



BENITEC LIMITED
ABN 64 068 943 662

NOTICE OF ANNUAL GENERAL MEETING

including

- 1. Notice of Annual General Meeting**
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- 4. Annual Report 'Opt-in' Form**

BENITEC LIMITED
ABN 64 068 943 662

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Benitec Limited ("Benitec" or "Company") will be held at Level 1, 123 Camberwell Road, Hawthorn East, Victoria on 28 November 2007 at 11.00am AEDST.

The Explanatory Memorandum that accompanies and forms part of this Notice of Annual General Meeting describes the various matters to be considered.

AGENDA

ORDINARY BUSINESS

FINANCIAL STATEMENTS

To receive and consider the Financial Statements and the Reports of the Directors and of the Auditors of the Company in respect of the year ended 30 June 2007.

RESOLUTION 1: ADOPTION OF THE REMUNERATION REPORT

To consider and, if thought fit, pass, with or without amendment, the following non-binding resolution:

"That the Remuneration Report, included within the Directors' Report, for the year ended 30 June 2007 be adopted."

RESOLUTION 2: RE-ELECTION OF DIRECTOR

To consider and, if thought fit, pass, with or without amendment, the following ordinary resolution:

"That Mr Mel Bridges, having been appointed as an additional Director on 12 October 2007 and who retires in accordance with Rule 12.5(b) of the Constitution of the Company, being eligible, is re-elected a Director of the Company."

RESOLUTION 3: RE-ELECTION OF DIRECTOR

To consider and, if thought fit, pass, with or without amendment, the following ordinary resolution:

"That Dr Ken Reed, who retires by rotation in accordance with Rule 12.9(a) of the Constitution of the Company, being eligible, is re-elected a Director of the Company."

RESOLUTION 4: NON-EXECUTIVE DIRECTORS' FEES

To consider and, if thought fit, pass, with or without amendment, the following ordinary resolution:

"That for the purposes of Rule 13.1 of the Constitution of the Company, Listing Rule 10.17 of the Australian Stock Exchange and for all other purposes, the pool of fees payable to Non-Executive Directors for their services as Directors each year be set at \$300,000."

Voting Exclusion:

In accordance with ASX Listing Rule 10.17.1, the Company will disregard any votes cast on Resolution 4 by Mr. Francis, Dr. Dalling, Dr. Reed, Mr Mel Bridges or any of their associates. However, the Company need not disregard a vote if it is cast by Mr. Francis, Dr. Dalling, Dr. Reed, Mr Mel Bridges or any of their associates as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

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NOTICE OF ANNUAL GENERAL MEETING (cont.)

RESOLUTION 5: ISSUE OF OPTIONS TO NON-EXECUTIVE DIRECTORS

To consider and, if thought fit, pass, with or without amendment, the following ordinary resolution:

"That in accordance with Section 208 of the Corporations Act and ASX Listing Rule 10.11, the members approve the issue of 5,999,999 options to subscribe for a like number of fully paid ordinary shares in the capital of the Company ("Options") to the Non-Executive Directors of the Company in the numbers and on the terms set out in the Explanatory Memorandum attached to and forming part of this Notice."

Voting Exclusion:

In accordance with ASX Listing Rule 10.13.6, the Company will disregard any votes cast on Resolution 5 by Mr. Francis, Dr. Dalling, Dr. Reed, Mr Mel Bridges or any of their associates. However, the Company need not disregard a vote if it is cast by Mr. Francis, Dr. Dalling, Dr. Reed, Mr Mel Bridges or any of their associates as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

OTHER BUSINESS

To consider any other business that may be brought before the Meeting in accordance with the Constitution of the Company and the Corporations Act.

