

## ASX/Media Release

### Benitec raises USD\$6.0 Million via Convertible Note

**12 April 2010, Melbourne, Australia:** The Directors of Benitec Limited (ASX:BLT) are delighted to announce the signing of a convertible note facility with La Jolla Cove Investors, Inc. to provide up to US\$6 million in funding. La Jolla Cove Investors, Inc. is a California (US) based private investment company that invests in small to mid sized market capitalised publicly traded companies. Benitec commenced discussions with La Jolla Cove Investors in January 2010 and over the last few months they have completed their due diligence and have agreed to provide this important investment.

Executive Director Mr Mel Bridges said the Board was very pleased with the commitment La Jolla Cove Investors was demonstrating via their investment into Benitec. "The inflow of funds will allow the Company to execute on its Business Plan. Benitec is now in a solid position going forward to build on its strong intellectual property (IP) position and expand its growing Research and Development (R&D) pipeline," Mr Bridges added.

The key terms of the convertible note facility are as follows:

- The facility comprises up to US\$6 million in four (4) US\$1.5 million convertible notes, each with a duration of 2 years from the first drawdown of the relevant convertible note;
- Funds may be drawdown by Benitec on the basis of US\$250,000 per month;
- The notes bear interest payable to the holder at an interest rate of 4.75% p.a. payable monthly on the outstanding funded and non-converted principal amount;
- The notes must be repaid upon maturity unless converted to ordinary shares within the terms of the notes. The notes can be converted at the election of the holder (or upon default triggers) at the lesser of A\$0.15 per share or a 20% discount to the value weighted average price calculated at conversion. The convertible notes have a floor price of A\$0.04 per share;
- The Investor will not hold more than 9.99% of outstanding shares of Common Stock of the Company;
- The level of funding potentially available is subject to ongoing compliance with applicable terms and conditions; and
- In accordance with ASX Listing Rule 7.1, funding up to a limit equivalent to approximately 15% of the capital of the Company will commence immediately. The balance of funding is conditional upon shareholder approval. A shareholders meeting will be held to provide approval of the full note facility and an acquisition by La Jolla Cove Investors, Inc. in accordance with s611 item 7 of the Corporations Act, for which purpose an Independent Expert's Report will be obtained by Benitec Ltd and which shall accompany the notice of general meeting to be dispatched to shareholders.

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#### **About Benitec**

Benitec is an Australian biotechnology company focused on licensing its extensive intellectual property portfolio and developing therapeutics to treat serious diseases using its proprietary ddRNAi technology. For additional information, please visit [www.benitec.com](http://www.benitec.com).