For personal use only

ASX/NASDAQ ANNOUNCEMENT

Release of Scheme Booklet

Melbourne – 14 February 2020 – Benitec Biopharma Limited (**Benitec** or the **Company**) (ASX:BLT; NASDAQ:BNTC; NASDAQ:BNTCW) announced on 7 February 2020 that a meeting of Benitec's ordinary shareholders (**Benitec Shareholders**) will be convened to consider a scheme of arrangement under which Benitec Biopharma Inc., a newly formed US corporation, will become the parent company of the Benitec group of companies to effect a re-domiciliation from Australia to the United States of America (**Scheme**).

The Scheme meeting will be held at 10:00 am (AEDT) on Thursday, 26 March 2020 at Grant Thornton, Collins Square, Tower 5, 727 Collins Street, Melbourne, Victoria 3008.

A copy of the explanatory statement in relation to the Scheme, including the notice calling the Scheme meeting (**Scheme Booklet**) is attached in full to this announcement.

The Scheme Booklet will be sent to Benitec Shareholders by post or electronically (for shareholders who have opted to receive notices electronically) on or before Monday, 17 February 2020.

The Scheme Booklet contains information on how to vote on the Scheme. Benitec Shareholders are encouraged to consider the Scheme Booklet in its entirety and to participate in the Scheme meeting (either in person or by proxy, attorney or corporate representative).

------ End -----

For personal use only

Lodgement Authorisation
This announcement was authorised for lodgement with the ASX by the Benitec Disclosure Committee, pursuant to its Continuous Disclosure Policy.

About Benitec Biopharma Limited
Benitec Biopharma Limited (ASX: BLT; NASDAQ: BNTC; NASDAQ: BNTCW) is a clinical-stage biotechnology company focused on the development of novel genetic medicines. The proprietary platform, called DNA-directed RNA interference, or ddRNAi, combines RNA interference, or RNAi, with gene therapy to create medicines that facilitate sustained silencing of disease-causing genes following a single administration. Based in Melbourne, Australia with laboratories in Hayward, California (USA), and collaborators and licensees around the world, the Company is developing ddRNAi-based therapeutics for chronic and life-threatening human conditions including oculopharyngeal muscular dystrophy (OPMD), and chronic hepatitis B.

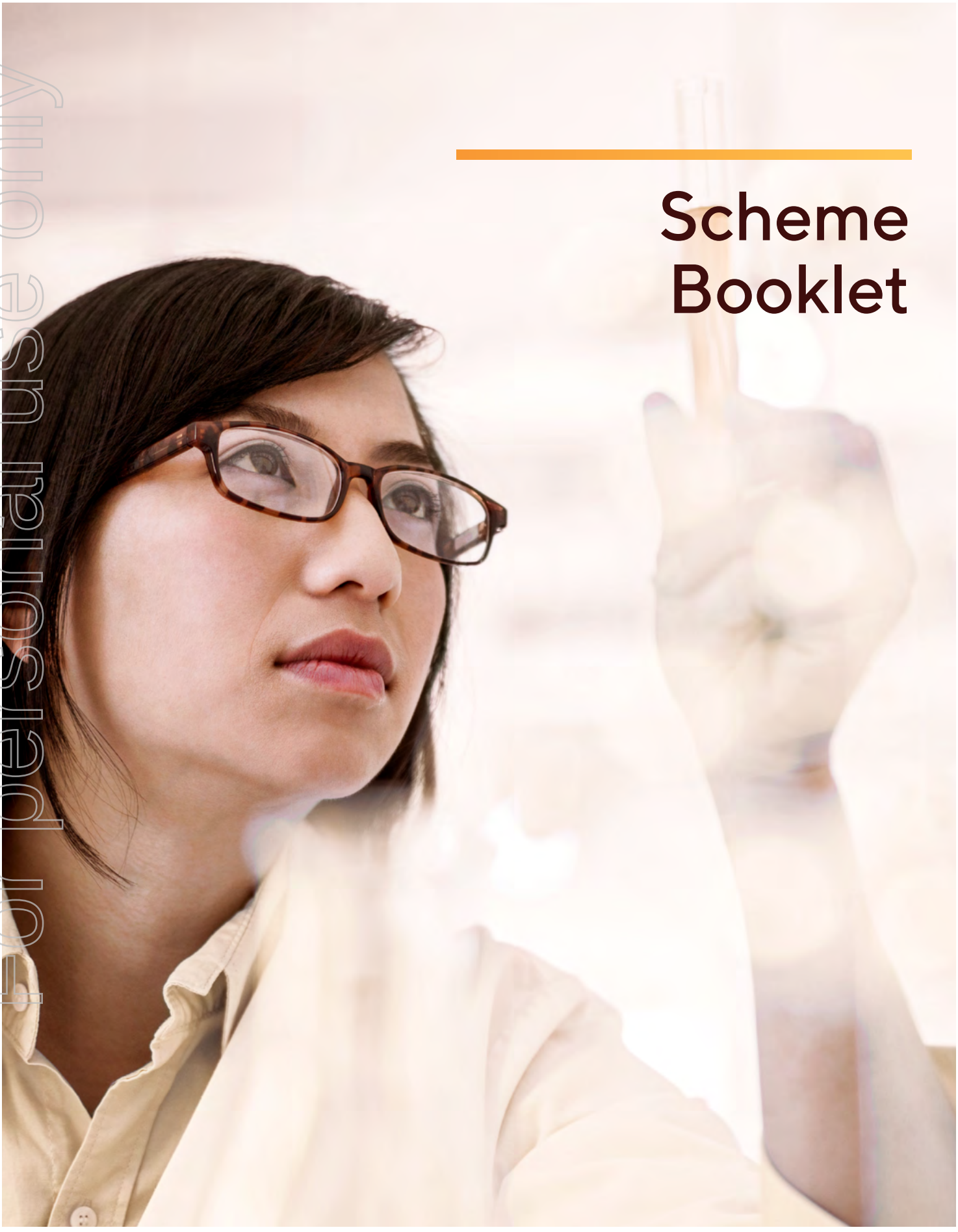
Safe Harbor Statement:
This press release contains "forward-looking statements" within the meaning of section 27A of the US Securities Act of 1933 and section 21E of the US Securities Exchange Act of 1934. Any forward-looking statements that may be in this ASX/Nasdaq announcement are subject to risks and uncertainties relating to the difficulties in Benitec's plans to develop and commercialise its product candidates, the timing of the initiation and completion of preclinical and clinical trials, the timing of patient enrolment and dosing in clinical trials, the timing of expected regulatory filings, the clinical utility and potential attributes and benefits of ddRNAi and Benitec's product candidates, potential future out-licenses and collaborations, the intellectual property position and the ability to procure additional sources of financing. Accordingly, you should not rely on those forward-looking statements as a prediction of actual future results.

Investor Relations

M Group Strategic Communications
Jay Morakis
Managing Director
Tel: +1 646 859 5951
Email: jmorakis@MGroupSC.com

BENITEC BIOPHARMA
silencing genes for life®

Scheme Booklet



For personal use only

For personal use only

For personal use only

This is an important document and requires your immediate attention.

If you are in any doubt about how to deal with this document, you should contact your broker or financial, taxation, legal or other professional adviser immediately.

This Scheme Booklet is for the proposed scheme of arrangement between Benitec Biopharma Limited (**Benitec**) and Benitec Shareholders in relation to the proposed re-domiciliation of Benitec to the United States.

