

Benitec Limited

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- Publicly listed biotech company (ASX: BLT) founded in 1997
 - Current market cap of \$79m – 73.6m shares on issue
 - Headquartered in Brisbane, Queensland
- Specialize in R&D based on gene silencing with an aim to:
 - Discover and validate new drug targets
 - Develop new drugs and therapeutics
 - Exploit its IP dominance and technical advantage
- Strong patent position
 - 7 issued patents, including US, UK and Australia.
 - No opposition to position in ddRNAi– commercialization rights to ddRNAi in human field
 - Position supported by Commonwealth Scientific and Industrial Research Organization, Australia (CSIRO) as co-owner of core ddRNAi technology

Management Team

John McKinley

Executive Chairman & CEO

15 years Biotech experience in European public and private biotech companies, as Director and CEO; formerly UK solicitor specializing in Company and IP law

Prof. Ken Reed

Director, Research & Technology

30 years Biotech experience; formerly Director of DPI Biotech Centre; Deputy Chair, Australian Biotech Advisory Council

Dr. John Rossi

SAB Chairman

Chair, Division of Molecular Biology, City of Hope Univ. Hospital, Los Angeles; Specialist in HIV and Leukaemia; RNAi pioneer and world-renowned expert

Dr. Michael Graham

Principal Research Scientist

Principal inventor of Benitec's gene silencing technology; 20 years in Biotech

Business Description - Highlights

COMPETITIVE ADVANTAGES

- Innovative and proven platform technology in human/animal cells
- Platform technology recognized as 3rd biotech revolution
- Dominant intellectual property – over 50 patents: 7 granted, pending in 17 jurisdictions
- Internationally recognized IP leadership with patent protection
- Large and growing market demand
- Strategic partnerships with key players

INTELLECTUAL PROPERTY

- Priority filing for ddRNAi patents in March 1998
- 5 patents granted in USA, UK, Australia, Singapore, S Africa
- Advanced stage of examination in 14 other jurisdictions
- Over 50 patents in Benitec's portfolio, including core co-ownership with CSIRO
- Human field R&D and commercialisation market positioning:

Potential Intellectual Property	Non Mammals	Mammals and Human
Non DNA based	Others	Benitec and others
DNA based	CSIRO	Benitec (dominant)

- A powerful new method for discovering and developing drugs based on targeted gene silencing
- Disease results from aberrant proteins, encoded by abnormal gene variants
- RNAi is a natural cellular mechanism that selectively negates gene expression
 - Improper protein synthesis is interrupted

