must be used for an off market transfer of Entitlement rights. These forms may be obtained from your Stockbroker or Computershare Investor Services Pty Limited.

Sale of your Entitlement rights in part by your Stockbroker/ Agent and take up the balance

If you wish to sell part of your Entitlement rights and take up the balance you should:

- Instruct your Stockbroker personally and provide details as requested, which appear overleaf, **AND**
- Send the payment slip to Computershare Investor Services Pty Limited with your cheque, bank draft or money order payment **OR** make payment using BPAY, in order to take up the balance of your Entitlement rights.

Entitlement and Acceptance Form with Additional New Shares

X 9999999991 I ND

STEP 1 Registration Name & Offer Details

Registration Name: MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

For your security keep your SRN/
HIN confidential.

Entitlement No: 12345678

Offer Details: Existing shares entitled to participate as at
7:00pm (AEST) on Wednesday, 16 May 2018:

Entitlement to New Shares
on a 1 for 4 basis:

Amount payable on full acceptance
at \$0.015 per New Share:

4,000
1,000
\$15.00

STEP 2 Make Your Payment

Bill Code:
Ref No:

Contact your financial institution to make your
payment from your cheque or savings account.

Pay by Mail:
Make your cheque, bank draft or money order payable to
"Biotron Limited" and cross "Not Negotiable".
Return your cheque with the below payment slip to:
Computershare Investor Services Pty Limited
GPO BOX 505 Melbourne Victoria 3001 Australia

Lodgement of Acceptance
If you are applying for New Shares and your payment is being made by BPAY, you do not need to return the payment slip below. Your payment must be received by no later than 5:00pm (AEST) on Wednesday, 6 June 2018. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. Neither Computershare Investor Services Pty Limited (CIS) nor Biotron Limited accepts any responsibility for loss incurred through incorrectly completed BPAY payments. It is the responsibility of the applicant to ensure that funds submitted through BPAY are received by this time.
If you are paying by cheque, bank draft or money order the payment slip below must be received by CIS by no later than 5:00pm (AEST) on Wednesday, 6 June 2018. You should allow sufficient time for this to occur. A reply paid envelope is enclosed for shareholders in Australia. Other Eligible Shareholders will need to affix the appropriate postage. Return the payment slip below with cheque attached. Neither CIS nor Biotron Limited accepts any responsibility if you lodge the payment slip below at any other address or by any other means.

Privacy Notice
The personal information you provide on this form is collected by Computershare Investor Services Pty Limited (CIS), as registrar for the securities issuers (the issuer), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided above or emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at <http://www.computershare.com/au>.

Detach here

Biotron Limited Acceptance Payment Details

Entitlement taken up:

Number of Additional New
Shares applied for:

Amount enclosed at \$0.015 per
New Share: A\$



Entitlement No: 12345678

MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Payment must be received by 5:00pm (AEST) on Wednesday, 6 June 2018

Contact Details

Contact Name Daytime Telephone

Cheque Details

Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
				A\$