The Benitec Board unanimously recommends that you VOTE IN FAVOUR of the Scheme Resolution in the absence of a superior proposal.

The Independent Expert has concluded that the Scheme is in the best interests of Benitec Shareholders.

If you have any questions in relation to this Scheme Booklet or the Scheme, you should call the Benitec Shareholder Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) Monday to Friday between 8.30am and 5.00pm (AEDT).

LEGAL ADVISER

JONES DAY | One Firm Worldwide℠

For personal use only

Disclaimer and important notices

General

This Scheme Booklet provides Benitec Shareholders with information about the proposed acquisition by Benitec Biopharma Inc. (Holdco) of all Benitec Shares by way of a scheme of arrangement to effect a re-domiciliation to the United States.

This Scheme Booklet is important and requires your immediate attention. You should read this Scheme Booklet in full before making any decision as to how to vote at the Scheme Meeting.

Nature of this document

This Scheme Booklet is the explanatory statement for the Scheme required by subsection 412(1) of the Corporations Act.

This Scheme Booklet does not constitute or contain an offer to Benitec Shareholders, or a solicitation of an offer from Benitec Shareholders, in any jurisdiction.

ASIC and ASX

A copy of this Scheme Booklet has been registered by ASIC for the purposes of subsection 412(6) of the Corporations Act. ASIC has been given the opportunity to comment on this Scheme Booklet in accordance with subsection 411(2) of the Corporations Act. Neither ASIC, nor any of its officers, takes any responsibility for the contents of this Scheme Booklet.

ASIC has been requested to provide a statement, in accordance with subsection 411(17)(b) of the Corporations Act, that it has no objection to the Scheme. If ASIC provides that statement, it will be produced to the Court at the Second Court Hearing.

A copy of this Scheme Booklet has been provided to ASX. Neither ASX, nor any of its officers, takes any responsibility for the contents of this Scheme Booklet.

Important notice associated with Court order under subsection 411(1) of the Corporations Act

The fact that, under subsection 411(1) of the Corporations Act, the Court has ordered that the Scheme Meeting be convened and has approved the explanatory statement required to accompany the Notice of Scheme Meeting does not mean that the Court:

- has formed any view as to the merits of the proposed Scheme or as to how Benitec Shareholders should vote; or
- has prepared, or is responsible for the content of, the explanatory statement.

Defined terms

Capitalised terms used in this Scheme Booklet are defined in Section 9.1 of this Scheme Booklet. Section 9.2 also sets out some rules of interpretation which apply to this Scheme Booklet.

Not an offer

This Scheme Booklet is not a disclosure document for the purposes of Chapter 6D of the Corporations Act and does not constitute, nor contain, an offer to Benitec Shareholders or a solicitation of an offer from Benitec Shareholders, in any jurisdiction.

No investment advice

This Scheme Booklet has been prepared without reference to the investment objectives, financial and taxation situation or particular needs of any Benitec Shareholder, or any other person. The information and recommendations contained in this Scheme Booklet do not constitute, and should not be taken as, financial product advice. The Benitec Board encourages you to seek independent legal, financial and taxation advice before making any investment decision and any decision as to whether or not to vote in favour of the Scheme Resolution.

This Scheme Booklet should be read in its entirety before making a decision on whether or not to vote in favour of the Scheme Resolution. In particular, it is important that you consider the potential risks if the Scheme does not proceed, as set out in Sections 3.11 and 6 of this Scheme Booklet, and the views of the Independent Expert set out in the Independent Expert's Report contained in Attachment A to this Scheme Booklet.

If you are in any doubt as to the course you should follow, you should consult an independent and appropriately licensed and authorised professional adviser.

Forward looking statements

This Scheme Booklet contains both historical and forward-looking statements (including in the Independent Expert's Report). Forward looking statements or statements of intent in relation to future events in this Scheme Booklet (including in the Independent Expert's Report) should not be taken to be forecasts or predictions that those events will occur. Forward looking statements generally may be identified by the use of forward looking words such as 'believe', 'aim', 'expect', 'anticipate', 'intending', 'foreseeing', 'likely', 'should', 'planned', 'may', 'estimate', 'potential', or other similar words. Similarly, statements that describe the objectives, plans, goals, intentions or expectations of Benitec or Holdco are or may be forward looking statements. You should be aware that such statements are only opinions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to Benitec and Holdco and/or the industries in which they operate, as well as general economic conditions, prevailing exchange rates and interest rates and conditions in financial markets.

Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement and deviations are both normal and to be expected. Neither Benitec, Holdco nor any of their respective officers, directors, employees or advisers nor any person named in this Scheme Booklet or involved in the preparation of this Scheme Booklet make any representation or warranty (either express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement, or any events or results expressed or implied in any forward looking statement. Accordingly, you are cautioned not to place undue reliance on those statements.

The forward looking statements in this Scheme Booklet reflect views held only at the date of this Scheme Booklet. Subject to any continuing obligations under the Listing Rules or the Corporations Act, Benitec, Holdco and their respective officers, directors, employees and advisers, disclaim any obligation or undertaking to distribute after the date of this Scheme Booklet any updates or revisions to any forward looking statements to reflect:

- any change in expectations in relation to such statements; or
- any change in events, conditions or circumstances on which any such statement is based.

Responsibility statement

Except as outlined below, the information contained in this Scheme Booklet has been provided by Benitec and is its responsibility alone. Except as outlined below, neither Holdco nor any of its respective officers, employees or advisers assume any responsibility for the accuracy or completeness of such information.

The Holdco Information has been prepared by, and is the responsibility of, Holdco. Neither Benitec nor any of its Subsidiaries, directors, officers, employees or advisers assume any responsibility for the accuracy or completeness of such information.

For personal use only

McGrathNicol Advisory Partnership has prepared the Independent Expert's Report (as set out in Attachment A to this Scheme Booklet) and takes responsibility for that report. None of Benitec, its Subsidiaries, Holdco, nor their respective officers, employees or advisers assume any responsibility for the accuracy or completeness of the information contained in the Independent Expert's Report, except, in the case of Benitec, in relation to the information which it has provided to the Independent Expert.

No consenting party has withdrawn their consent to be named before the date of this Scheme Booklet.

Foreign jurisdictions

The release, publication or distribution of this Scheme Booklet in jurisdictions other than Australia may be restricted by law or regulation in such other jurisdictions and persons outside of Australia who come into possession of this Scheme Booklet should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable laws or regulations.

This Scheme Booklet has been prepared in accordance with the laws of the Commonwealth of Australia and the information contained in this Scheme Booklet may not be the same as that which would have been disclosed if this Scheme Booklet had been prepared in accordance with the laws and regulations of a jurisdiction outside of Australia.

No action has been taken to register or qualify the Holdco Shares or otherwise permit a public offering of such securities in any jurisdiction outside Australia.

Based on the information available to Benitec as at the date of this Scheme Booklet, Scheme Shareholders whose addresses are shown in the Share Register on the Record Date as being in the following jurisdictions outside of

Australia will be entitled to have Holdco Shares issued to them pursuant to the Scheme subject to the qualifications, if any, set out below and in Section 8.10 in respect of that jurisdiction:

- New Zealand;
- United States;
- Hong Kong;
- Singapore; and
- any other person or jurisdiction in respect of which Benitec is satisfied, acting reasonably, that the laws of that place permit the offer and issue of Holdco Shares to that Scheme Shareholder and, in Holdco's sole discretion, is not unduly onerous or impracticable for Holdco to do so.

