

Benitec receives new investment support

17th October 2006, Melbourne, Australia: Benitec Limited (ASX:BLT) has secured a \$1 million unsecured loan from a sophisticated Australian investor. The investor Dr Chris Bremner will provide 3 installments over 12 months and the first installment of \$350,000 was received overnight.

The Board has agreed to allow Dr Bremner to convert the loan into shares, to take a placement of stock and to underwrite a rights issue to raise additional capital for the company. Shareholders will need to approve these transactions and a prospectus is being prepared for approval at a shareholder meeting in the next few months.

Dr Bremner is already a shareholder of Benitec and supports moving operations back to Australia and the new low cost model of co-investment and out licensing.

“Benitec has exclusive commercialisation rights for all human applications to a substantial and significant RNAi gene silencing intellectual property portfolio of over 60 patents and patent applications. The company has good revenue potential via co-investment and out-licensing its ddRNAi assets,” said Dr Bremner.

“The new team has done an excellent job of restructuring the business and is working towards rebuilding shareholder value,” he added.

“Dr Bremner has a strong understanding of the potential commercial value of Benitec’s ddRNAi assets. His support is very welcome” said Sue MacLeman, CEO of Benitec.

“This support is also the result of the reinvigoration of Benitec. Over the past few months Benitec has cultivated a closer relationship with CSIRO, signed an important licensing deal with US-based Tacere, received an investment from Promega Inc. and closed its US office,” she added.

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About Benitec

Benitec is an Australian biotechnology company focused on licensing its extensive intellectual property portfolio and developing therapeutics to treat serious diseases using its proprietary RNAi technology. Its therapeutic program is for the Human Immunodeficiency Virus (HIV). Benitec's RNA-based HIV therapeutic, co-developed with the Center for Biomedicine & Genetics at the City of Hope in Los Angeles, California, will enter Phase I clinical trials in 2006. For additional information, please visit www.benitec.com.

Forward-looking Statements

This press release contains forward-looking statements that reflect the Companies' current expectations 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 Companies' 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.