

**BENITEC GRANTS ddRNAi LICENSE TO ARTEMIS PHARMACEUTICALS
GmbH, COLOGNE FOR COMMERCIAL DEVELOPMENT OF
TRANSGENICS**

28th October 2004

Benitec (ASX:BLT) today announced that **Artemis Pharmaceuticals GmbH, Cologne**, has been granted a world-wide non-exclusive commercial license to use Benitec's proprietary ddRNAi technology in Artemis' transgenic mouse and rat model development business. Artemis currently provides its customers with highly advanced mouse models that can be used both in basic research and in various stages of the drug discovery process. In addition, Artemis is developing methods to genetically modify rats. The license from Benitec is for the life of its ddRNAi patent estate. Benitec will receive an up-front license fee and on-going royalties. Further financial details were not disclosed.

Artemis has developed the ArteMice™ platform, an exceptionally efficient, rapid and powerful technology basis to produce rodent models highly relevant in drug discovery. Benitec's ddRNAi, increases the power of the ArteMice™ platform, providing a rapid and efficient way to knock down gene expression in all tissues of the mouse in vivo.

Dr. Paul Rounding, Managing Director for Business Development at Artemis, stated "We are very pleased to have completed this license, which now enables us to offer in vivo ddRNAi-based gene knock down to our customers as part of the ArteMice™ platform. This is part of our continuing strategy to further develop the ArteMice™ tool box into the most powerful platform currently available for modification of gene expression in rodents"

John McKinley, Chairman and CEO of Benitec, commented "We are impressed with Artemis's technical capability in the area of transgenics and their increasing profile customer list for their services. This is our first European license and underpins the increased awareness of the commercial capability offered by our technology."

This brings to 6 the number of licenses Benitec has announced year to date, generating in excess of \$A1million in revenue and in line with the company's target of a minimum \$A3 million licensing revenue for the current financial year to 30th June 2005. All of these licenses will also generate on-going royalty revenue over the life of Benitec's patents.

Benitec expects to announce further licenses over the coming months as part of its licensing strategy to facilitate the widest research usage of its proprietary technology with research institutes and with leading commercial organisations around the world.

About Artemis:


Artemis Pharmaceuticals was founded in 1998 and is a wholly owned subsidiary of Exelixis Inc., South San Francisco, CA, USA. Artemis uses mice as an in vivo genetic model for use at various stages of the drug discovery process. Mouse models produced by

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the ArteMice™ platform are being used to provide highly relevant in vivo-related data on gene target function, compound efficacy and on/off target-related side effects; this data contributes in a positive way to reducing attrition in drug research. Artemis cooperates with Merck, Inc., Sanofi-Aventis, Bayer AG, Boehringer Ingelheim, Biovitrum AB, Evotec Neurosciences, Regeneron Pharmaceuticals, Acceleron Pharma, Exelixis, the German Cancer Research Center (DKFZ), and others. For further information on Artemis, visit the website at: <http://www.artemispharma.de>

Benitec's patent estate

Benitec pioneered the development of DNA directed RNAi (ddRNAi) and in partnership with the CSIRO of Australia, has the earliest priority date for its patents, owning the only issued patents covering ddRNAi. It has currently 10 issued patents (covering USA, Canada, UK (2), Australia (2), New Zealand, Singapore, South Africa and Hong Kong) and over 60 patent applications filed in 19 jurisdictions. Benitec exclusively owns the global rights to the human applications of this important technology. In addition, Benitec is the only RNAi Company to practice and hold intellectual property (IP) rights over both ddRNAi and siRNA, being both filed and issued patents and in-licensed IP from leading research institutes.

About Benitec

Benitec is an international biotechnology company focused on developing therapeutics to treat serious diseases using its proprietary RNAi technology. It is listed on the Australian Stock Exchange and has its clinical operations centred in Mountain View, California. Its lead therapeutic programs are Hepatitis C, HIV and cancers.

This press release contains forward-looking statements that reflect the Company's current expectation regarding future events. Forward-looking statements involve risks and uncertainties. Actual events could differ materially from those projected herein and depend on a number of factors including the success of the Company's research strategy, the applicability of the discoveries made therein, the successful and timely completion of clinical studies and the uncertainties related to the regulatory process.

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