Nominees, custodians and other Benitec Shareholders who hold Benitec Shares on behalf of a beneficial owner resident outside of Australia, New Zealand, Hong Kong, Singapore or the United States may not forward this Scheme Booklet (or any accompanying documents) to anyone outside of these countries without the prior written consent of Benitec.

Scheme Shareholders who are Ineligible Foreign Shareholders will not be issued Holdco Shares. Instead, the Holdco Shares to which Ineligible Foreign Shareholders would otherwise be entitled to under the Scheme will be issued to the Sale Agent and sold through the Share Sale Facility, with the Share Sale Facility Proceeds being remitted to those Scheme Shareholders. Refer to Section 3.4 for further details on the Share Sale Facility.

Notice to Benitec Shareholders in the United States

The Holdco Shares have not been registered under the US Securities Act or under the securities laws of any state or other jurisdiction of the United States.

Holdco is relying on Section 3(a)(10) of the US Securities Act in connection with the consummation of the Scheme and the issuance of Holdco Shares. Section 3(a)(10) provides an exemption for registration of securities issued in exchange for other securities where the terms and conditions of the issuance and exchange have been approved by a court of competent jurisdiction, after a hearing upon the fairness of the terms and conditions of the issuance at which all persons to whom the securities will be issued have the right to appear. Approval of the Scheme by the Court will be relied upon by Benitec and Holdco for purposes of qualifying for the Section 3(a)(10) exemption.

This Scheme Booklet has not been filed with or reviewed by the SEC or any United States state securities authority and none of them has passed upon or endorsed the merits of the Scheme or the accuracy, adequacy or completeness of this Scheme Booklet. Any representation to the contrary is a criminal offence.

Financial amounts

All financial amounts in this Scheme Booklet are expressed in Australian currency unless otherwise stated.

Any discrepancies between totals in tables or financial statements, or in calculations, graphs or charts are due to rounding.

All financial and operational information set out in this Scheme Booklet is current as at the date of this Scheme Booklet, unless otherwise stated.

Notice regarding Second Court Hearing

At the Second Court Hearing, the Court will consider whether to approve the Scheme following the votes at the Scheme Meeting.

Charts and diagrams

Any diagrams, charts, graphs or tables appearing in this Scheme Booklet are illustrative only and may not be drawn to scale. Unless stated otherwise, all data contained in diagrams, charts, graphs and tables is based on information available as at the Last Practicable Date.

Timetable and dates

All times and dates referred to in this Scheme Booklet are references to times and dates in Australian Eastern Daylight Time (AEDT), unless otherwise indicated. All times and dates relating to the implementation of the Scheme referred to in this Scheme Booklet may change and, among other things, are subject to all necessary approvals from Regulatory Authorities.

Privacy

Benitec may collect personal information in the process of implementing the Scheme. The type of information that it may collect about you includes your name, contact details and information on your security holding in Benitec and the names of persons appointed by you to act as a proxy, attorney or corporate representative at the Scheme Meeting. The collection of some of this information is required or authorised by the Corporations Act.

The primary purpose of the collection of personal information is to assist Benitec to conduct the Scheme Meeting and implement the Scheme. Without this information, Benitec may be hindered in its ability to issue this Scheme Booklet and implement the Scheme. Personal information of the type described above may be disclosed to the Share Registry, third party service providers (including print and mail service providers and parties otherwise involved in the conduct of the Scheme Meeting), authorised securities brokers, professional advisers, related bodies corporate of Benitec, Regulatory Authorities, and also where disclosure is otherwise required or allowed by law.

Benitec Shareholders who are individuals and the other individuals in respect of whom personal information is collected as outlined above have certain rights to access the personal information collected in relation to them. If you would like to obtain details of the information about you held by Benitec, please contact the Share Registry.

Benitec Shareholders who appoint an individual as their proxy, corporate representative or attorney to vote at the Scheme Meeting should ensure that they inform such an individual of the matters outlined above.

Benitec Information Line

If you have any questions in relation to this Scheme Booklet or the Scheme, you should call the Benitec Shareholder Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) Monday to Friday between 8.30am and 5.00pm (AEDT).

Date of Scheme Booklet

This Scheme Booklet is dated 10 February 2020.

Table of Contents

Important dates 1
Overview of this Scheme Booklet 3
Letter from the Executive Chairman 7

1 Frequently asked questions

2 Reasons to vote for/against the Scheme

2.1 Introduction 20
2.2 Why you should vote in favour of Scheme Resolution 21
2.3 Why you may wish to vote against the Scheme Resolution 23

3 Summary of the Scheme

3.1 Background 26
3.2 Scheme Consideration 26
3.3 Selling Shareholders 27
3.4 Share Sale Facility 28
3.5 Withholding taxes under Share Sale Facility 29
3.6 Admission of Holdco to Nasdaq 29
3.7 Directors' recommendation 29
3.8 Voting intentions of the Directors 30
3.9 Independent Expert's conclusions 30
3.10 Conditions to the Scheme 30
3.11 Implications if the Scheme does not proceed 30
3.12 Your choices as a Benitec Shareholder 31
3.13 Copy of Share Register 33
3.14 Warranty and power of attorney by Scheme Shareholder 33
3.15 No brokerage or stamp duty 33
3.16 Existing Benitec Shareholder instructions to Benitec 34
3.17 Delisting of Benitec 34

4 Profile of Benitec

4.1 Introduction 36
4.2 Benitec Board 37
4.3 Senior management team 37
4.4 Capital structure 37
4.5 Interests of Directors in Benitec securities 39
4.6 Interests of Directors in securities of Holdco 40
4.7 Benefits and agreements 40
4.8 Recent share price history 41
4.9 Historical financial information 41
4.10 Material changes to financial position 45
4.11 Publicly available information about Benitec 45

5 Profile of Holdco

5.1 Overview 48
5.2 Directors 49
5.3 Capital Structure 49
5.4 Rights and liabilities attaching to Holdco Shares 49
5.5 Employee shares and options plan 51
5.6 Differences between corporate laws 51
5.7 Differences between Australian and US financial reporting 63
5.8 Reporting obligations of Holdco 64
5.9 Corporate governance structure 68
5.10 Holdco's intentions for Benitec's business, assets and employees following implementation 68

6 Risk Factors

6.1 Introduction 70
6.2 General market risks 70
6.3 Specific risks relating to Benitec and the industries in which it operates 71
6.4 Risks relating to holding Holdco Shares 73
6.5 Risk factors which may prevent the Scheme from being implemented 74

For personal use only

For personal use only

7 Implementing the Scheme

7.1	Scheme Implementation Agreement	76
7.2	Voting on the Scheme Resolution	77
7.3	Court approval of the Scheme	77
7.4	Deed Poll	78
7.5	Effective Date	78
7.6	Record Date and entitlement to Scheme Consideration	78
7.7	Implementation of the Scheme	78

8 Additional Information

8.1	Effect of the transaction on Benitec's material contracts	80
8.2	Australian taxation implications of the Scheme	80
8.3	US federal taxation implications	84
8.4	Disputes and litigation	89
8.5	Status of Conditions Precedent	89
8.6	Substantial shareholders of Benitec	90
8.7	Consents to be named	90
8.8	Intentions of Directors	91
8.9	No unacceptable circumstances	91
8.10	Foreign jurisdictions	91
8.11	No other material information	93
8.12	Supplementary disclosure statement	93

9 Definitions and interpretation

9.1	Definitions	95
9.2	Interpretation	100

ATTACHMENT A

Independent Expert's Report

ATTACHMENT B

Deed Poll

ATTACHMENT C

Scheme of Arrangement

ATTACHMENT D

Notice of Scheme Meeting

ATTACHMENT E

Amended and Restated Scheme Implementation Agreement

CORPORATE DIRECTORY

Important dates

For personal use only

Key dates 2020

FEB
10

Date of this Scheme Booklet

MAR
24

10am (AEDT)
Latest time and date for receipt of the Proxy Form (including proxies lodged online) or powers of attorney by the Share Registry for the Scheme Meeting

7pm (AEDT)
Time and date for determining eligibility to vote at the Scheme Meeting

MAR
26

10am (AEDT)
Scheme Meeting

For personal use only

If the Scheme Resolution is approved at the Scheme Meeting the following key dates will apply.

