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Quarterly Royalties from Relenza grow to \$7.3m

Biota Holdings (ASX:BTA) today announced that it had received written notification from GlaxoSmithKline (GSK) on the worldwide sales and indicative royalties of Relenza during the three months ended 31 December 2006, as follows:

	A\$m
Sales	89.1
Indicative royalties	7.3

This compares to the previous quarter sales and indicative royalties during the three months ended 30 September 2006 of:

	A\$m
Sales	72.3
Indicative royalties	5.3

Biota CEO, Peter Cook commented, "*Relenza is beginning to reclaim its rightful status as a remarkable Australian drug discovery success. As indicated by GSK's latest quarterly sales figures, the sales of Relenza continue to grow. Biota will report \$12.6m in royalty income in its Half Year report due for release on 21 February 2007, compared to \$0.7m in the corresponding period in 2005*".

About Biota

Biota is a leading antiviral drug development company based in Melbourne, with key expertise in respiratory diseases, particularly influenza. Biota developed the first-in-class neuraminidase inhibitor, zanamivir, subsequently marketed by GlaxoSmithKline (GSK) as Relenza. Relenza is currently being stockpiled by a number of national governments as a defense against a threatened influenza pandemic. Biota receives royalties from sales of Relenza.

Biota research breakthroughs have included a series of candidate drugs aimed at Respiratory Syncytial Virus (RSV) or bronchiolitis, licensed to MedImmune Inc. and novel nucleoside analogues designed to treat hepatitis C virus (HCV) infections, licensed to Boehringer Ingelheim International GbmH. Biota has clinical trials underway with its lead compound for Human Rhinovirus (HRV) infections in patients with compromised respiration or immune systems. In addition, Biota has key partnerships with Sankyo; for the development of second generation influenza antivirals (called LANI or Long Acting Neuraminidase Inhibitors) and with Inverness Medical (Thermo Electron); Biota developed the FLU OIA[®] influenza diagnostics, marketed in the US.

[™]Relenza is a registered trademark of the GlaxoSmithKline group of companies.

[®]FLU OIA & FLU OIA A/B are registered trademarks of Thermo Electron Corporation.

*Further information available at www.biota.com.au.

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