BY ORDER OF THE BOARD



JOHN RAWLING
Company Secretary
Dated: 26 October 2007

INFORMATION FOR MEMBERS:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote on the member's behalf. A member entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half the member's votes.
2. A proxy need not be a member of the Company.
3. A proxy form (and the power of attorney (if any) under which it is signed or satisfactory proof of that power) must be received at the registered office not less than 48 hours before the time for holding the meeting:
 - By hand or mail: at Level 1, 123 Camberwell Road, Hawthorn East Vic 3123;
 - By facsimile: (03) 9813 1201.
4. Corporate members must either:
 - Appoint a proxy, as set out above;
 - Appoint a representative; or
 - Appoint an attorney.The instrument of appointment of a representative or attorney must be produced at the meeting.
5. All shareholdings recorded in the Company's share register at the close of business on 22 November 2006 will be taken, for purposes of the Meeting, to be held by the persons who were registered as members at that time.

ADMISSION TO MEETING

Corporate representatives are requested to bring appropriate evidence of appointment as a representative in accordance with the constitution of the Company. Attorneys are requested to bring the original or a certified copy of the power of attorney pursuant to which they were appointed. Proof of identity will also be required for corporate representatives and attorneys.

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EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the information of members of Benitec Limited ("Benitec" or "Company") in connection with the business to be conducted at the Annual General Meeting of Shareholders of the Company to be held at 11:00am AEDST on 28 November 2007.

This Explanatory Memorandum should be read in conjunction with the accompanying Notice of Meeting.

ORDINARY BUSINESS

FINANCIAL STATEMENTS - deals with the presentation of the Company's Financial Report and the Reports of the Directors and Auditor for the year ending 30 June 2007. Benitec will take shareholders' questions and comments about the management of Benitec. The auditor of Benitec will be available to take shareholders' questions and comments about the conduct of the audit and preparation and content of the audit report.

No resolution is required to be moved in respect of this item.

RESOLUTION 1 REMUNERATION REPORT

The Corporations Act now requires listed companies to put to shareholders at the AGM a resolution concerning the Remuneration Report which is contained in the Directors' Report section of the Annual Report. The vote on the resolution is advisory and is not binding on the Directors or the Company. However Directors have indicated that they will take account of the shareholders' views when considering future remunerations matters.

A reasonable opportunity will be allowed to the shareholders as a whole for questions and comments on the Remuneration Report.

RESOLUTION 2 RE-ELECTION OF DIRECTOR

Introduction

Listing Rule 14.4 and Article 12.5(a) of the Constitution of the Company deals with the appointment of additional directors to the Board. Mel Bridges was appointed to the Board on 10 October 2007 and in accordance with Article 12.5(b) of the Constitution of the Company only holds office until the next general meeting after appointment. Being eligible, Mr Bridges offers himself for re-election.

The resolution may be passed as an ordinary resolution.

Re-election of Mel Bridges

Mr Bridges is well known for his healthcare management and industry investment acumen in an impressive list of biotech companies. He brings more than 30 years of global experience in the biotechnology and healthcare industries. During his career he has founded and developed successful diagnostics, biotechnology and medical device companies and also held senior management positions in Chicago-based Baxter Healthcare.

Mr Bridges is currently Non-executive Chairman of Peptech, one of Australia's successful biotechnology companies. He was a director of the Domantis board participating in the successful trade sale for A\$575 million to GlaxoSmithKline, from which Peptech gained A\$178 million as part of its shareholding. His other board positions include Chairman of another blue chip biotech, Alchemia Limited. He is also Chairman of a number of listed and unlisted companies. He is the founder and non-executive director of the medical device company ImpediMed Ltd. Mr Bridges co-founded listed company PANBIO raising \$17 million in its IPO.

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EXPLANATORY MEMORANDUM

RESOLUTION 3 RE-ELECTION OF DIRECTOR

Introduction

Article 12.9(a)(i) of the Constitution of the Company requires that at each Annual General Meeting one third of the directors automatically retire from office and are eligible for re-appointment. Article 12.10(a) provides that the directors who retire by reason of this rule are those who have been in office the longest. Therefore, Dr Ken Reed will retire by rotation at this meeting, is eligible for re-election and is seeking re-election as a director at this meeting.

Dr Ken Reed was appointed a Director of the Company on 19 May 2000.

