

31st October 2006

Johnathon Matthews
Australian Stock exchange
Level 6, 20 Bridge Street
Sydney NSW 2000

RE: PRICE QUERY

Thank you for your letter dated 30th October re the change in the price of the Company's securities on 30th October 2006 (copy appended). Please find responses to your questions below.

1. Is the Company aware of any information concerning it that has not been announced?

The company is **not** aware of any information that is still to be announced to the market. The Company has also noted an increase in the volume and price of trading in the securities over this period and we expect this is due to the implementation of the recovery plan and the positive response from shareholders and the market. The release of the Annual Report 2006, containing an unqualified audit report, has facilitated this positive response.

2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made? Please note, if the answer to question 1 is yes and an announcement cannot be made immediately, you need to contact us to discuss this and you need to consider a trading halt (see below)?

Not applicable.

3. Is there any reason to think that there may be a change in the operating loss before abnormal items and income tax so that the figure for the half year ending 31 December 2006 would vary from the previous half year by more than 15%? If so, please provide details as to the extent of the likely variation.

The Company anticipates that the operating loss before abnormal items and income tax for the half year ended 31 December 2006 will be less than that recorded for the half year ended 30 June 2006. It is anticipated that this variation may be greater than 15%, and is due primarily to the impact of:

- relocation of operations from USA to Australia (July – September 2006);
- significant staff reductions; and
- the implementation of a low cost operational model for the Company.

4. Is there any reason to think that the Company may record any material abnormal or extraordinary profit for the half year ending 31 December 2006? If so, please provide details.

The Company believes there is no reason to think the Company may record any material abnormal or extraordinary profit for the half year ending 31 December 2006.

5. Is there any other explanation that the Company may have for the price change in the securities of the Company?

The Company has communicated to the market the Benitec team recovery plan to build shareholder value including a strengthening of our relationship with CSIRO, both the Promega Inc and Tacere Therapeutics deals and the investment support of Dr Chris Bremner in the last two months. The Company is of the view that shareholders and the broader market can see the results of the implementation of the turnaround plan and that the Company is on track to restore shareholder value.

6. Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

The Company is fully compliant with the listing rules and in particular listing rule 3.1.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Paul McMahon', written over a vertical dotted line.

Paul McMahon
Chief Financial Officer and Company Secretary
Benitec Limited



ASX
AUSTRALIAN STOCK EXCHANGE

30 October 2005

Mr Paul McMahon
Company Secretary
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Dear Paul,

Benitec Limited (the "Company")

RE: PRICE QUERY

We have noted a change in the price of the Company's securities from an opening price today of 4.8c to a high price of 7.6c at the time of writing today. We have also noted an increase in the volume of trading in the securities over this period.

In light of the price change and increase in volume, please respond to each of the following questions.

1. Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company?
2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

Please note, if the answer to question 1 is yes and an announcement cannot be made immediately, you need to contact us to discuss this and you need to consider a trading halt (see below).

3. Is there any reason to think that there may be a change in the operating loss before abnormal items and income tax so that the figure for the half year ending 31 December 2006 would vary from the previous half year by more than 15%? If so, please provide details as to the extent of the likely variation.
4. Is there any reason to think that the Company may record any material abnormal or extraordinary profit for the half year ending 31 December 2006? If so, please provide details.

5. Is there any other explanation that the Company may have for the price change in the securities of the Company?
6. Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Your response should be sent to me by e-mail at johnathon.matthews@asx.com.au or by facsimile on (02) 9241 7620. It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, not later than half an hour before the start of trading (ie before 9.30 a.m. E.S.D.T) on Tuesday, 31 October 2006).

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a suitable form and separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in listing rule 3.1A.

In responding to this letter you should consult listing rule 3.1 and Guidance Note 8 – Continuous Disclosure: listing rule 3.1.

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond by the time requested, or if the answer to question 1 is yes and an announcement cannot be made immediately, you should consider a request for a trading halt in the Company's securities. As set out in listing rule 17.1 and Guidance Note 16 – Trading Halts we may grant a trading halt at your request. We may require the request to be in writing. We are not required to act on your request. You must tell us each of the following.

- The reasons for the trading halt.
- How long you want the trading halt to last.
- The event you expect to happen that will end the trading halt.
- That you are not aware of any reason why the trading halt should not be granted.
- Any other information necessary to inform the market about the trading halt, or that we ask for.

The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. If a trading halt is requested and granted and you are still unable to reply to this letter before the commencement of trading, suspension from quotation would normally be imposed by us from the commencement of trading if not previously requested by you. The same applies if you have requested a trading halt because you are unable

to release information to the market, and are still unable to do so before the commencement of trading.

If you have any queries regarding any of the above, please let me know.

Yours sincerely,



Johnathon Matthews
Adviser, Issuers (Sydney)

Direct Line: (02) 9227 0656