

BENITEC LIMITED

[ACN 068 943 662]

NOTICE OF GENERAL MEETING

Notice is given that a General Meeting of Benitec Limited ("the Company" or "Benitec") will be held at the offices of Grant Thornton, Level 2, 215 Spring Street, Melbourne, Victoria, Australia on 12 May 2011 at 10:00am.

Further details in respect of the resolution proposed in this Notice of General Meeting are set out in the Explanatory Memorandum accompanying this Notice of General Meeting. The details of the resolution contained in the Explanatory Memorandum should be read together with, and form part of, this Notice of General Meeting.

BUSINESS

Resolution - ISSUE OF OPTIONS TO SUB-UNDERWRITERS

To consider and, if thought fit, to pass the following ordinary resolution:

"That for the purposes of ASX Listing Rule 7.1 and for all other purposes, shareholders approve the issue of up to 100,160,982 options each to acquire one (1) ordinary share in the Company exercisable at \$0.04 (4 cents) each and expiring on 31 December 2013, to sub-underwriters of the Renounceable Rights Issue as described in the Explanatory Memorandum which accompanied and formed part of the Notice of General Meeting."

Voting Exclusion Statement:

The Company will disregard any votes cast on the Resolution by:

- *persons who may participate in the proposed issue and persons who might obtain a benefit except a benefit solely in the capacity of a holder of ordinary shares, if the resolution is passed; or*
- *an associate of those persons.*

However, the Company need not disregard a vote on the Resolution if:

- *it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form;*
- *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.*

Dated: 11 April 2011

By the order of the Board

John Rawling
Company Secretary

The accompanying Explanatory Memorandum and the Proxy and Voting Instructions form part of this Notice of General Meeting.

PROXY AND VOTING INSTRUCTIONS

Proxy Instructions

A member who is entitled to vote at a meeting may appoint:

- (a) one proxy if the member is only entitled to one vote; and
- (b) one or two proxies if the member is entitled to more than one vote.

Where more than one proxy is appointed each proxy may be appointed to represent a specific proportion of the member's voting rights. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes in which case any fraction of votes will be disregarded.

The proxy form (and the power of attorney or other authority, if any, under which the proxy form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the proxy form (and the power of attorney or other authority) must be lodged at the registered office of the Company or sent by facsimile transmission to the Company's registered office on (03) 8678 1342 not less than 48 hours before the time for holding the Meeting, or adjourned meeting as the case may be, at which the individual named in the proxy form proposes to vote.

The proxy form must be signed by the member or his/her attorney duly authorised in writing or, if the member is a corporation, in a manner permitted by the

Corporations Act. A proxy given by a foreign corporation must be executed in accordance with the laws of that corporation's place of incorporation.

The proxy may, but need not, be a member of the Company.

A proxy form is attached to this Notice.

Corporate Representatives

Any corporation which is a member of the Company may authorise (by certificate under common seal or other form of execution authorised by the laws of that corporation's place of incorporation, or in any other manner satisfactory to the chairperson of the Meeting) a natural person to act as its representative at any general meeting.

Voting Entitlement

For the purposes of the Corporations Act and Corporations Regulations shareholders entered on the Company's Register of Members as at 7:00 pm, 11 May 2011 (Melbourne, Victoria time) are entitled to attend and vote at the meeting.

On a poll, members have one vote for every fully paid ordinary share held. Holders of options are not entitled to vote.

BENITEC LIMITED

[ACN 068 943 662]

("the Company")

EXPLANATORY MEMORANDUM

This Explanatory Memorandum accompanies and forms part of the Notice of the General Meeting to be held the offices of Grant Thornton, Level 2, 215 Spring Street, Melbourne, Victoria, Australia on 12 May 2011 at 10:00am.

BUSINESS

Resolution - ISSUE OF OPTIONS TO SUB-UNDERWRITERS

Pursuant to a Prospectus lodged with ASIC on 11 April 2011, the Company is making a pro-rata renounceable rights issue to shareholders of four (4) new fully paid ordinary shares for every five (5) shares held at an issue price of \$0.02 (2 cents) each, together with one (1) free-attaching option for every four (4) shares accepted. Each option will have an exercise price of \$0.04 (4 cents) and will expire on 31 December 2013 ("Rights Issue"). The Rights Issue is not conditional upon passing the Resolution set out in the Notice of General Meeting.

The funds raised by the Rights Issue will provide the Company with funds to proceed with further research and development of its existing projects, including progressing the Chronic Cancer-Associated Pain Program to phase I/II, progressing the Hepatitis B Program to completion of animal and toxicology studies and progressing the Drug-Resistant Lung Cancer program to a phase I/II clinical trial. Funds will also be applied to pursuing new business development opportunities in the licensing and collaboration of the Company's patent estate. The Rights Issue will also provide the Company with funds required to terminate its funding arrangement with La Jolla Cove Investors Inc, for other working capital requirements and to pay the costs associated with the Rights Issue.

The Company has entered into an Underwriting Agreement with Patersons Securities Limited [ACN 008 896 311] ("Patersons") whereby Patersons has agreed to fully underwrite any shortfall amount in connection with the Rights Issue. As part of the Underwriting Agreement with Patersons, the Company has agreed to issue sub-underwriters (appointed at the discretion of Patersons) commitment options for their agreeing to sub-underwrite the Rights Issue.

