

NEWS

BENITEC ANNOUNCES CLINICAL CANDIDATE FOR THE TREATMENT OF HEPATITIS C

Commences Animal Studies in Preparation for FDA Submission

May 9, 2005

Mountain View, California - Benitec Ltd. (ASX: BLT) announced today that it has identified a highly promising clinical candidate for its RNA interference (RNAi)-based therapeutic against the hepatitis C virus (HCV). Benitec also announced the commencement of efficacy and safety studies of its clinical candidate in small animal models, including marmosets, in order to facilitate the submission of an investigational new drug application (IND) to the U.S. Food and Drug Administration. The Company said it is on track to commence Phase I trials to treat HCV in the second half of 2006.

Benitec's HCV drug will consist of three RNAi sequences targeting the HCV RNA genome that will be delivered intravenously to hepatitis C patients. Each component of the drug has individually shown potent inhibition of hepatitis C virus derivatives in both tissue culture and rodent models. Benitec therefore expects the three-in-one drug combination to be extremely effective against HCV and reiterates the importance of a multi-targeting approach to prevent drug resistance, which is a major problem with both approved and developing small molecule drugs.

Sara Cunningham, CEO of Benitec stated, "The identification of Benitec's HCV clinical candidate represents a significant milestone in our short but eventful history and positions us to reach the clinic with a highly promising drug to meet a significant unmet clinical need. We believe development of the HCV program in conjunction with our other programs will continue to enhance shareholder value."

Benitec will collaborate with Dr. Robert Lanford of the Southwest Foundation for Biomedical Research and a Benitec Scientific Advisory Board member to complete the safety and efficacy studies in marmosets. Speaking on the collaboration, Dr. Alexander Kolykhalov, Benitec's Scientific Director and a leading HCV researcher commented, "The lack of good animal models is a severe bottleneck in HCV drug development. The HCV/GBV-B marmoset model systems developed by Stan Lemon's group at the University of Texas Medical Branch will be extremely valuable in providing the safety and efficacy data for our IND submission, in combination with results from other small animal studies."

Benitec's Strategic Consultant and Stanford Medical School Professor Dr. Mark Kay added, "The progress made by Benitec scientists is extremely impressive. They have gone from a concept to the definition of highly potent lead drug candidates in just over a year, which is a testament to the scientific talent in this company. It also illustrates the fact that RNAi drugs may have a much shorter development path than regular drugs, while maintaining similar or better levels of efficacy."

About Benitec

Benitec is an international biotechnology company focused on developing therapeutics to treat serious diseases using its proprietary RNAi technology. Benitec is listed on the Australian Stock Exchange and has its operations 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 HCV therapeutic and 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.

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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