Re-election of Dr Ken Reed

Dr Reed was the scientific founder of Benitec, whose gene silencing technology came from research conducted at the Queensland Agricultural Biotechnology Centre (QABC) and CSIRO. Dr Reed was the founding director of QABC and previously a co-founder of Advanced Breeding Technology Pty. Ltd, the first company to commercialize the use of PCR. He was Deputy Chair of the inaugural Australian Biotechnology Advisory Council and served for many years on the Australian Government's Genetic Manipulation Advisory Committee and the board of the Australian Genome Research Facility. Dr Reed is a Fellow of the Academy of Technological Sciences and Engineering.

RESOLUTION 4 NON-EXECUTIVE DIRECTORS' FEES

Under the Company's Constitution and in accordance with Listing Rule 10.17 the total aggregate remuneration per annum that may be paid to non-executive Directors can only be increased by ordinary resolution of a general meeting of Shareholders of the Company.

At the Company's Annual General Meeting on 15 November 2004, the following remuneration levels were set:

Non-Executive

Deputy Chairman	\$50,000 per annum plus statutory superannuation entitlement
Non Executive Directors	\$45,000 per annum plus statutory superannuation entitlement

The Company wishes to replace this system. The position of Deputy Chairman does not exist and, at that time, the Chairman was in an executive position. The Company proposes to set an aggregate remuneration pool for non-executive Directors at \$300,000 per annum. This will allow for the recognition of the additional duties of the Non-Executive Chairman as well as allowing for a potential increase in the number of Non-Executive Directors on the Board and for market increases in remuneration.

Based upon the current makeup of the Board, annual directors' fees payable to the Non-Executive Directors would be \$45,000 plus 9% superannuation each, resulting in total fees of \$196,200. If an additional Non-Executive Director was appointed, this total would increase to \$245,250. It is currently expected that, under the new pool, the Non-Executive Chairman will receive annual fees plus superannuation totalling \$70,000 and a Non-Executive Director will receive \$50,000.

The amount of the Non-Executive Director remuneration pool will not include fees paid to Directors in their capacity as members of board committees or for other duties. The amount however will include statutory superannuation and (where applicable) fees paid to those Directors as Directors of subsidiary company boards.

As all of the Directors have an interest in the outcome of this resolution, no recommendation is made.

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EXPLANATORY MEMORANDUM

RESOLUTION 5 ISSUE OF OPTIONS TO NON-EXECUTIVE DIRECTORS

Introduction

Shareholder approval is sought for the issue of 5,999,999 options to Non-executive Directors of the Company, with the following breakdown:

1. Mr Peter Francis – Non-executive Chairman	2,000,000
2. Dr Mike Dalling – Non-executive Director	1,333,333
3. Dr Ken Reed – Non-executive Director	1,333,333
4. Mr Mel Bridges - Non-executive Director	1,333,333

Each Option entitles the holder to acquire, by way of issue, one fully paid share in the capital of the Company at an exercise price per Option to be determined by reference to the volume weighted average share price of Benitec ordinary shares for the twenty (20) days prior to the date of the Annual General Meeting plus a premium of 25%. The Options will expire on 31 December 2012 (or as otherwise provided for in the Terms and Conditions of the Options) and are subject to the Terms and Conditions of Options accompanying (Annexure A) and forming part of this Notice of Annual General Meeting.

The Options will not be listed for official quotation on ASX.

Reasons for and Benefits of Issue

The offer of Options to the Non-executive Directors is to provide them with further incentive to ensure wealth is created in the Company for the benefit of all shareholders and to enable him to participate in the growth and success of the Company.

The issue of the Options is not under any form of employee incentive scheme. It is separate to and is not part of the Company's Employee Option Plan.

Proposed date of issue

The Options will be issued no later than 5 December 2007, being 1 week after the date of the meeting.

Shareholder Approvals

Shareholder approval for the grant of the Options is sought for the purposes of:

- Division 3 of Part 2E of the Act, which governs the giving of financial benefits to related parties (such as directors) of a Company; and
- ASX Listing Rule 10.11 which requires the grant of securities to a director to be approved by shareholders. ASX Listing Rule 10.11 also operates as an exception to ASX Listing Rule 7.1, "Issues exceeding 15% of capital". Accordingly, if approval is given by holders of ordinary securities to the grant of the Options under ASX Listing Rule 10.11, approval under ASX Listing Rule 7.1 is not required.

Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act regulates the provision of financial benefits to related parties by a public company. Section 208 of the Corporations Act prohibits a public company giving a financial benefit to a related party unless one of a number of exceptions applies.

Mr Francis, Dr Dalling, Dr Reed and Mr Bridges ("the Non-executive Directors") are "related parties" of the Company as they are Directors of the Company.

A "financial benefit" is defined in the Corporations Act in broad terms and includes a public company issuing securities.

Accordingly, the proposed grant of Options to the Non-executive Directors involves the provision of a financial benefit to related parties of the Company.

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Where no exception is applicable (as is the case in these circumstances), Section 208 of the Corporations Act provides that for a public company to give a financial benefit to a related party of that company, the public company must:

- (a) obtain the approval of members in the way set out in Sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months after the approval is obtained.

In accordance with the requirements of Part 2E and in particular, sections 218 and 221 of the Act, the following information is provided to shareholders to allow them to assess the proposed grant of Options:

- (a) being directors of the Company, Mr Francis, Dr Dalling, Dr Reed and Mr Bridges are related parties of the Company to whom the financial benefit would be given by virtue of section 228(2)(a) of the Act;
- (b) the nature of the financial benefit to be given is the grant of a maximum of 5,999,999 Options as set out in Resolution 5;
- (c) the options are issued free of charge. The exercise price and expiry dates for the Options are set out in this Explanatory Memorandum, and otherwise on the terms and conditions set out in Annexure A to this Notice;
- (d) the market price for Shares during the term of the Options would normally determine whether or not the Options are exercised. If, at the time any of the Options are exercised, the Shares are trading on ASX at a price that is higher than the exercise price of the Options, there may be a perceived cost to the Company. Over the last twelve months the lowest recorded price of Benitec Limited shares on the Australian Stock Exchange was \$0.026 (on 23 October 2006) and the highest was \$0.48 (on 5 January 2007). At the close of trading on 17 October 2007, being the last available share price prior to the printing of the Notice of Meeting, the share price was \$0.115;
- (e) Mr Francis, Dr Dalling and Dr Reed currently hold shares in the Company and Mr Bridges does not currently hold shares in the Company. On the assumption that Resolution 5 is passed, the number of shares and options held by the Non-executive Directors will be as follows:

Name of Related Party	Number of Shares Held	Number of Options Held
Peter Francis	474,350	2,474,350
Mike Dalling	474,350	1,807,683
Ken Reed	1,011,000	1,333,333
Mel Bridges	Nil	1,333,333

- (f) Mr Francis was appointed to the Board on 23 February 2006, and it is estimated that he will receive Directors fees of \$70,000 over the next twelve month period. In addition, Mr Francis is a partner in a legal practice, Francis Abourizk Lightowlers, which provides legal services to the Company at commercial rates.

Dr Dalling was appointed to the Board on 23 February 2006, and it is estimated that he will receive Directors fees of \$50,000 over the next twelve month period.

Dr Reed was appointed to the Board on 19 May 2000, and it is estimated that he will receive Directors fees of \$50,000 over the next twelve month period.

Mr Bridges was appointed to the Board on 12 October 2007, and it is estimated that he will receive Directors fees of \$50,000 over the next twelve month period. He is also expected to receive a fee of \$5,000 for chairing the Audit Committee.

- (g) if Shareholders approve the grant of Options to Non-executive Directors and all of their Options are exercised, the effect will be to dilute the shareholding of existing Shareholders by approximately 0.2% (based on the number of Shares currently on issue and assuming no other options are exercised);

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- (h) as the Non-Executive Directors all have an interest in the outcome of the resolution, no recommendation is made. Neither the Directors nor the Company are aware of any other information that would be reasonably required by Shareholders to make a decision whether it is in the best interests of the Company to pass Resolution 5.
- (i) the ASIC, when reviewing documents lodged under Section 218 of the Corporations Act relating to the giving of financial benefits to related parties of public companies, requires explanatory information regarding the value of the options proposed to be granted. The value of the Options and the pricing methodology is set out below.

