



ASX Announcement

Benitec Raises AU\$8 million to Forge Ahead with its Gene Silencing Therapeutics: Rights Issue Closes Oversubscribed

17 May 2011, Melbourne, Australia: Benitec Ltd (ASX:BLT), a world leader in RNA-based gene silencing for human therapeutics, today announced its fully underwritten AU\$8 million renounceable rights issue, incorporating an entitlement offer and a shortfall offer, had successfully closed oversubscribed.

The offer was 4 new shares for every 5 fully paid ordinary shares held plus 1 new free listed option for every 4 new shares issued, resulting in the issue of 404,565,897 new shares and 101,141,474 new listed options with an exercise price of AU\$0.04 (4 cents) and an expiry date of 31 December 2013. A further 100,160,982 options, with the same terms as above, will be issued to the sub-underwriters of the issue.

Benitec has received rights issue acceptances for 302,716,126 shares, with the shortfall applications from existing shareholders causing the remainder of the issue to be oversubscribed.

"The positive investor and shareholder response reflects the major strides forward Benitec has made this year and is an overwhelming vote of confidence in Benitec's management and strategy by its shareholders. Demand for Benitec stock through the rights issue has been exceptionally strong – resulting in demand outstripping supply. Not only was there a very high proportion of entitlements taken up, but many shareholders applied for shares in excess of their entitlement," said Mr Peter Francis, Benitec's Chairman.

Dr Peter French, Benitec's CEO, added "Together with the favourable ruling by the US Patent and Trademark Office late last year, and other favourable decisions since including in Europe, this enables the relaunch of Benitec. We are now able to actively pursue a number of programs and corporate initiatives to progress our transformational gene silencing technology and drive the value of the Company."

The net proceeds from the issue will enable the Company to proceed with further research and development of its existing projects, based on its DNA-directed RNA interference (ddRNAi) technology including advancing its Chronic Cancer-Associated Pain Program and Drug-Resistant Lung Cancer Program to Phase I/II and progressing the Hepatitis B Program to completion of preclinical and toxicology studies. Funds will also be utilised to pursue new opportunities in the licensing and collaboration of the Company's patent estate and the termination of the funding arrangement with La Jolla Cove Investors Inc.

The Board would like to sincerely thank all shareholders who participated in the rights issue. We are also pleased to have had the support of Patersons Securities Ltd as Lead Manager and Underwriter to the offer.

About Benitec www.benitec.com

Benitec Limited is developing new novel treatments for chronic and life-threatening conditions based on a transformational technology, DNA-directed RNA interference (ddRNAi) - sometimes called expressed RNAi. The technology's potential to address unmet medical needs and, potentially, to cure disease results from its demonstrated ability to permanently silence genes which cause the condition.

Benitec now either owns or exclusively licences from CSIRO more than 40 granted or allowed patents in the field of RNA interference for human therapeutic applications. Patents have been granted in key territories such as the USA, the UK, Japan, Europe, Canada and Australia. In addition, Benitec has almost 50 patent applications pending for which it is the owner or exclusive licensee from CSIRO, and has further intellectual property under development as a result of its pipeline program.

Benitec trades on the Australian stock exchange under the symbol "BLT". The Company was founded in 1997 and has been publicly held since 2001. The Company aims to deliver a range of novel ddRNAi-based therapeutics to the clinic in partnership with the pharmaceutical industry. In-house it is pursuing a focused R&D strategy in infectious diseases, cancer and chronic cancer-associated pain, as well as programs with licensees that have advanced to pre-clinical and/or clinical trials.

For Further Information

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