Monday, 30 March 2020

- Second Court Date
- Court order lodged with ASIC and announcement to ASX
- Effective Date

Monday, 6 April 2020

- Share Sale Facility election due 5pm (AEST)
- Record Date 7pm (AEST)

Wednesday, 15 April 2020

- Implementation Date
- Issue of Holdco Shares to Scheme Shareholders
- Trading of Holdco Shares on Nasdaq commences

Wednesday, 22 April 2020

- Commencement of dispatch to Scheme Shareholders of statements confirming the issue of Holdco Shares

Share Sale Facility Proceeds will be distributed to relevant Scheme Shareholders who participate in the Share Sale Facility as soon as reasonably practicable, however this process may require several months.

All dates are indicative only and are subject to change. Benitec, in consultation with Holdco, may vary any or all of these dates and times and will provide reasonable notice of any such variation. Certain times and dates are conditional on the approval of the Scheme by Benitec Shareholders and the Court and may depend on factors outside of the control of Benitec. Any changes will be announced by Benitec to ASX and published on Benitec's website at benitec.com.

Overview of this Scheme Booklet

For personal use only

For personal use only

What is this Scheme Booklet for?

This Scheme Booklet contains information about the proposed re-domiciliation of Benitec to the United States by way of the Scheme under which Holdco, a new US company incorporated in accordance with the laws of Delaware, will acquire all Benitec Shares (including such Benitec Shares underlying the American Depositary Shares (**ADSs**)).

Following implementation of the Scheme, Holdco will become the ultimate parent company of Benitec. It is intended that Holdco will be a public reporting company in the United States with Holdco Shares being listed for trading on Nasdaq on the Implementation Date, subject to authorisation for listing being obtained from Nasdaq and official notice of issuance of Holdco Shares from Holdco.

This Scheme Booklet provides important information for Benitec Shareholders to consider before voting in favour of the Scheme Resolution at the relevant Scheme Meeting to be held at Grant Thornton, Collins Square, Tower 5, 727 Collins Street, Melbourne, Victoria 3008 at 10.00am (AEDT) on Thursday, 26 March 2020.

What will I be entitled to receive if the Scheme proceeds?

If the Scheme is implemented, Scheme Shareholders will receive one Holdco Share for every 300 Scheme Shares held as at the Record Date (**Scheme Consideration**).

Scheme Shareholders who are Ineligible Foreign Shareholders will not be issued Holdco Shares. Instead, the Holdco Shares to which Ineligible Foreign Shareholders would otherwise be entitled to under the Scheme will be issued to the Sale Agent and sold through the Share Sale Facility, with the Share Sale Facility Proceeds being remitted to those Scheme Shareholders.

Any fractional entitlements to Holdco Shares will not be issued to Scheme Shareholders and will instead be aggregated and issued to the Sale Agent to be sold under the Share Sale Facility.

Benitec Shareholders holding less than 50,000 Benitec Shares as at the Record Date may also elect to have all of their Holdco Shares issued to the Sale Agent and sold under the Share Sale Facility.

Refer to Section 3.4 for further details on the Share Sale Facility.

What if I hold ADSs?

Holders of ADSs (**ADS Holders**) will be entitled to vote on the Scheme Resolution through the ADS Depositary. ADS Holders may not vote in person at the Scheme Meeting or by proxy other than through the ADS Depositary unless they surrender their ADSs and become holders of the underlying Benitec Shares prior to the date for determining entitlement to vote.

If the Scheme is implemented, Benitec intends to terminate the ADS program. The ADS Depositary has informed Benitec that it will call for surrender of all outstanding ADSs and will deliver the Holdco Shares and any Share Sale Facility Proceeds (from the sale of fractional entitlements) to ADS Holders upon surrender of their ADSs and payment of any fee for such surrender.

What should I do next?

Step 1:
Read this Scheme Booklet in its entirety

> You should read this Scheme Booklet carefully in full, including the reasons to vote in favour of or against the Scheme Resolution (as set out in Section 2), before making any decision on how to vote.

Answers to various frequently asked questions about the Scheme Resolution are set out in Section 1. If you have any additional queries about this Scheme Booklet or the Scheme please call the Benitec Shareholder Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) between 8.30am and 5.00pm (AEDT), visit benitec.com or contact your legal, financial, taxation or other professional adviser.

Step 2:
Vote at the Scheme Meeting

Entitlement to vote

If you are registered as a Benitec Shareholder on the Share Register at 7.00pm (AEDT) on Tuesday, 24 March 2020, you will be entitled to attend and vote at the Scheme Meeting.

How to vote

IN PERSON: To vote in person, you must attend the Scheme Meeting. All persons entitled to vote will be admitted and given a voting card at the point of entry to the meeting, once they have disclosed their name and address.

For personal use only

BY PROXY: You may appoint one or two proxies by using the Proxy Form. Your proxy need not be another Benitec Shareholder. Each proxy will have the right to vote on the poll and also to speak at the Scheme Meeting.

A vote given in accordance with the terms of a proxy appointment is valid despite the revocation of that appointment, unless notice in writing of the revocation has been received by the Share Registry before the start or resumption of the meeting. A proxy is not revoked by the principal attending and taking part in the meeting, unless the principal actually votes at the meeting on the resolution for which the proxy was proposed to be used. If you wish to appoint a second proxy, a second proxy form should be used and you should clearly indicate on the second proxy form that it is a second proxy and not a revocation of your first proxy. You can obtain a second proxy form from the Share Registry.

If you appoint two proxies, each proxy should be appointed to represent a specified proportion of your voting rights. If you do not specify the proportions in the proxy forms, each proxy may exercise half of your votes with any fractions of votes disregarded.

If you return your Proxy Form:

- without identifying a proxy on it, you will be taken to have appointed the chair of the meeting as your proxy to vote on your behalf; or
- with a proxy identified on it but your proxy does not attend the meeting, the chair of the meeting will act in place of your nominated proxy and vote in accordance with any directions on your Proxy Form.

The chair of the meeting intends to vote all valid undirected proxies which nominate the chair in favour of the Scheme Resolution, in the absence of a superior proposal.

Proxies of Benitec Shareholders will be admitted to the Scheme Meeting and given a voting card on providing at the point of entry to the meeting, written evidence of their name and address.

Your appointment of a proxy does not preclude you from attending in person, revoking the proxy and voting at the Scheme Meeting.