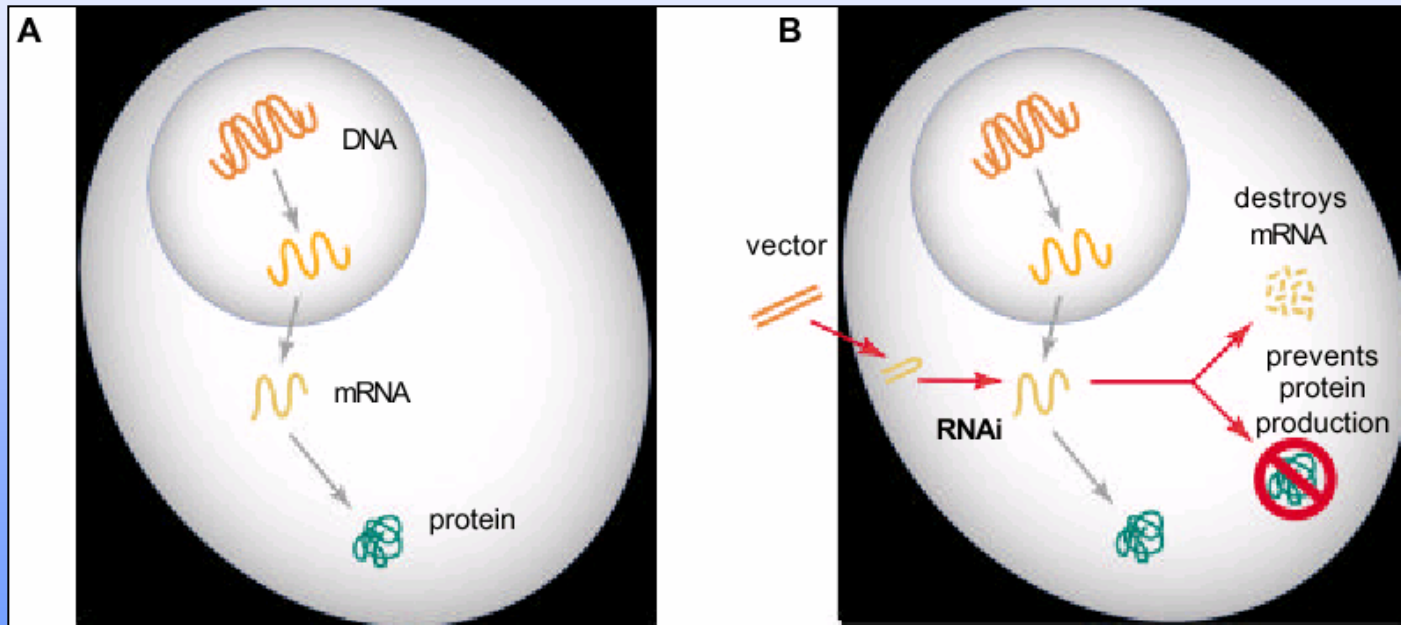
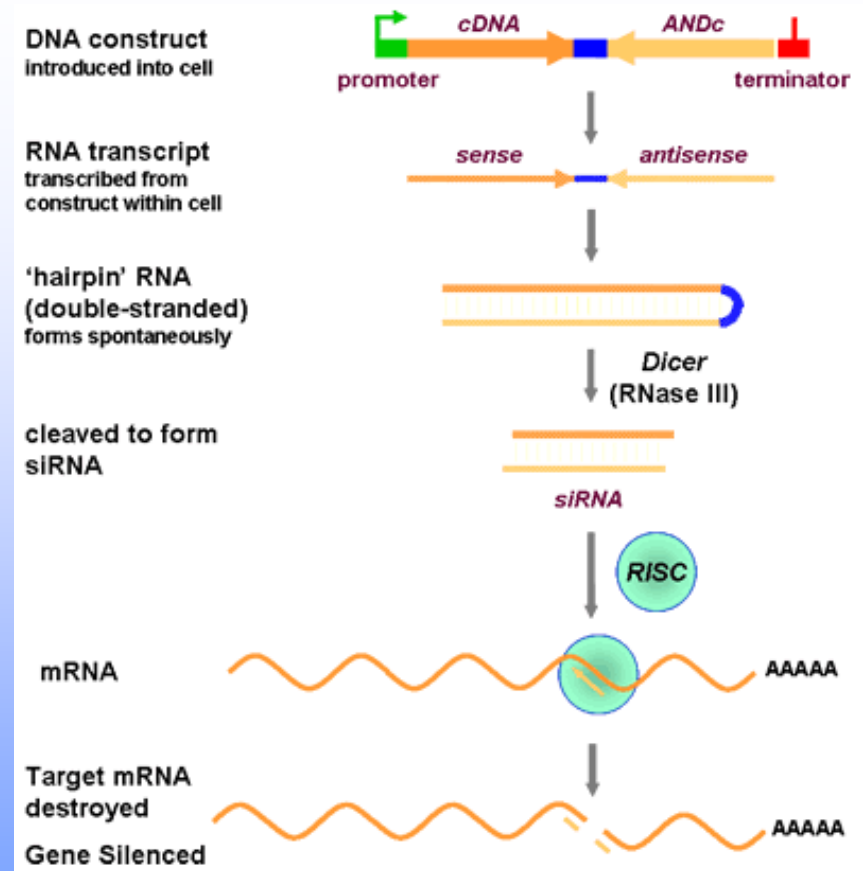


Figure: (A) Normal progression from DNA to mRNA to protein. (B) RNAi destruction of mRNA and prevention of protein production. Benitec utilises vectors (plasmid or viral) to introduce DNA that induces RNAi.

