

NEWS

BENITEC AND THE GARVAN INSTITUTE TO DEVELOP NOVEL DRUGS FOR DIABETES AND OBESITY USING GARVAN'S BREAKTHROUGH "HOT MOUSE" TECHNOLOGY

3 February 2005

Mountain View, California - Benitec Ltd. (ASX: BLT) announced today the execution of an exclusive license agreement with the Garvan Institute of Medical Research in Sydney, Australia. Under the terms of the license agreement, Benitec has exclusive rights to develop RNA interference-based drugs for diabetes, obesity, and related disorders. Benitec and the Garvan Institute have also entered into discussions for a new research collaboration for the development of novel drugs for these serious diseases. Both the licensed intellectual property and the proposed research collaboration focus on the c-Cbl gene (pronounced "c-cybil") as a drug target for diabetes and obesity. The Garvan Institute recently made international headlines with news of the amazing "hot mouse", a genetically modified mouse that completely lacks the c-Cbl gene. These hot mice eat an extra meal every day but burn more fat, build more muscle, and are more resistant to Type II diabetes than their c-Cbl positive counterparts.

Sara M. Cunningham, Chief Executive Officer of Benitec, said, "The license and proposed research collaboration allow Benitec and the Garvan to further develop and commercialize the results obtained from these leading-edge studies, which are the result of an earlier collaboration between Benitec and Garvan." The phenotype of the c-Cbl knockout mouse, which the Garvan has reproduced in a cell model using Benitec's ddRNAi technology, is truly astounding and we anticipate that further characterization of the c-Cbl pathway will lead to breakthrough therapies for diabetes and obesity."

David James, Professor at the Garvan who led the discovery and will direct the proposed collaboration, commented, "The hot mouse provides a model for investigating therapies that will help us fight the current obesity epidemic. The unique aspect of this project is that we will focus on developing therapies that turn food into heat (energy) instead of storing it as fat. These c-Cbl knockout mice have lived normally for 2 years (the equivalent of old age in humans) and continue to display the glucose tolerance of young mice."

"In addition to our clinical co-development with City of Hope, the Garvan license further strengthens our pipeline, focusing primarily on clinical indications for which RNAi therapeutics are uniquely suited. Infectious diseases such as HIV and HCV and disorders involving multiple genes such as obesity and diabetes are more readily addressed by the multi-target capability of RNAi," remarked Ms. Cunningham.

About The Garvan


The Garvan Institute of Medical Research is one of Australia's largest medical research institutions with a critical mass of over 300 leading senior scientists, students and support staff. Garvan is a member of the St Vincent's and Mater Health Campus and affiliated with the University of New South Wales. Garvan's molecular, clinical and translational programs focus

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on the genetic basis of disease including: diabetes, obesity, osteoporosis, neurobiology, arthritis and cancer. Garvan has collaborative partnerships with both academia and industry in the US and Australia, technology licenses with pharmaceutical companies in Europe, US and Japan, and funding from a range of prestigious sources including the Australian National Health and Medical Research Council, USA National Institutes of Health, US Army, Juvenile Diabetes Foundation and the Wellcome Trust.

About Benitec

Benitec is an international biotechnology company focused on developing therapeutics to treat serious diseases using its proprietary RNAi technology. Benitec (ASX: BLT) is listed on the Australian Stock Exchange and has its clinical operations centered in the heart of Silicon Valley in Mountain View, California, USA. Its lead therapeutic programs are designed to create novel RNAi-based therapies for the Hepatitis C Virus (HCV) and 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.

Benitec Forward-looking Statements

This press release contains forward-looking statements that reflect the Company's 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 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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