The Resolution is proposed to obtain shareholder approval for the issue of up to 100,160,982 options each to acquire one (1) ordinary share in the Company to sub-underwriters of the Rights Issue.

The following information is provided in accordance with the requirements of ASX Listing Rule 7.3:

- (a) the maximum number of securities to be issued is 100,160,982 options each to acquire one (1) ordinary share in the Company at an exercise price of \$0.04 (4 cents);
- (b) the options will be unlisted unless (subject to any restrictions or conditions imposed by ASX) the requirements of the ASX Listing Rules for listing a new secondary class of securities are able to be met;
- (c) the options will be issued no later than three (3) months after the date of the meeting (or such other date as is permitted by an ASX waiver of the Listing Rules, the *Corporations Act 2001* and/or the Australian Securities and Investments Commission);
- (d) the options will expire on 31 December 2013, and shall otherwise be issued on the terms set out in Annexure A attached to this Explanatory Memorandum; and
- (e) no funds will be raised by the issue of the options the subject of the Resolution. If the options are exercised the funds received will be applied towards the working capital requirements of

the Company at that time.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceed 15% of the number of securities in the same class on issue at the commencement of that 12 month period. One circumstance where an issue is not taken into account in the calculation of this 15% threshold is where the issue has the prior approval of shareholders in general meeting. By obtaining shareholder approval for issue the options the Company maintains the ability to issue further securities up to the 15% limit without further shareholder approval to take advantage of opportunities which may arise to raise additional capital.

Annexure A
Option Terms

- (a) Each option entitles the holder to acquire one ordinary fully paid share in the capital of the Company.
- (b) The options will be unlisted unless (subject to any restrictions or conditions imposed by ASX) the requirements of the ASX Listing Rules for listing a new secondary class of securities are able to be met.
- (c) Each option will have an exercise price of \$0.04 (4 cents) each payable in full on exercise.
- (d) The options are exercisable at any time from the date of issue and will expire 31 December 2013 ("the Expiry Date") by completing the option exercise form and delivering it together with the payment for the number of shares in respect of which the options are exercised to the registered office of the Company. Any option that has not been exercised prior to the Expiry Date automatically lapses. Holders shall not be entitled to exercise their options (and the Company will not be required to issue shares upon such exercise) if it would be unlawful to do so.
- (e) Subject to the Corporations Act, the ASX Listing Rules, and the Constitution of the Company and unless otherwise specified at the time of issue, options are freely transferable. All shares issued upon exercise of options will rank *pari passu* in all respects with, and will have the same terms as, the Company's then issued ordinary fully paid shares. The Company will apply for official quotation by ASX of all shares issued upon exercise of options, subject to any restriction obligations imposed by ASX.
- (f) The options will not give any right to participate in dividends until shares are issued pursuant to the exercise of the relevant options.
- (g) There are no participation rights or entitlements inherent in the options. Option holders are not entitled to participate in new issues of securities offered to shareholders without first exercising the options. Subject to any waiver granted by ASX, the Company will send notices to option holders at least five business days prior to the record date applying to offers of securities made to shareholders during the currency of the options.
- (h) In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company prior to the Expiry Date, the number of options or the exercise price of the options or both shall be reconstructed in accordance with the ASX Listing Rules applying to a reorganisation of capital at the time of the reconstruction.

BENITEC LIMITED
[ACN 068 943 662]
("the Company")

PROXY FORM

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

I/We _____

of _____
 being a member(s) of Benitec Limited

and entitled to _____ shares appoint:

Name of Proxy: _____

Address of Proxy: _____

By marking this box you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as proxy holder will be disregarded because of that interest. The Chairman intends voting undirected proxies in favour of resolutions on which he is permitted to vote.

or in his/her absence, the Chairman of the meeting as my/our proxy to vote on my/our behalf at the 2011 General Meeting of the Company to be held at the offices of Grant Thornton, Level 2, 215 Spring Street, Melbourne, Victoria, Australia on 12 May 2011 at 10:00am and at any adjournment of that meeting.

If two proxies are appointed, complete the following sentence:

This proxy is authorised to exercise votes/ % of my/our total voting rights.

Proxy Instructions

To instruct your proxy how to vote, insert 'X' in the appropriate column against the resolution. If you do not instruct your proxy how to vote on the resolution, your proxy may vote as he/she thinks fit or abstain from voting.

I/We direct my/our proxy to vote as indicated below:

For Against Abstain

Resolution: Issue of options to Sub-Underwriters

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<p>If a person:</p> <p>_____ (Signature)</p> <p>_____ Name (print)</p> <p>Date: ____/____/____</p>	<p>If a company:</p> <p>EXECUTED by: _____ Name of company (print)</p> <p>in accordance with the Corporations Act</p> <p>_____ (Signature) _____ (Signature)</p> <p>Date: ____/____/____</p>
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This proxy and any power of attorney or other authority under which it is signed (or a certified copy) must be lodged at:

- (a) Level 16, 356 Collins Street, Melbourne, Victoria, Australia 3000; or
- (b) by facsimile on (03) 8678 1342 by 10:00am on 10 May 2011, being not less than 48 hours before the time for holding the meeting or adjourned meeting as the case may be.