Technology – DNA-directed RNAi

- Specific destruction of messenger RNA (mRNA) by RNA interference (RNAi), triggered by DNA constructs
- Benitec pioneered DNA-directed RNAi (ddRNAi) and patented the technology in 1998
 - DNA construct inserted into cell, which produces double stranded RNA (dsRNA)
 - siRNA is produced from dsRNA as part of the RNAi process
 - siRNA destroys target mRNA and silences the target gene



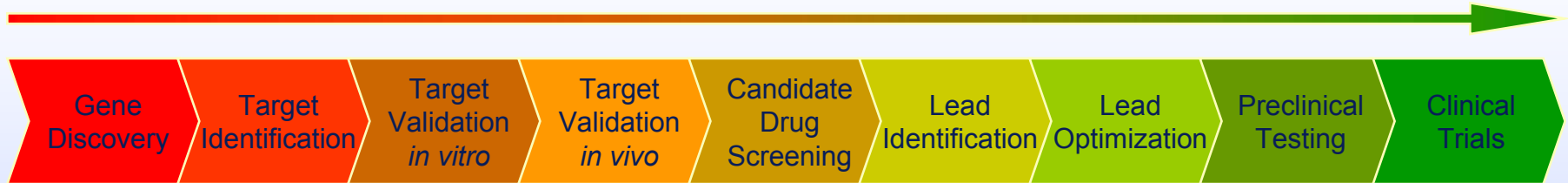
Technology – RNAi Advantage

siRNAi	ddRNAi	Advantages to ddRNAi
RNA-based	DNA - based	<ul style="list-style-type: none"> • INCREASED STABILITY <ul style="list-style-type: none"> – Ease of handling • COST SAVINGS <ul style="list-style-type: none"> – High throughout screening possible – expensive modifications unnecessary
<ul style="list-style-type: none"> • Short dsRNA only 	<ul style="list-style-type: none"> • Variable length dsRNA 	<ul style="list-style-type: none"> • INCREASED APPLICABILITY <ul style="list-style-type: none"> – several genes can be targeted for silencing
<ul style="list-style-type: none"> • Transient • Systemic • Dose dependent • No promotor control 	<ul style="list-style-type: none"> • Transient or stable • Systemic or transgenic • Catalytic production 	<ul style="list-style-type: none"> • FLEXIBILITY <ul style="list-style-type: none"> – Choice of delivery vehicles – Can be tissue specific – Reversible and modifiable gene silencing • EFFICIENT DELIVERY
<ul style="list-style-type: none"> • Interferon (stress) response 	<ul style="list-style-type: none"> • No interferon (stress) response 	<ul style="list-style-type: none"> • GREATLY REDUCED STRESS RESPONSE

Technology – Reduced Pipeline

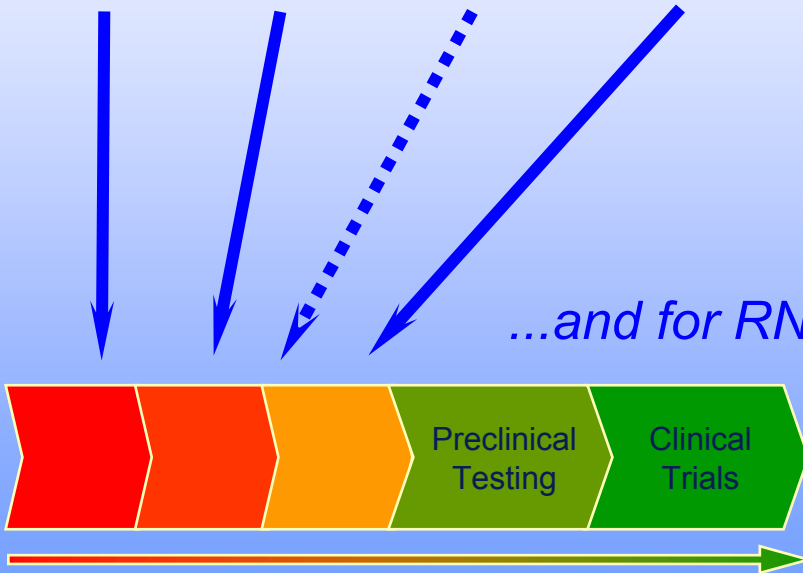
The current path to traditional drug development...

