

5 June 2025

To the shareholders of Biotron Ltd

By Email

Dear fellow shareholders

Re: Biotron Ltd – where to from here?

I thank all of you who responded to my previous letter. This letter is being sent to all shareholders with email addresses recorded in the share register, whether you responded to my previous letter or not.

Shareholder replies

I received a large number of replies to my letter, in fact, there are too many for me to reply to each of you individually, for which I apologise. Virtually all of the responses shared the concerns expressed in my letter, and agreed that something needs to be done.

Costs and expenses

Some of you expressed concern about whether the steps I am trying to take will involve expenditure. The answer is no. I am providing my time at no charge, and I am personally paying small expenses such as ASIC search fees. I refer below to Peter Scott, and I confirm that Peter, is also charging nothing for his efforts to sort out Biotron's issues.

Webinar

On Tuesday 27 May, a webinar was conducted at which the directors, Michael Hoy and Michelle Miller spoke, presumably in response to my letter. The webinar was announced to the ASX, however, it appears that no other attempt was made to inform shareholders. I found out about it at the last minute. This raises obvious concerns.

Very little new information was revealed. We were told that the company has monthly expenditure of around \$125,000, though this amount varies. A written question from a shareholder asked how this figure was made up. Michelle Miller was about to answer that question, when Michael Hoy told her not to.

We were told that the company has enough money to survive "into 2026", and that there are no current plans for a further capital raising. Michael Hoy stated that, "We remain optimistic". It is difficult to understand why he would be optimistic when the company is

heading towards running out of money in the next few months, and there are no current arrangements for sourcing further funds, or for cutting expenditure.

The attitude of Michael Hoy and Michelle Miller, as illustrated at the webinar, shows that nothing will change and no information will come forth as to negotiations, so long as they are running the company. At no stage have they shown a sense of urgency about the lack of progress in commercialising the company's work, or about the company running out of money.

I have been speaking to Peter Scott, founding chair and managing director of the company leading up to the company being listed. Peter and I were involved in the establishment of the company, when I did the preliminary legal work, and Peter promoted the concept of commercialising the research of the John Curtin School of Medical Research. Peter remained as a director of the company until 2010, when he resigned over frustration at the company spending money and going nowhere.

Based on my discussions with Peter, and on the emails I have received from other shareholders, we have come up with the following suggestions.

Shareholder Advisory Committee

There should be a committee made up of Peter Scott, myself and three other members, representing the interests of the shareholders. We wish to hear from any shareholders who wish to be appointed to that committee. If more than three people nominate, those with the highest number of shares will be chosen.

Extraordinary general meeting

The Shareholder Advisory Committee will have no formal legal status, so no legal steps are required for its formation. However, to appoint the new directors, we need an extraordinary general meeting to be called by shareholders holding at least 5% of the shares. At that meeting, we need resolutions passed by a simple majority, based on the shareholding of those attending the meeting in person or by proxy.

Directors

It is suggested that Michael Hoy should be removed as chairman and a director, as he appears to oppose any real change for this company. There is also a concern about his role as chairman of Lipotek, an unlisted company also working with a scientist at the John Curtin School of Medical Research. The Lipotek website describes itself as "a developer of targeted vaccine delivery and adjuvant technologies".

To force the necessary changes at board level, we need to appoint directors who will hold a majority at directors' meetings. It is suggested that this should be Peter Scott and two other shareholders. Again, we wish to hear from those who wish to be appointed, with the shareholders holding the largest number of shares being chosen, if more than two shareholders nominate.

Of course, the current directors and their associates will not be included amongst the additional directors or committee members.

Once we have new directors appointed, they will have a legal entitlement to all of the records of the company, and can report on what is happening. They can also review the monthly expenditure and all other aspects of the company's operations, to try to determine how the company can survive.

Website

Below is a link to a simple website I have built. Please click on the link, to express your opinions, to call the EGM and to nominate as a director or committee member.

https://somervillelegal.formstack.com/forms/biotron_shareholders

Class-action

Several of your responses raised the issue of launching a class-action. However, I suggest that we channel all our energy to trying to save the company, at this stage.

Kind regards

A handwritten signature in black ink, appearing to read 'T. Somerville', with a stylized flourish at the end.

Tim Somerville

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