The Company has valued the Options, using the Black-Scholes Option Pricing Model. The hypothetical valuation of the Options was undertaken adopting the following variables:

- The Company's closing share price of \$0.12 cents on 15 October 2007;
- a volatility factor of 60%, being the industry equivalent volatility factor for Benitec shares; and
- a risk free interest rate of 6.90%, being the 5 year Australian Commonwealth Government Bond rate as at 10 October 2007 (most closely reflecting the term of the Options);

Therefore each Option to be granted to the Non-executive Directors has a hypothetical value of \$0.064, and the total value of the Options to be granted to the Non-executive Directors based on this valuation is \$384,000.

ASX Listing Rule 10.11

In addition ASX Listing Rule 10.11 also requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of securities (including an option) to a related party.

ASX Listing Rule 10.13 sets out a number of matters which must be included in a notice of meeting proposing an approval under ASX Listing Rule 10.11. The following information is provided to Shareholders for the purposes of Listing Rule 10.13:

- (a) the maximum number of Options to be issued is 5,999,999 to the Non-executive Directors;
- (b) it is intended that the Options will be issued no later than 5 December 2007 and in any event the Options will be issued no later than one (1) month from the date of approval of the Resolution (or such later date as approved by ASX) and it is anticipated that the Options will be issued on one date;
- (c) the full terms of the Options are annexed to this Explanatory Memorandum as Annexure A;
- (d) the Shares issued upon exercise of the Options will rank equally in all respects with the Company's existing issued Shares;
- (e) the Options will be granted for nil consideration, consequently no funds will be raised from the issue of the Options. It is currently intended that funds raised by any exercise of Options will be used for the Company's working capital requirements.

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ANNEXURE A

**TERMS AND CONDITIONS OF OPTIONS TO BE ISSUED TO
THE NON-EXECUTIVE DIRECTORS**

Each Option to take up unissued shares ('Option') shall entitle the holder of the Option ('Option Holder') to subscribe for and be allotted one fully paid ordinary share ('Share') in Benitec Limited A.C.N. 068 943 662 ('Company') on the terms and conditions set out below:

1. Each option is exercisable at any time during the period ('Option Period') from date of issue and expiring at the earliest to occur of the following dates:
 - (a) 5.00 pm Australian Eastern Daylight Savings Time on 31 December 2012,
 - (b) the date of retirement, resignation or dismissal from employment (if any) of the Option Holder with the consolidated entity (as defined in the Corporations Act) of Benitec Limited ('Consolidated Entity'); and

and PROVIDED THAT the limitations on the time of exercise of the Options set out above (excluding the limitations in paragraph 13) shall be subject to the overriding conditions that:

- (c) if retirement occurs after reaching the age determined by the Board to be normal retirement age or in any other circumstances with the approval of the Board, the Option Holder may exercise his or her options in full within 90 days after the date of retirement, or such other period, being not less than 90 days, as determined by the Board of Directors (in its sole and absolute discretion) immediately following the date of retirement; and
 - (d) if resignation is due to ill health or accident or a dismissal is due to redundancy, or in any other circumstances with the approval of the Board, the Option Holder may exercise his or her options in full within 90 days after the date of the resignation or dismissal, or such other period, being not less than 90 days, as determined by the Board of Directors (in its sole and absolute discretion) immediately following the date of resignation or dismissal.
2. Subject to paragraphs 1 and 13, the Options may be exercised wholly or in part by giving notice in writing ('Notice of Exercise') to the Board at any time during the Option Period.
3. The Options vest as follows:
 - (a) one third of the Options are exercisable on the anniversary of the date of issue;
 - (b) a further third of the Options are exercisable on the second anniversary of the date of issue;
 - (b) the balance of the Options are exercisable on the third anniversary of the date of issue;
 - (c) the vesting of the Options are subject to continued employment with the Company. Where employment ceases with the Company between the vesting period, the Options vest pro-rata over time;
 - (d) in the event of termination for cause, no new options would vest; and
 - (e) in the event of the Company being the subject of a successful takeover bid or change of control, any Options which have not yet vested to the Option Holders shall be exercisable immediately.
4. Notwithstanding paragraph 1, but subject to paragraph 13, if an Option Holder dies during the Option Period applicable to the Option Holder, the legal personal representative of the Option Holder may exercise all or any of the Options held at the date of death on behalf of the estate of the Option Holder PROVIDED THAT such exercise must be made anytime after the death of the Option Holder but not later than 90 days, or such other period, being not less than 90 days, as determined by the Board of Directors (in its sole and absolute discretion) immediately following the death of the Option Holder, after the date of granting of probate or grant or letters of administration (as appropriate) or the Options will lapse and the amount paid to acquire the Options, if any, will be forfeited. Further, in the event the Option Holder dies during the Option Period, the Company has an obligation to inform the Option Holder's legal personal representative in writing, within 30 days after the date of granting of probate or grant or letters of administration (as appropriate), of his/her right to exercise the Options in accordance with terms of this clause.

