

For Immediate release

French Government Confirms Relenza Stockpile of 9 million units

Melbourne Australia—Friday 11 November.

Biota reported today that the French government has announced that it intends to increase its pandemic stockpile of Relenza from 200,000 units to 9 million units over the next two years¹.

Relenza normally sells for between \$25 and \$30 per unit in France, but no details are available of the pricing or supply terms for the new orders. Biota is seeking to confirm the order terms with GSK. The 9 million units ordered by France represent three times the cumulative global sales of Relenza since the product's first launch in 1999 through to 30 June 2005. The French order is also significantly larger than the recent German Government order for 1.7 million units announced in August this year. Biota receives a 7% royalty on Relenza sales.

GSK has announced that it is now rapidly ramping up Relenza production to keep up with what have been recently described by GSK CEO, Dr JP Garnier, as 'overwhelming' orders for Relenza. According to statements made by Dr Garnier in a recent earnings review interview², the company is dramatically expanding its production of Relenza to keep up with demand. He said:

"... we just can't produce enough units [of Relenza] no matter what we do. But we are greatly expanding our internal capacity and we have opened new plants for Relenza in the last six months in different continents." In addition he stated: "... the ramp up of our [Relenza] production is going to really have a major effect next year and even more the year after, but we start from a very low base in 2005."

Recently, there have been several media reports of other Relenza stockpiling orders by various countries, including the US, Canada, and certain European countries, but these orders remain unconfirmed or unquantified. Biota is seeking details of all Relenza orders and production plans from GSK.

Litigation update

Biota's litigation against GSK for failing to properly support Relenza continues, and on 9/10 November, a scheduled mediation between the parties concluded without a settlement being reached. A further court hearing is scheduled for 18 November. According to Biota, its case against GSK has been bolstered by current events.

Company:

Damian Lismore
Biota Holdings Limited
T: (03) 9915 3721

Media Enquiries:

Tim Duncan
Hinton & Associates
T: (03) 9600 1979 M: 0408 441 122

¹ www.premier-ministre.gouv.fr/en/information/special_reports_98/avian_influenza_prevention_protection_537/the_government_prevention_plan_54307.html

² Thompson Street Events; GSK - Q3 2005. GlaxoSmithKline Earnings Conference Call, Oct. 27. 2005 / 9:45AM ET. Final transcript