You must deliver the signed and completed Proxy Form to the Share Registry by 10.00am (AEDT) on Tuesday, 24 March 2020 (or, if the meeting is adjourned or postponed, no later than 48 hours before the resumption of the meeting in relation to the resumed part of the meeting) in any of the following ways:

(a) Online:
Benitec Shareholders may lodge their proxy online at www.investorvote.com.au and following the instructions on the website. You will require the information on your Proxy Form to lodge your proxy through the website.

(b) by post in the provided envelope to the Share Registry:
Computershare Investor Services Pty Limited
GPO Box 1282, Melbourne, Victoria 3001

(c) by mobile voting:
Scan the QR Code on your Proxy Form and follow the prompts.

(d) by custodians:
For Intermediary Online subscribers only (custodians) please visit intermediaryonline.com to submit your voting intentions.

(e) by fax to the Share Registry on 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia).

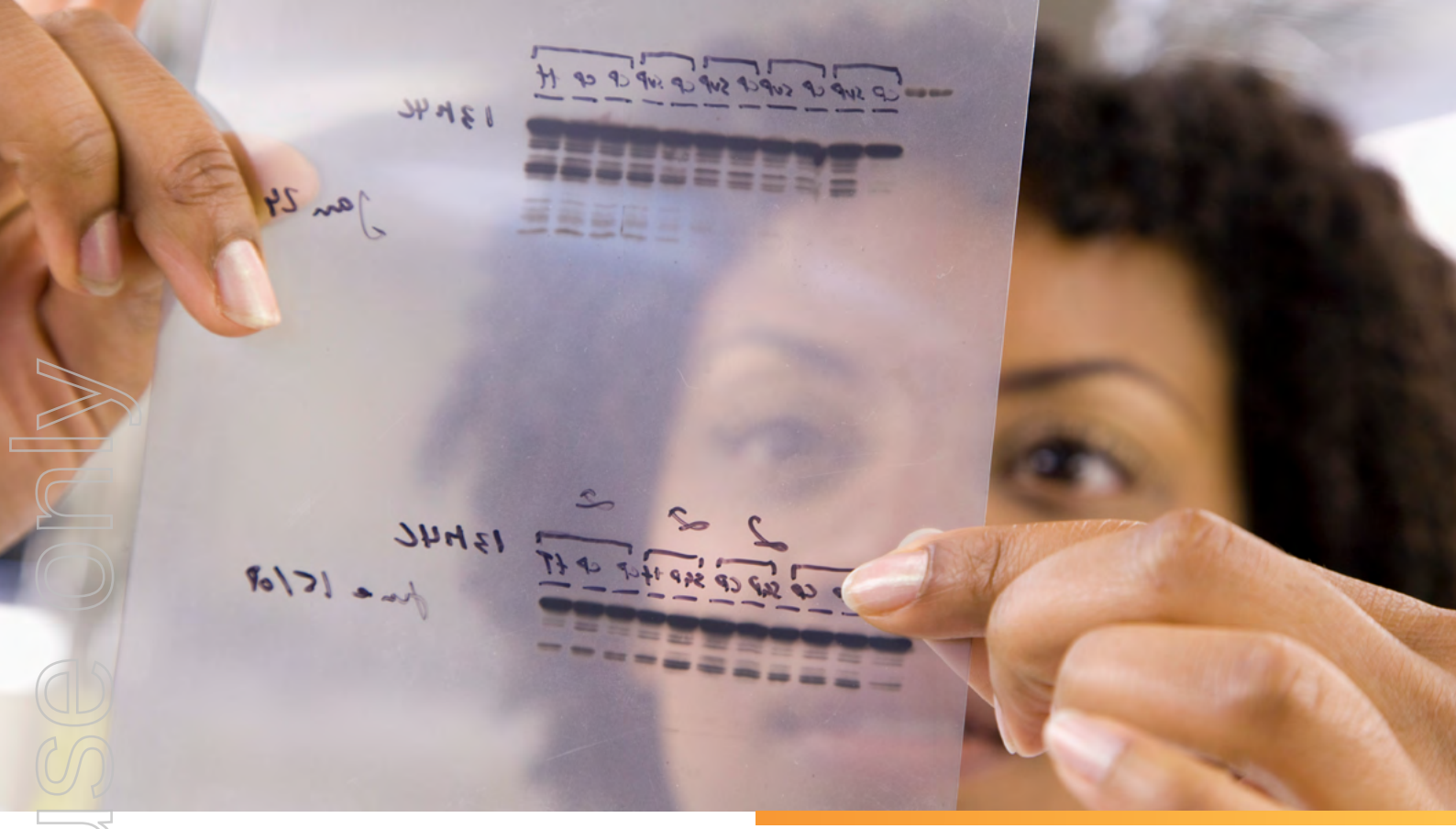
If a voting form is completed under power of attorney or other authority, the power of attorney or other authority, or a certified copy of the power of attorney or other authority, must accompany the completed voting form unless the power of attorney or other authority has previously been noted by the Share Registry.

If you hold Benitec Shares jointly with one or more other persons, in order for your direct vote or proxy appointment to be valid, each of you must sign the voting form.

BY ATTORNEY: You may appoint an attorney to attend and vote at the Scheme Meeting on your behalf. Your attorney need not be another Benitec Shareholder. Each attorney will have the right to vote on the poll and also to speak at the Scheme Meeting.

The power of attorney appointing your attorney to attend and vote at the Scheme Meeting must be duly executed by you and specify your name, the company (that is, Benitec), and the attorney, and also specify the meeting at which the appointment may be used. The appointment may be a standing one.

The power of attorney, or a certified copy of the power of attorney, should be lodged at the registration desk on the day of the Scheme Meeting or delivered by post or by facsimile to the Share Registry before 10.00am (AEDT) on Tuesday, 24 March 2020 (or, if the meeting is adjourned or postponed, no later than 48 hours before the resumption of the meeting in relation to the resumed part of the meeting).



For personal use only

Attorneys of Benitec Shareholders will be admitted to the meeting and given a voting card on providing at the point of entry to the meeting, written evidence of their appointment, their name and address, and the name of their appointors.

Your appointment of an attorney does not preclude you from attending in person and voting at the meeting.

BY CORPORATE REPRESENTATIVE: If you are a body corporate, you may appoint an individual to act as your body corporate representative. The appointment must comply with the requirements of section 250D of the Corporations Act, meaning that Benitec will require a certificate of appointment of body corporate representative to be executed by you in accordance with the Corporations Act.

A form of certificate may be obtained from the Share Registry by calling 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia). The certificate of appointment may set out restrictions on the representative's powers.

If a certificate is completed under a power of attorney or other authority, the power of attorney or other authority, or a certified copy of the power of attorney or other authority, must accompany the completed certificate unless the power of attorney or other authority has previously been noted by the Share Registry.

Body corporate representatives of Benitec Shareholders will be admitted to the Scheme Meeting and given a voting card on providing at the point of entry to the meeting, written evidence of their appointment, their name and address and the name of their appointors.

Questions?

Further information on the Scheme Meeting can be found in the notice of meeting in Attachment D of this Scheme Booklet.

If you have any questions after reading this Scheme Booklet, please call the Benitec Shareholder Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) between 8.30am and 5.00pm (AEDT), or contact your legal, financial, taxation or other professional adviser.

