



BENITEC LIMITED

ABN 64 068 943 662

NOTICE OF 2011 ANNUAL GENERAL MEETING

Notice is hereby given that the 2011 Annual General Meeting of the shareholders of Benitec Limited ("the **Company**") will be held at the offices of Grant Thornton Australia, Level 17, 383 Kent Street, Sydney, New South Wales, 2000, on Thursday 17th day of November 2011 at 10:00am AEDST.

AGENDA

2011 ANNUAL FINANCIAL STATEMENTS

To lay before the Meeting and consider the 2011 Annual Financial Statements of the Company in respect of the year ended 30 June 2011 and comprising the Annual Financial Report, the Directors' Report and the Auditor's Report.

RESOLUTION 1: NON-BINDING RESOLUTION – REMUNERATION REPORT

To consider and, if thought fit, to pass the following resolution as a non-binding ordinary resolution:

"That the Company adopt the Remuneration Report, included within the Director's Report, for the year ended 30 June 2011."

Voting Note:

Any undirected proxies held by the Chairman of the meeting, other directors or other key management personnel or any of their closely related parties will not be voted on this Resolution. Please refer to the Proxy and Voting Instructions on Page 4 of this notice.

PROPOSED RESOLUTIONS – ORDINARY BUSINESS

RESOLUTION 2: RE-ELECTION OF DIRECTOR – MR MEL BRIDGES

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

"That Mr Mel Bridges, a Director who retires by rotation in accordance with Rule 12.9(a) of the Constitution of the Company, being eligible, is re-elected as a Director of the Company".

RESOLUTION 3(a) – ISSUE OF OPTIONS TO MR P FRANCIS

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

"THAT, for the purposes of Listing Rule 10.11 and for all other purposes shareholders approve the issue by the Company of a total of up to 40,000,000 free options to acquire one (1) ordinary share in the capital of the Company having an exercise price of \$0.05 (5 cents) each and an expiry date of 26 September 2016 to Mr Peter Francis (and/or nominee), as described in the Explanatory Memorandum which accompanied and formed part of the Notice of Meeting."

RESOLUTION 3(b) – ISSUE OF OPTIONS TO MR M BRIDGES

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

"THAT, for the purposes of Listing Rule 10.11 and for all other purposes shareholders approve the issue by the Company of a total of up to 10,000,000 free options to acquire one (1) ordinary share in the capital of the Company having an exercise price of \$0.05 (5 cents) each and an expiry date of 26 September 2016 to Mr Mel Bridges (and/or nominee), as described in the Explanatory Memorandum which accompanied and formed part of the Notice of Meeting."

RESOLUTION 3(c) – ISSUE OF OPTIONS TO DR J CHIPLIN

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

"THAT, for the purposes of Listing Rule 10.11 and for all other purposes shareholders approve the issue by the Company of a total of up to 10,000,000 free options to acquire one (1) ordinary share in the capital of the Company having an exercise price of \$0.05 (5 cents) each and an expiry date of 26 September 2016 to Dr John Chiplin (and/or nominee), as described in the Explanatory Memorandum which accompanied and formed part of the Notice of Meeting."

RESOLUTION 3(d) – ISSUE OF OPTIONS TO MR I ROSS

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

"THAT, for the purposes of Listing Rule 10.11 and for all other purposes shareholders approve the issue by the Company of a total of up to 10,000,000 free options to acquire one (1) ordinary share in the capital of the Company having an exercise price of \$0.05 (5 cents) each and an expiry date of 26 September 2016 to Mr Iain Ross (and/or nominee), as described in the Explanatory Memorandum which accompanied and formed part of the Notice of Meeting."

Voting Exclusion Statement – Resolutions 3(a), 3(b), 3(c) and 3(d)

The Company will disregard any votes cast on these resolutions by:

- a person who is to receive securities in relation to the Company;
- 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 securities if the Resolution is passed; or
- an associate of those persons.

However, the Company need not disregard a vote 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; 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.