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ANNEXURE A

5. In respect of the Options, the exercise price per Option (which is payable immediately upon exercise) is to be calculated the VWAP, which is defined as the average of the daily volume weighted average sale price of Company's ordinary shares sold on ASX excluding any transactions defined as 'special' crossings prior to the commencement of normal trading, crossings during the after hours adjust phase and any overseas trades or exchange traded option exercises, multiplied by 1.25.
6. The Options are not capable of being transferred or encumbered by the Option Holder, and will immediately lapse if it is transferred or encumbered, unless it is transferred or encumbered:
 - (a) by force of law upon death to the Option Holder 's legal personal representative;
 - (b) upon bankruptcy to the Option Holder 's trustee in bankruptcy; or
 - (c) with the prior written approval of the Board.
7. On receipt by the Company of the Notice of Exercise and payment of the relevant Exercise Price, the Company must, within 14 business days (as defined in the Listing Rules of Australian Stock Exchange Limited) allot to the Option Holder one ordinary share in respect of each Option exercised by the Option Holder and despatch the relevant acknowledgment of issue as soon as is reasonably practicable.
8. Shares allotted on the exercise of any Options will rank equally in all respects with the then existing issued ordinary fully paid shares in the Company and will be subject to the provisions of the Constitution of the Company.
9. Adjustments to the number of Shares over which Options exist and/or the Exercise Price may be made as described in paragraph 11 to take account of changes to the capital structure of the Company by way of pro rata bonus issues. The Company agrees to notify all Option Holders and ASX Limited within 1 month after the record date of a pro rata bonus issue, of any adjustment to the number of Shares over which the Options exist and/or any adjustment to the Exercise Price.
10. Subject to paragraphs 9, 11 and 12, Options do not confer rights to participate in new issues of securities of the Company without exercising the option.
11. The method of adjustment for the purpose of paragraph 9 shall be in accordance with Listing Rules 6.22.2 and 6.22.3 of the Official Listing Rules of the Australian Stock Exchange Limited as it currently exists and which provides:

(a) Pro-Rata Cash Issues

Where a pro-rata issue (except a bonus issue) is made to the holders of fully paid ordinary shares in the Company, the Exercise price of an Option may be reduced according to the following formula:

$$O' = \frac{O - E[P - (S + D)]}{N + 1}$$

where:

- | | | |
|----|---|--|
| O' | = | the new exercise price of the option. |
| O | = | the Old exercise price of the option. |
| E | = | the number of underlying securities into which one Option is Exercisable. |
| P | = | the average market price per share (weighted by reference to volume) of the underlying securities during the 5 trading days ending on the day before the ex rights date or ex entitlements date. |
| S | = | the Subscription price for a security under the pro rata issue. |
| D | = | the Dividend (in the case of a trust, Distribution) due but not yet paid on the existing underlying securities (except those to be issued under the pro rata issue). |
| N | = | the Number of securities with rights or entitlements that must be held to receive a right to one new security. |

