

For Immediate Release

Melbourne, Australia — 24 July 2008

Quarterly Royalties from Relenza

Biota Holdings (ASX:BTA) today announced that it had received written notification from GlaxoSmithKline (GSK) that indicative royalties from Relenza were \$0.4m during the three months ended 30 June 2008, on sales of \$6.2m.

Indicative royalties and sales advised by GSK, by quarter is summarised below:

	Q1	Q2	Q3	Q4	Total
Indicative royalties \$m	4.5	12.0	4.4	0.4	21.3
Indicative sales \$m	63.9	171.4	62.5	6.2	304.4

Biota will report full year royalties from Relenza of \$20.5m, reconciled as follows:

	\$m
Indicative royalties per above	21.3
Adjustment in respect of an overpayment by GSK in 2007	(0.2)
Adjustment by GSK on payment, due to a difference between actual royalties and indicative royalties previously advised	(0.6)
Actual royalties reported	20.5

Biota CEO, Peter Cook said "*Whilst the royalty is low, it reflects the off season in the Northern hemisphere. Biota and GSK recently concluded their litigation and we look forward to the normalisation of our relationship and developing the Relenza franchise.*"

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 a key partnership with Daiichi-Sankyo for the development of second generation influenza antivirals. Inverness Medical markets Biota's co-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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