

Biota Holdings Limited

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Relenza Q1 Royalty delivers \$4.5m

Biota Holdings (ASX:BTA) today announced that it had received written notification from GlaxoSmithKline (GSK) that indicative royalties for Relenza were \$4.5m during the three months ended 30 September 2007. GSK reported sales of Relenza of £28m, down 7% on the comparable quarter last year.

Biota CEO, Peter Cook commented, *"The Q1 figures are consistent with Biota's expectation that GSK will sell its installed capacity over the year. These are the summer quarter sales in the northern hemisphere and are typically the lowest of the year"*.

Biota also confirmed that from this quarter, it will retain the full royalty and is no longer obliged to pass on any payment to third parties.

About Biota

Biota is a leading anti-infective drug development company based in Melbourne Australia, with key expertise in respiratory diseases, particularly influenza. Biota developed the first-in-class neuraminidase inhibitor, zanamivir, subsequently marketed by GlaxoSmithKline as Relenza.

Biota research breakthroughs have included a series of candidate drugs aimed at treatment of respiratory syncytial virus (RSV) disease, licensed to MedImmune Inc. and novel nucleoside analogues designed to treat hepatitis C virus (HCV) infections, licensed to Boehringer Ingelheim. Biota has clinical trials underway with its lead compound for human rhinovirus (HRV) infection in patients with compromised respiration or immune systems. In addition, Biota has key partnerships with Daiichi-Sankyo for the development of second generation influenza antivirals and with Inverness Medical to market Biota developed OIA FLU influenza diagnostics.

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

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

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