Benitec Biopharma Ltd
ABN 64 068 943 662
F6A / 1-15 Barr Street
Balmain NSW 2041 Australia
Tel: +61 (0) 2 9555 6986
Email: info@benitec.com
www.benitec.com

ASX ANNOUNCEMENT

Acquisition of Tacere Therapeutics and Phase I/II ready hepatitis C (HCV) program

Key points:

- Acquisition of US-based Tacere Therapeutics and Phase I/II ready clinical development program in hepatitis C (HCV)
- Highly compatible technology based on Benitec Biopharma's novel ddRNAi based gene silencing technology
- Attractive commercial terms reflecting knowledge of assets and original licensing of ddRNAi technology
- Complements and expands Benitec Biopharma's clinical development pipeline by adding high value HCV program with solid preclinical data and extensive safety profile

Sydney, Australia and San Jose, California 11th October 2012: Benitec Biopharma (ASX: BLT) today announced the execution of an agreement to acquire the US-based RNA interference (RNAi) therapeutics company Tacere Therapeutics, Inc. (Tacere). Tacere is a privately held drug development company with a Phase I/II ready program in hepatitis C (HCV) that utilises Benitec Biopharma's novel gene silencing technology called DNA-directed RNA interference (ddRNAi).

The acquisition of Tacere is to be completed on favourable commercial terms reflecting Benitec Biopharma's unique understanding of the assets and original licensing agreement covering the use of its ddRNAi technology.

Benitec Biopharma will acquire Tacere's extensive HCV program data and materials, as well as an advanced preclinical program for the eye disease macular degeneration, which also utilises the Company's ddRNAi technology.

The closing consideration for the acquisition will be non-cash in the form of an issue of 102,321,345 new shares in Benitec Biopharma for just under USD1.5 million, plus a potential cash royalty on future licensing revenue received calculated as follows: 35 per cent if the licence is entered into prior to commencement of a Phase II clinical study; or 15 per cent prior to commencement of a Phase III clinical study; or 5 per cent if prior to the submission of a Biologic License Application to the US Food and Drug Administration or 2.5 per cent if after Biologic License Application submission.

The new shares will represent 9.5% of the issued capital and will be fully paid ordinary shares ranking equally with existing listed shares. The share issue will be made within Benitec Biopharma's 15% annual placement capacity under ASX Listing Rule 7.1 and will not require shareholder approval. Subject to any requirements imposed by the ASX, the vendors have voluntarily agreed that 75% of the shares issuable in the transaction will be held subject to escrow for 12 months. Completion of the of the acquisition is expected within the next two weeks and is subject to standard closing conditions, including execution of certain ancillary agreements.

The Company is pleased to advise that Tacere's Director of R&D, Dr David Suhy, will be joining Benitec Biopharma in the new role of Senior Vice President R&D.

Commenting on the acquisition, Benitec Biopharma's CEO Dr Peter French said:

"We are delighted to announce the acquisition of Tacere and its lead compound TT-034 for HCV. We see the benefits of this transaction as two-fold. Tacere has been successfully developing programs utilising Benitec's proprietary ddRNAi technology since 2006, and it now makes sense to bring these assets in-house to complement and strengthen our pipeline as we move into clinical development.

We believe the preclinical data and safety profile of TT-034 positions the Company to commence clinical trials in hepatitis C at a time when a number of high profile HCV therapies such as nucleotide polymerase inhibitor are encountering safety concerns. The Tacere program provides us with the opportunity to commence Phase I/II clinical trials in mid-2013."

Further details on the Tacere acquisition and programs are available in the presentation lodged with this announcement. An interview with Benitec Biopharma's CEO Dr Peter French and Tacere's Director of R&D Dr David Suhy addressing key questions regarding the acquisition can be found at www.benitec.com.

For more information please contact:

Dr Peter French | Chief Executive Officer
Phone: +61 (02) 9555 6986 | pfrench@benitec.com | www.benitec.com

About Tacere Therapeutics, Inc.:

Established in 2006, Tacere Therapeutics, Inc. is a US-based privately owned RNA interference (RNAi) Therapeutics Company that has developed therapies based on Benitec Biopharma's novel gene silencing technology ddRNAi. In 2008 Tacere Therapeutics entered into a collaboration and license agreement with Pfizer Inc. to develop and commercialise its hepatitis C virus compound TT-034. The collaboration focused on completing all necessary studies for submission of an investigational new drug application (IND), as well as clinical development and commercialisation. Pfizer Inc. invested significant resources to develop the program over a three year period. TT-034 remained a high priority pre-clinical program for Pfizer, however a major organisational restructure in 2011 led to the closure of Pfizer's UK facility where the work on TT-034 was being conducted. The hepatitis C program was subsequently put on hold and the rights passed back to Tacere in 2012.

About Benitec Biopharma Limited:

Benitec Biopharma Limited is an ASX-listed biotechnology company (ASX Code: BLT) based in Sydney, Australia. The company has a pipeline of in-house and partnered therapeutic programs based on its patented gene-silencing technology, ddRNAi, also called expressed RNAi. Benitec Biopharma is developing treatments for chronic and life-threatening human conditions such as cancer-associated pain, Hepatitis B, drug resistant lung cancer and Oculopharyngeal muscular dystrophy based on this technology. In addition, Benitec Biopharma has licensed ddRNAi technology to other biopharmaceutical companies for applications including HIV/AIDS, hepatitis C and retinitis pigmentosa. For more information on Benitec Biopharma refer to the Company's website at www.benitec.com.