For personal use only

Letter from the Executive Chairman

Dear Shareholder

On 27 November 2019, Benitec announced its intention to re-domicile from Australia to the United States of America. Benitec is implementing a scheme of arrangement pursuant to which Benitec Biopharma Inc. (**Holdco**), a new company incorporated for the purpose of effecting the re-domiciliation, will acquire all Benitec Shares and in exchange Benitec Shareholders will receive 1 Holdco Share for every 300 Benitec Shares held as at the Record Date.

Holders of ADSs listed on Nasdaq will be entitled to vote and participate in the Scheme (through the Bank of New York Mellon, the ADS Depositary).

If the Scheme is implemented, Benitec will become a wholly owned subsidiary of Holdco. Promptly following implementation of the Scheme, Benitec will be delisted from ASX. Holdco Shares will be admitted to Nasdaq on the Implementation Date, subject to authorisation for listing being obtained from Nasdaq and official notice of issuance of Holdco Shares from Holdco.

Reasons for re-domiciliation

After carefully considering the relative merits of the re-domiciliation, the Benitec Board is of the view that the advantages materially outweigh the disadvantages. In particular, the Benitec Board believes that the re-domiciliation would provide the following potential benefits:

- streamline and reduce overhead costs of the group, particularly in respect of compliance, audit and insurance costs, estimated to generate cost savings in excess of A$750,000 per annum once fully implemented;
- align its corporate and operations structure, noting that the majority of Benitec's current business and employees are already located in the US;
- provide access to a broader range of US investors in a market which is familiar with and has a stronger interest in early to mid-stage biotechnology companies, which may lead to a stronger valuation of Holdco over time and improve liquidity in trading of shares;
- improve attractiveness as a potential target; and
- create additional opportunities with potential licensing or joint venture partners.

You should carefully consider the reasons to vote for, and against, the Scheme Resolution set out in Section 2.

Independent Expert

Benitec has engaged McGrathNicol Advisory Partnership to prepare the Independent Expert's Report for this Scheme Booklet.

The Independent Expert has concluded the Scheme is in the best interests of Benitec Shareholders.

A full copy of the Independent Expert's Report is also included in Attachment A of this Scheme Booklet.

For personal use only

On behalf of the Benitec Board, I thank you for your continued support as a Benitec Shareholder. We encourage you to vote in favour of the Scheme, which we believe to be in the best interests of Benitec Shareholders.



Recommendation of the Benitec Board

For the reasons set out in this Scheme Booklet, the Benitec Board unanimously recommends that you vote in favour of the Scheme Resolution, subject to no superior proposal emerging and the Independent Expert continuing to conclude the Scheme to be in the best interests of Benitec Shareholders.

Subject to those same qualifications, each member of the Benitec Board that holds or controls Benitec Shares intends to vote in favour of the Scheme.

The Benitec Board will carefully consider any proposal received from third parties in the context of a control transaction (or any other transaction) to determine whether it is a "superior proposal" in the best interests Benitec Shareholders, taking into account a range of relevant factors. As at the date of this Scheme Booklet, no superior proposal has emerged and the Directors are not aware of any superior proposal that is likely to emerge.

Your vote is important

Your vote is important regardless of how many Benitec Shares you own. If you wish for the Scheme to proceed, it is important that you vote in favour of the Scheme Resolution at the Scheme Meeting.

Further Information

This Scheme Booklet sets out important information regarding the Scheme, and I encourage you to consider it carefully and in its entirety.

If you require any further information, please call the Benitec Shareholder Information Line on 1300 850 505 (within Australia), or +61 3 9415 4000 (outside Australia) between 8:30am and 5:00pm (AEDT).

Conclusion

On behalf of the Benitec Board, I thank you for your continued support as a Benitec Shareholder. We encourage you to vote in favour of the Scheme, which we believe to be in the best interests of Benitec Shareholders.

Thank you,



Jerel A. Banks, M.D., Ph.D.
Executive Chairman and CEO

For personal use only

Frequently asked questions

This Section 1 answers some frequently asked questions about the Scheme. It is not intended to address all relevant issues for Benitec Shareholders. This Section 1 should be read together with all other parts of this Scheme Booklet (including the risk factors in Section 6).

1

For personal use only

The Scheme, the Scheme Consideration and the Directors' recommendation

What is the Scheme?

The Scheme is a scheme of arrangement between Benitec and the Scheme Shareholders.

The purpose of implementing the Scheme is to re-domicile Benitec to the United States so that the new ultimate parent company of Benitec will be a United States corporation.

A summary of the Scheme is set out in section 3.

Why is Benitec re-domiciling to the US?

The Benitec Board believes that the re-domiciliation in the United States is in the best interests of the Benitec Shareholders.

Section 2.2 sets out further information regarding the reasons for re-domiciliation.

What is the recommendation of the Directors?

The Directors unanimously recommend that Benitec Shareholders vote in favour of the Scheme in the absence of a superior proposal and subject to the Independent Expert continuing to conclude the Scheme to be in the best interests of Benitec Shareholders.

The Directors believe that the reasons for Benitec Shareholders to vote in favour of the Scheme outweigh any reasons to vote against them.

The Directors encourage you to seek independent legal, financial, taxation or other appropriate professional advice before making an investment decision in relation to your Benitec Shares.

Sections 2.2 and 3.7 set out further details of the Directors' recommendation.

What are the voting intentions of the Directors?

The Directors intend to vote in favour of the Scheme in the absence of a superior proposal and subject to the Independent Expert continuing to conclude the Scheme to be in the best interests of Benitec Shareholders.

Details of the Relevant Interests of each Director in Benitec securities are set out in Section 4.5.

What is the Scheme Consideration?

If the Scheme becomes Effective, Scheme Shareholders will receive one Holdco Share for every 300 Benitec Shares held on the Record Date.

Fractional entitlements to Holdco Shares will be aggregated and issued to the Sale Agent to be sold under the Share Sale Facility. The Share Sale Facility Proceeds for those fractional entitlements will be distributed to the relevant Scheme Shareholders who were entitled to the fractional entitlements.

Section 3.2 contains a summary of the Scheme Consideration.

Am I entitled to receive the Scheme Consideration?

You are entitled to receive the Scheme Consideration for each Benitec Share you hold at the Record Date (currently expected to be 7:00pm (AEST) on Monday, 6 April 2020).

Ineligible Foreign Shareholders will not be eligible to receive Holdco Shares. Refer to the question 'What if I am an Ineligible Foreign Shareholder?' below.

Section 3.2 contains a summary of the Scheme Consideration.

What if I am an Ineligible Foreign Shareholder?

Holdco will not issue Holdco Shares to Ineligible Foreign Shareholders, being Benitec Shareholders whose address shown in the Share Register as at the Record Date is outside Australia and its external territories, New Zealand, Hong Kong, Singapore or the United States unless Holdco is satisfied, acting reasonably, that the laws of that place permit the offer and issue of Holdco Shares to that Scheme Shareholder and, in Holdco's sole discretion, is not unduly onerous or impracticable for Holdco to do so.

Holdco Shares that cannot be issued to Ineligible Foreign Shareholders will be issued to the Sale Agent and sold under the Share Sale Facility. The Share Sale Facility Proceeds will be distributed to the relevant Ineligible Foreign Shareholders.

Section 3.4 provides further details in respect of the Share Sale Facility.

For personal use only

What is a Selling Shareholder and how do I make a Sale Election?