approx. 8–10 years



Benitec's technology provides efficient, controllable, high throughput capacity for precision, speed and economy

...and for RNAi drugs, the validating agent IS the drug



approx. 4–5 years

BUSINESS MODEL

- Earlier revenue streams from discovery tools balanced against the higher risk and reward of commercial therapeutics
 - Will support clinical program through to advanced trial status
 - Reduced fundraising amounts during the development of commercial therapeutics

DRUGS AND THERAPEUTICS

- Application to many serious diseases
- Validated DNA sequence is the drug
- Preclinical trials with high value targets
 - Accelerated clinical trials
- Strategic partnering for DNA delivery


TARGET IDENTIFICATION / VALIDATION

- Flexible licensing and co-development
- Reach-through for enhanced technologies
- Reach-through for *in vivo* validation
- Partnering with owners of complementary IP and technologies

Revenue Streams

➤ Business model involves two revenue streams:

- **Discovery R&D - short to medium term revenue**

1. R&D Licensing (Freedom to Operate)		2. Retail Sales of RNAi Materials	3. High Throughput <i>in vitro</i>	4. Transgenic and Systemic <i>in vivo</i>
1.1 Not for Profit Research Institutes	1.2 Commercial Biotechs and Pharmas	Kits for DNA-based RNAi 	Biotech companies and Pharmas	Pharma “in-house” Lexicon Phenomix Exelixis

- **Therapeutics – Long-term value creation**

5. Specific Disease Targets	6. “Drugs” (transient)	7. Gene Therapies (stable)	8. Bespoke Constructs
<ul style="list-style-type: none"> •Cancers •HIV •Hepatitis B & C •Auto-immune •CNS 	<ul style="list-style-type: none"> •Nucleonics •Intradigm •TGC •Intragen •ILEX 	<ul style="list-style-type: none"> •City of Hope •Gene Therapy companies •Pharmas 	<ul style="list-style-type: none"> •Pharma •Biotechs •Collaborations

Promega Deal

- Signed on April 8th, 2003
- First licensing deal for Benitec
- Promega acquired worldwide exclusive license to develop, sell and distribute DNA-delivered RNAi (ddRNAi) products based upon Benitec's proprietary technology and to issue research licenses for non-therapeutic use
- ddRNAi products in market under co-branded Benitec/Promega labels.
- Promega's extensive global market penetration will ensure widespread uptake and use of this powerful technology in the drug industry
- Benitec will receive royalties based on product sales and issuance of its worldwide patent portfolio and licensing revenue from research licenses
- License will provide tools and framework to support Benitec's future commercial licensing deals

Milestones 2003

- Opened US office
- Product roll-out – December '03
- Licenses and partnerships
- Patent grant – US and UK
- Investment: Total equity raising of AUD\$10.92 million
 - 9.1 million new ordinary shares at \$1.20 per share
 - Closing trading price AUD\$1.27 (5th December 2003)
 - 3 month volume weighted average trading price AUD\$1.25
 - Shares outstanding increased to 73.6 million with placement/options issue
 - New ordinary shares rank pari passu with existing ordinary shares on issue
- Technology acquisition and development

Anticipated Milestones 2004

- Working capital funding
- US incorporation/office
- Recruitment of key business executives
- M&A access to US market/NASDAQ
- Patent grant in Europe, ROW & expanded portfolio
- Establish clinical development program
- Pre-clinical trial collaboration in the HIV field
- Increased product offering with Promega

- Leading Gene Silencing Company
 - Unchallenged IP in ddRNAi, with exclusive rights for applications in humans
 - Superior to competing technologies

- Novel Technology Platform
 - Efficient and cost effective discovery applications
 - Shortened development timeline
 - Multiple therapeutic opportunities

- Strong commercial potential
 - Established collaborations
 - Multiple licensing/partnership opportunities under discussion

- Dual pronged business strategy
 - Early revenue streams to support development and reduce reliance on fundraising

- Well funded and clean financial structure