

For Immediate Release

US Health Department orders 1.75 million additional courses of Relenza

Melbourne Australia—Thursday 2 March 2006.

Biota Holdings Limited (ASX:BTA) today advise that the United States Department of Health and Human Services (HHS) has ordered 1.75 million courses of anti-viral drug zanamivir (Relenza®) from GlaxoSmithKline, based on the following announcement from the HHS Secretary, Mike Leavitt.

The News Release dated 1 March 2006 is as follows:

"HHS Buys Additional Antiviral Medication As Preparations for Potential Influenza Pandemic Continue

HHS Secretary Mike Leavitt today announced the purchase of additional antiviral drugs that could be used in the event of a potential influenza pandemic. The department has ordered 1.75 million treatment courses of antiviral drug zanamivir (Relenza®) from GlaxoSmithKline and 12.4 million treatment courses of oseltamivir phosphate (Tamiflu®) from Roche. These drugs will be added to the already purchased 5.5 million treatment courses of antiviral drugs for the Strategic National Stockpile and be provided to the states when an influenza pandemic is deemed to be imminent.

"Having a stockpile of antiviral drugs is an important part of our pandemic influenza preparedness plan," Secretary Leavitt said. "These purchases are a continuation of our aggressive multi-pronged approach to a potentially critical public health challenge."

The HHS Pandemic Plan calls for the department, in concert with the Congress and in collaboration with the states, to ultimately acquire sufficient quantities of antiviral drugs to treat 25 percent of the U.S. population. An added goal of these purchases is to stimulate development of expanded domestic production capacity sufficient to accommodate subsequent needs through normal commercial transactions.

Today's acquisition announcement builds on the Administration's overall planning to increase pandemic preparedness. President Bush has outlined a coordinated government strategy that includes the establishing the new International Partnership on Avian and Pandemic Influenza, stockpiling antiviral medications, enhancing domestic capacity to develop and manufacture influenza vaccines and dose-sparing technology, expanding early-warning systems domestically and abroad and new funding and initiatives for local and state level preparedness.

In December 2005, Secretary Leavitt met with senior officials from all 50 states and launched a series of preparedness summits to be held in every state over the next several months with the goal of enhancing state and local preparedness. To date, pandemic preparedness summits have been held in 18 states including Alabama, Arizona, Connecticut, Delaware, Florida, Georgia, Kentucky, Iowa, Maryland, Massachusetts, Minnesota, Missouri, Nebraska, Nevada, Ohio, Rhode Island, Vermont and West Virginia.

More information on pandemic preparedness is available at www.pandemicflu.gov."

Investor / Analyst Enquiries

Peter Cook: T: + 61 3 9915 3720
Damian Lismore: T: 61 3 9915 3721

Media Enquiries

Tim Duncan / Nerida Mossop
Hinton & Associates
T: +61 3 9600 1979