If you hold less than 50,000 Benitec Shares as at the Record Date, you may make a Sale Election to have the Sale Agent sell your Holdco Shares under the Share Sale Facility.

If you make a valid Sale Election, the Holdco Shares you would otherwise have received under the Scheme will be issued to the Sale Agent and sold through the Share Sale Facility. You will receive the Share Sale Facility Proceeds in cash.

To make a valid Sale Election you return the completed Sale Election Form to the Share Registry by 5.00pm (AEST) on Monday, 6 April 2020 in accordance with the instructions on the Sale Election Form.

Refer to Section 3.3.

Why has the exchange ratio of one Holdco Share for every 300 Benitec Shares been selected?

The ratio has been selected by Benitec and Holdco having regard to:

- the current trading price of Benitec Shares on ASX;
- the theoretical trading price of Holdco Shares and the trading price that is expected of a stock listed on a major US stock exchange; and
- the minimum trading price requirement of US$1.00 on the Nasdaq for all continued listings.

Are there any differences between my Benitec Shares and the Holdco Shares I will receive?

Yes, there are certain important differences between the rights attaching to Benitec Shares and Holdco Shares, respectively.

The Benitec Shares are currently governed under the Corporations Act, Benitec Constitution and the Listing Rules.

The Holdco Shares will be governed under the DGCL and Holdco's certificate of incorporation and by-laws. If Holdco Shares are approved for trading on Nasdaq, they will also be subject to the listing rules of Nasdaq.

Section 5.4 includes a summary of the rights and liabilities attaching to Holdco Shares.

Refer to Section 5.6 for a summary on the differences between the company law regimes.

When will I receive my Scheme Consideration?

If the Scheme is approved and implemented, you will receive your Holdco Shares on the Implementation Date, expected to be Wednesday, 15 April 2020.

Statements detailing your holding of Holdco Shares are expected to be despatched within 5 Business Days after the Implementation Date.

Section 3.2 contains further information in respect of the payment of the Scheme Consideration.

What is the Share Sale Facility?

Following the Implementation Date, the Sale Agent will sell under the Share Sale Facility:

- Holdco Shares that would have otherwise been issued to Ineligible Foreign Shareholders;
- Holdco Shares that would have otherwise been issued to Selling Shareholders; and
- aggregated fractional entitlements to Holdco Shares that Scheme Shareholders would otherwise be entitled to under the Scheme.

Having regard to the current trading volume of Benitec Shares on ASX and to ensure that the sale of Holdco Shares takes place in an orderly market and does not unnecessarily impact upon the price of Holdco Shares, it is anticipated that the completion of the sale of Holdco Shares through the Share Sale Facility and the distribution of the Share Sale Facility Proceeds may require several months. Interest will not be paid on any Share Sale Facility Proceeds.

There is no guarantee that there will be a liquid market for Holdco Shares. Prices for Holdco Shares may rise and fall during the sale period and will depend on many factors, including the demand for and supply of Holdco Shares. Benitec, Holdco and the Sale Agent cannot guarantee the price that Holdco Shares will be sold for.

The Share Sale Facility Proceeds will be distributed in Australian dollars to Ineligible Foreign Shareholders, Selling Shareholders and Scheme Shareholders who would otherwise have fractional entitlements to Holdco Shares as part of their Scheme Consideration. The Share Sale Facility Proceeds will be calculated on a volume weighted average price per Holdco Share, so that each Scheme Shareholder entitled to such proceeds will receive the same price per Holdco Share.



For personal use only

US backup withholding may apply to Share Sale Facility Proceeds payable to a US Holder if such holder fails to provide its correct taxpayer identification number or otherwise fails to certify its exemption from backup withholding. Holders who are required to establish their exempt status generally will be required to provide a properly completed applicable IRS Form W-9 or W-8 to Computershare by 5.00pm (AEST) on Monday, 6 April 2020.

Section 3.4 contains further information in respect of the Share Sale Facility.

When can I start trading my Holdco Shares on Nasdaq?

Holdco will submit a listing application to Nasdaq in February 2020. Trading on Nasdaq of Holdco Shares issued as part of the Scheme Consideration is expected to commence on the Implementation Date. You may be unable to trade until you receive your holding statement confirming the number of Holdco Shares you hold and your Holder Account Number. It is the responsibility of each Holdco Shareholder to confirm their holding before trading in Holdco Shares.

What is Nasdaq?

The Nasdaq Capital Market. The ADS and certain warrants issued by Benitec currently trade on this market.

Given the existing listing on Nasdaq, the Benitec Board considers that Nasdaq is the appropriate US stock exchange to list Holdco Shares.

What is the opinion of the Independent Expert?

The Independent Expert has concluded that the Scheme is in the best interests of Benitec Shareholders.

Attachment A contains the Independent Expert's Report.

What happens if the Independent Expert changes its opinion?

If the Independent Expert changes its opinion, this will be announced to ASX and the Directors will carefully consider the Independent Expert's revised opinion and advise you of their recommendation.

For personal use only

What will happen if the Scheme does not become Effective?

If the Scheme does not become Effective, Benitec Shareholders will retain their Benitec Shares and Benitec will continue as a company domiciled in Australia, with Benitec Shares trading on ASX and the ADS and certain warrants issued by Benitec trading on Nasdaq.

The costs of the Scheme have been estimated by Benitec to be approximately A$650,000. Approximately A$550,000 of these costs are expected to be payable by Benitec regardless of whether or not the Scheme becomes Effective and is implemented.

Section 6 contains further information on the risk factors associated with an investment in Benitec.

Can the Scheme be terminated?

The Scheme Implementation Agreement may be terminated in certain circumstances, details of which are summarised in Section 7.1(c). If the Scheme Implementation Agreement is terminated, the Scheme will not proceed.

Section 7.1(c) contains further information how the Scheme may be terminated. Attachment E contains a copy of the Scheme Implementation Agreement.

What are my alternatives as a Benitec Shareholder?

As a Benitec Shareholder, you have the following choices available:

- vote in favour of the Scheme Resolution – this is the course of action unanimously recommended by the Directors, in the absence of a superior proposal;
- vote against the Scheme Resolution;
- sell your Benitec Shares on ASX (or Nasdaq in the form of ADSs, as applicable); or
- do nothing.

For additional information on how to vote, please refer to the Section "Overview of this Scheme Booklet" (commencing on page 3).

Section 3.12 contains further information on your choices as a Benitec Shareholder.

What if I am an ADS Holder?

If you are an ADS Holder, you can only give instructions to the ADS Depositary to vote at the Scheme Meeting. You may not vote in person at the Scheme Meeting or by proxy.

If the Scheme is implemented, Benitec intends to terminate the ADS program. The ADS Depositary has informed Benitec that it will call for surrender of all outstanding ADSs and will deliver the Holdco Shares and any Share Sale Facility Proceeds (from the sale of fractional entitlements) to ADS Holders upon surrender of their ADSs and payment of any fee for such surrender.What will happen if the Scheme does not become Effective?

For personal use only

Holdco

Who is Holdco?

Holdco is a newly formed United States company incorporated under the laws of the state of Delaware for the specific purpose of becoming the ultimate parent company of Benitec.

It is intended that Holdco Shares will be listed for trading on Nasdaq on the Implementation Date, subject to authorisation for listing being obtained from Nasdaq and official notice of issuance of Holdco Shares from Holdco.

Section 5 contains further details about Holdco.