RESOLUTION 4: CHANGE OF COMPANY NAME

To consider and, if thought fit, to pass the following resolution as a special resolution:

"That, pursuant to and in accordance with section 157 of the Corporations Act 2001 (Cth), the name of the Company be changed to "Benitec Biopharma Limited" with effect from the date that ASIC registers the change of the name".

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 the order of the Board

Greg West

Secretary

Dated: 17 October 2011

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

PROXY & VOTING INSTRUCTIONS

Voting entitlements

The Board has determined, in accordance with the Company's Constitution and the Corporations Act 2001 (Cth) that a shareholder's voting entitlement at the meeting will be taken to be the entitlement of that person shown in the register of members as at 7:00pm AEDST on Tuesday 15th November 2011

On a poll, members have one vote for every fully paid ordinary share held.

Proxy Instructions

A shareholder has a right to appoint a proxy, who need not be a shareholder of the Company. If a shareholder is entitled to cast two or more votes they may appoint two proxies and specify the percentage of votes each proxy is entitled to exercise. The proxy may, but need not, be a member of the Company. The Proxy Form must be deposited at the share registry of the Company, Computershare Investor Services Pty Ltd located at Yarra Falls, 452 Johnson Street, Abbotsford, Victoria 3067 or posted to *GPO Box 242, Melbourne, Victoria 3001, or by facsimile to Computershare on 1800 783 447 (within Australia) or (03) 9473 2555 (outside Australia)*, to arrive 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 proposed to vote.

If you sign the proxy form and do not appoint a proxy, you will have appointed the Chairman of the meeting as your proxy. In that case, your shares will not be voted on Resolution 1 (Remuneration Report) unless you direct the Chairman of the meeting as your proxy how to vote by marking the appropriate box on the proxy form.

A proxy form is attached to this Notice.

How the Chairman will vote undirected proxies

The Chairman of the meeting will vote undirected proxies on, and in favour of, all of the proposed resolutions, except for Resolution 1 (Remuneration Report). Any undirected proxies held by the Chairman of the meeting will not be voted on Resolution 1.

Proxies that are undirected on Resolution 1 (Remuneration Report)

If you appoint the Chairman of the meeting as your proxy (or if he maybe appointed by default) and do not direct him how to vote on Resolution 1 (Remuneration Report), he will not vote your proxy on that item of business. Accordingly, if you appoint the Chairman of the meeting as your proxy (or if he may be appointed by default), you should direct him how to vote on Resolution 1 (Remuneration Report) if you want your shares to be voted on that item of business.

The same will apply if you appoint any other director of the Company, any other of its key management personnel or any of their closely related parties. Key management personnel of the Company comprise the directors of the Company and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Remuneration Report identifies key management personnel for the year ending 30 June 2011. Their closely related parties are defined in the Corporations Act 2001 (Cth) and include specified family members, dependants and companies they control.

Corporate Representatives

Any corporation which is a member of the Company may appoint a proxy, as set out above, or authorize (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 or appoint an attorney. 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.

Special Resolution

For a special resolution to be passed, at least 75% of the votes validly cast on the resolution by shareholders (by number of shares) must be in favour of the resolution.

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the information of members of Benitec Limited (ABN 64 068 943 662) (the "**Company**") in connection with the business to be conducted at the Annual General Meeting of Shareholders of the Company to be held at 10:00am AEDST on 17 November 2011.

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

ORDINARY BUSINESS

2011 Annual Financial Statements

Section 317 of the Corporations Act 2001 (Cth) requires each of the Financial Report (which includes Financial Statements and Director's Declaration), the Director's Report and the Auditor's Report for the last financial year to be laid before the Annual General Meeting. The Company's Constitution also provides for these reports to be received and considered at that meeting. There is no requirement for these reports to be formally approved by shareholders.

The reports referred to in the Notice of Annual General Meeting are included in the 2011 Annual Report, which at their election, has been made available to all shareholders on-line or by post. If you have not elected to receive a hard copy of the Company's 2011 Annual Report and wish to access it online, it is available at the Company's website www.benitec.com.au under the heading "Investors".

Shareholders attending the Annual General Meeting will have the opportunity to put questions to the Board and the Auditor on matters contained in that Annual Report.