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- (b) Pro-Rata Bonus Issues
If there is a bonus issue to the holders of the underlying securities of the Company, the number of securities over which the Option is exercisable may be increased by the number of securities, which the holder of the Option would have received if the Option had been exercised before the record date for the bonus issue.
12. In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company, the number of Options or the exercise price of the Options or both will be reconstructed in accordance with the Listing Rules of ASX Limited applying at the time of the reconstruction.
13. All unexercised Options will lapse in the event of the liquidation of the Company.
14. The Company will apply to the ASX (and any other stock exchange on which the Shares in the Company are quoted and listed) for, and will use its best endeavours to obtain, quotation and listing of all Shares allotted on the exercise of any Options. The Company will not apply for quotation or listing of the Options on any stock exchange.
15. Subject to paragraph 13, each Option is personal to the Option Holder named on the front of the Option Certificate and is not transferable, transmissible or assignable PROVIDED THAT the personal representative of an Option Holder may on the death of that Option Holder exercise Options in accordance with paragraph 4.

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PROXY FORM

Registered Office: c/- Francis Abourizk Lightowlers,
Level 16, 356 Collins Street,
Melbourne VIC 3000.

Phone: +61 3 9811 9974
Fax: +61 3 9813 1201

I/We _____

Of _____

Being a member/members of Benitec Limited hereby appoint

Of _____

Or in his/her absence, the Chairman of the Meeting as my/our general/special proxy to vote on my/our behalf at the Annual General Meeting of the Company to be held on 28 November 2007 or at any adjournment of that meeting.

Signature of Shareholder: _____

Signed this _____ day of _____ 2007

If no directions are given, the Chairman intends to vote in favour of resolutions 1 - 5

If you do not wish to direct your proxy how to vote, please place a mark in the box.

By marking this box, you acknowledge that the Chairman of the Annual General Meeting may exercise your proxy even if he has an interest in the outcome of a resolution and that votes cast by the Chairman of the Annual General Meeting other than as proxy holder will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman will not cast your votes on Resolutions 4 and 5 and your votes will not be counted in calculating the required majority if a poll is called on Resolutions 4 and 5. If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not to be counted in computing the required majority on a poll.

Unless otherwise instructed, the proxy will vote as he or she thinks fit, or abstain from voting. Should the member wish to direct the proxy how to vote, the following should be completed.

Resolutions	For	Against	Abstain
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-Election of Director - Mr Mel Bridges	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-Election of Director - Dr Ken Reed	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Non-Executive Directors' Fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Issue of Options to Non-Executive Directors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

ANNUAL REPORT - IMPORTANT NOTICE

The default option for receiving your annual report has changed to be via our website. Previously the default option was to receive a printed copy in the mail. You have the choice of receiving notification about accessing your annual report online or continuing to receive a printed annual report.

MAKE YOUR SELECTION BELOW

Dear Shareholder

LEGISLATION CHANGE - WHAT THIS MEANS FOR YOU

The Australian Government recently introduced legislation changing the default option for receiving annual reports to be via a company's website. You will now receive timely, cost effective and greener online annual reports unless you request a printed copy. We will notify you in your AGM mail pack when the annual report is available on our website www.benitec.com. All other shareholder communication will be sent by post.

WHAT ARE YOUR OPTIONS?



Elect to continue receiving, free of charge, a printed copy of the annual report.



If you take no action, information on accessing your online annual report will be provided in your AGM mail pack.

If you have any questions about this form, please contact a Computershare investor services representative on 1300 850 505.

Yours sincerely

John Rawling
Company Secretary



Elect to continue receiving, free of charge, printed copy of the annual report.

To receive a printed copy of the annual report, please mark the annual report box below and send this letter back to us at the following address:

Benitec Limited
Level 1, 123 Camberwell Road
Hawthorn East Vic 3123
Australia



ANNUAL REPORT

Our annual report with detailed financial, remuneration and governance information.

Name of Shareholding: _____

Address: _____

HIN/SRN: _____

Signature(s) of Shareholder: _____