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

Resolution 1: Non-binding Resolution – Remuneration Report

As required by section 250R(2) of the Corporations Act 2001 (Cth), a resolution that the Remuneration Report of Benitec Limited be adopted must be put to the vote. The Remuneration Report is contained within the Directors' Report in the 2011 Annual Report on pages 8 to 10.

Shareholders attending the Annual General Meeting ("**AGM**") will have the opportunity to discuss and put questions in respect of the Remuneration Report, and to vote on a non-binding resolution to adopt the Remuneration Report.

The resolution is advisory only and does not bind the Company or its directors. The Board will consider the outcome of the vote and comments made by shareholders on the Remuneration Report at the meeting when reviewing the Company's remuneration policies. Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive AGMs (treating this AGM as the first such meeting), shareholders will be required to vote at the second of those AGMs on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's directors (other than the Managing Director and CEO) must be put up for re-election. The outcome of the vote on the Remuneration Report contained in the Company's 2010 Annual Financial Statements is not considered on this occasion and thus a spill resolution will not be required in the event that 25% or more of votes that are cast are against the adoption of the 2011 Remuneration Report.

Any undirected proxies held by the Chairman of the meeting, other directors or other key management personnel or any of their closely related parties will not be voted on this Resolution. 'Closely related parties' are defined by the Corporations Act 2001 (Cth), and include specified family members, dependants and companies they control.

If you chose to appoint a proxy, you are encouraged to direct your proxy how to vote on this Resolution by marking either "For", "Against" or "Abstain" on the proxy form for this Resolution.

Resolution 2: Re-election of Directors - Mr Mel Bridges

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, Mr Mel

Bridges will retire by rotation at this meeting, is eligible for re-election and is seeking re-election as a director at this meeting.

Mr Mel Bridges

Mr Mel Bridges was appointed Non-Executive Director on 12 October 2007.

Mr Mel Bridges has more than 30 years experience in the global biotechnology and healthcare industry. During this period, he founded and managed successful diagnostics, biotechnology and medical device businesses. Mel is currently Chairman of a number of listed and unlisted companies. He is Chairman of Alchemia Ltd and Impedimed Limited. He also co-founded the previously listed company Panbio Ltd. Mel has extensive experience as a public company director and is a director of Campbell Brothers Limited and a Non-Executive Director of Tissue Therapies Limited and Genera Biosystems Limited.

The businesses that Mel has founded have won numerous awards including the Queensland Export Award, Australian Small Business of the Year, Queensland Top 400, BRW's Top 100 Fastest Growing Companies for seven consecutive years and The Australian Quality Award. Mel has won numerous awards for his achievements including the Ernst and Young 2002 Entrepreneur of the Year. In 2004 he was anointed the Queensland Entrepreneur of the Year, and in 2005 industry group AusBiotech awarded him the Chairman's Industry Gold Medal for contributions to the Australian biotech industry.

Resolutions 3(a), 3(b), 3(c) and 3(d): Issue of Options to Directors Mr Peter Francis, Mr Mel Bridges, Dr John Chiplin and Mr Iain Ross

Listing Rule 10.11 requires a company to obtain the approval of shareholders for issuing options to a related party of the Company. A related party includes a director of the Company. Passing Resolutions 3(a), 3(b), 3(c) and 3(d) will permit the directors named in the table below (or their nominees) to acquire options in the Company.

The table below sets out the number of shares and options in the Company held by directors who will acquire the shares and, subject to approval of Resolutions 3(a), 3(b), 3(c) and 3(d), the number of options those directors will receive.

Director and/or Nominee	Proposed Options to be Issued	Current Shares (directly and indirectly) Held	Current Options (directly and indirectly) Held
Mr Peter Francis	40,000,000	2,237,175	4,474,350
Mr Mel Bridges	10,000,000	860,000	2,998,333
Dr John Chiplin	10,000,000	1,190,846	264,063
Mr Iain Ross	10,000,000	750,000	187,500
Total	70,000,000	5,038,021	7,924,246

The terms of the options the subject of Resolutions 3(a), 3(b), 3(c) and 3(d) are set out in Annexure A ("**Directors' Option Terms**").

Each option the subject of Resolutions 3(a), 3(b), 3(c) and 3(d), has an exercise price of \$0.05 (5 cents) per option. The Company resolved, subject to shareholder approval, to issue the options the subject of Resolutions 3(a), 3(b), 3(c) and 3(d) on 26 September 2011 and determined that the options will have the exercise price of \$0.05 (5 cents).

Each option the subject of Resolutions 3(a), 3(b), 3(c) and 3(d), shall have an expiry date of 26 September 2016, although the options may expire earlier upon the retirement, resignation or dismissal of the relevant director as provided for in item 1 of the Directors' Option Terms set out in Annexure A. Upon exercise, the holder becomes entitled to acquire one (1) fully paid ordinary share in the issued capital of the Company.

If approved by shareholders the options shall be issued to the Directors no later than one month after the date of the Annual General Meeting. The options shall be subject to the vesting conditions set out in item 3 of the Directors' Options Terms set out in Annexure A. In summary, one third of the options will vest on issue, one third will vest on the first anniversary of the date of issue and the balance will vest on the second anniversary of the date of issue subject to the relevant directors' continued engagement with the Company. If the resulting number of options to vest on the first anniversary or the second anniversary contains a fraction, such number shall be rounded down to the next lowest whole number.

Shareholders should refer to Annexure A for the full terms of the options the subject of Resolutions 3(a), 3(b), 3(c) and 3(d).

ASX Listing Rule 7.1 requires the prior approval of shareholders in General Meeting to issue securities if the number of those securities exceeds 15% of the number of the same class of securities at the commencement of the relevant 12 month period. This rule does not apply in respect of an issue made with the approval of holders of ordinary securities under ASX Listing Rule 10.11. If approval is given under ASX Listing Rule 10.11, approval is not required under ASX Listing Rule 7.1.

Therefore, by obtaining shareholder approval, the Company retains the ability to issue further shares or options of up to 15% of its ordinary shares under Chapter 7 of the ASX Listing Rules to take advantage of opportunities to obtain further funds if required and available in the future.

No funds will be raised by the issue of options the subject of Resolutions 3(a), 3(b), 3(c) and 3(d). If the options are exercised the funds received will be applied to working capital requirements of the Company at that time.

The directors subject to these Resolutions 3(a), 3(b), 3(c) and 3(d), because of their interest, make no recommendation in relation to these Resolutions 3(a), 3(b), 3(c) and 3(d).

Resolution 4: Change of Company Name

The Company proposes to change its name from "Benitec Limited" to "Benitec Biopharma Limited", effective from the date that ASIC registers the name change. The change of name is proposed so that the Company's name better reflects its current activities.

Resolution 4 is proposed as a special resolution.

Annexure A

Option Terms (Resolutions 3(a), 3(b), 3(c) and 3(d))

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 subject to paragraph 3 at any time during the period ('**Option Period**') from the date of issue and expiring at the earliest to occur of the following dates:
 - (a) 5.00pm Australian Eastern Standard Time on 26 September 2016 ,
 - (b) the date of retirement, resignation or dismissal from the position of director or other engagement or employment (if any) of the Option Holder with the consolidated entity (as defined in the Corporations Act) of Benitec Limited ('**Consolidated Entity**'); andPROVIDED 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 date of issue. If the resulting number of options contains a fraction, such number shall be rounded down to the next lowest whole number;
 - (b) one third of the Options are exercisable on the first anniversary of the date of issue. If the resulting number of options contains a fraction, such number shall be rounded down to the next lowest whole number;
 - (c) the balance of the Options are exercisable on the second anniversary of the date of issue;
 - (d) the vesting of the Options are subject to continued engagement or employment with the Company. Where such engagement or employment ceases with the Company between the vesting period, the Options vest pro-rata over time;
 - (e) in the event of termination for cause, no new options would vest; and
 - (f) 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.

5. In respect of the Options, the exercise price per Option (which is payable immediately upon exercise) is \$0.05 (5 cents).
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:

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

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.

(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.

INTENTIONALLY BLANK