Who will be the directors of Holdco following the implementation of the Scheme?

The board of Holdco will initially be the same as the existing Benitec Board, being:

- Dr Jerel Banks;
- Mr Peter Francis;
- Mr Kevin Buchi; and
- Ms Megan Boston.

Prior to implementation of the Scheme, Holdco intends to appoint at least one additional independent non-executive director to satisfy the Nasdaq listing rules.

Section 5 contains further details about Holdco.

What are Holdco's intentions for Benitec?

Following implementation of the Scheme, Benitec will become a wholly owned subsidiary of Holdco and be delisted from ASX.

Section 5 contains further details about Holdco's current intentions for Benitec after the Scheme is implemented.

Will there be changes to the strategy of the Benitec Group following implementation of the Scheme?

The Holdco Board currently intends to operate the Benitec Group's business in a manner consistent with past practice, and to continue the employment of its current employees, without any major change or amendment, although the Holdco Board may undertake a review of the Benitec Group following implementation of the Scheme and consider whether there are appropriate measures required to streamline its operations and structure. Additionally, future economic, market and business conditions may cause Holdco to make changes it considers necessary and in the interests of its shareholders.

Section 5 contains further details about Holdco's current intentions for Benitec Group after the Scheme is implemented.

For personal use only

The Conditions Precedent

Are there any conditions to the Scheme?

There are a number of Conditions Precedent that will need to be satisfied or waived (where capable of waiver) before the Scheme can become Effective.

As at the Last Practicable Date, the Conditions Precedent which remain outstanding are (in summary):

- ASIC and ASX to provide all reliefs, waivers, confirmations, exemptions, consents or approvals to implement the Scheme;
- the Scheme Resolution being passed by Benitec Shareholders by the Requisite Majority at the Scheme Meeting;
- Court approval of the Scheme;
- all regulatory approvals and consents required from any Regulatory Authority to implement the Scheme are obtained;
- Holdco Shares have been authorised for listing on Nasdaq, subject to official notice of issuance following the implementation of the Scheme; and
- no other orders or restraints being issued by Regulatory Authorities or the Court.

As at the Last Practicable Date, the Directors are not aware of any reason why these Conditions Precedent would not be satisfied or waived with the agreement of Holdco.

Section 7.1(b) contains further information on the Conditions Precedent, and Section 8.5 contains further information on the status of the Conditions Precedent.

Voting for or against the Scheme

Why should you vote in favour of the Scheme?

Reasons why you should vote in favour of the Scheme include:

- the Directors have unanimously recommended voting in favour of the Scheme, in the absence of a superior proposal;
- the Independent Expert has concluded that the Scheme is in the best interests of Benitec Shareholders, in the absence of a superior proposal;
- the re-domiciliation will streamline operations and reduce costs, and align its corporate and operations structure, estimated to generate cost savings in excess of A$750,000 per annum once fully implemented;
- the re-domiciliation is likely to improve attractiveness as a potential target;
- the re-domiciliation is likely to create additional opportunities with potential licensing partners;
- the re-domiciliation will provide access to a broader range of investors and may lead to a stronger valuation of the Benitec Group and improved liquidity; and
- no superior proposal has been received as at the date of this Scheme Booklet.

Sections 2.1 and 2.2 contain further information on why you should vote in favour of the Scheme.

Why you may consider voting against the Scheme?

Reasons why you may consider voting against the Scheme include:

- you may disagree with the recommendation of the Directors and the conclusions of the Independent Expert;
- You may wish to retain your Benitec Shares which are listed on the ASX;
- there will be increased exposure to US law and a more litigious environment; and
- there may be US federal income and Australian taxation consequences for Benitec Shareholders if the Scheme is implemented.

Sections 2.1 and 2.3 contain further information on why you may consider voting against the Scheme Resolution.

For personal use only

The Scheme Meeting and voting

When and where will the Scheme Meeting be held?

The Scheme Meeting will be held at 10.00am (AEDT) on Thursday, 26 March 2020 at Grant Thornton, Collins Square, Tower 5, 727 Collins Street, Melbourne, Victoria 3008.

The Notice of the Scheme Meeting contained in Attachment D contains further information on the Scheme Meeting.

What will Benitec Shareholders be asked to vote on at the Scheme Meeting?

At the Scheme Meeting, Benitec Shareholders will be asked to vote on whether to approve the Scheme by voting on the Scheme Resolution.

The Scheme Resolution is set out in the Notice of the Scheme Meeting contained in Attachment D.

What is the Benitec Shareholder approval threshold for the Scheme?

In order to become Effective, the Scheme must be approved by:

- a majority in number (more than 50%) of Benitec Shareholders present and voting at the Scheme Meeting;[1] and
- at least 75% of the total number of votes cast on the Scheme Resolution by Benitec Shareholders present and voting at the Scheme Meeting.

Even if the Scheme is approved by the Requisite Majority of Benitec Shareholders at the Scheme Meeting, the Scheme is still subject to the approval of the Court (as well as other Conditions Precedent).

The Notice of Scheme Meeting contained in Attachment D contain further information on the Scheme approval requirements.

Am I entitled to vote at the Scheme Meeting?

If you are registered as a Benitec Shareholder on the Share Register at 7:00pm (AEDT) on Tuesday, 24 March 2020, you will be entitled to attend and vote at the Scheme Meeting.

If you are an ADS Holder, you can only give instructions to the ADS Depositary to vote at the Scheme Meeting. You may not vote in person at the Scheme Meeting or by proxy.

The Notice of the Scheme Meeting contained in Attachment D sets out further information on your entitlement to vote at the Scheme Meeting.

Should I vote?

Voting is not compulsory. However, the Directors encourage all Benitec Shareholders to vote at the Scheme Meeting.

Sections 2.2, 3.7 and 3.8 provide further information on the Directors' recommendation and the Directors' voting intentions.

How can I vote if I cannot attend the Scheme Meeting?

If you would like to vote but cannot attend the Meeting in person, you can vote by:

- submitting your proxy online at the following link and following the instructions: www.investorvote.com.au. You will require the information on your Proxy Form to lodge your proxy through the website;
- by mailing a completed Proxy Form to the Share Registry at Computershare Investor Services Pty Limited, GPO Box 1282, Melbourne, Victoria 3001;
- mobile voting through scanning the QR Code on your Proxy Form and following the prompts;
- for Intermediary Online subscribers only (custodians), by visiting www.intermediaryonline.com to submit your voting intentions;
- faxing a completed Proxy Form to 1800 783 337 (within Australia) or +61 3 9473 2555 (outside Australia));
- appointing an attorney to attend and vote on your behalf; or
- appointing a corporate representative if that option is applicable to you.

Refer to the Section "Overview of this Scheme Booklet" (commencing on page 3).

[1] It should be noted that the Court has the power to wawive this requirement.



For personal use only

Will Holdco vote at any of the Scheme Meeting?

Holdco is not a Benitec Shareholder and is not permitted to vote at the Scheme Meeting.

Section 5 contains further details about the interests of Holdco in Benitec.

When will the results of the Scheme Meeting be known?

The results of the Scheme Meeting are expected to be available shortly after the conclusion of the meetings and will be announced to ASX (www.asx.com.au) once available.

Even if the Scheme is approved by the Requisite Majority at the Scheme Meeting, the Scheme is still subject to the approval of the Court (as well as other Conditions Precedent).

What happens if the Court does not approve the Scheme or the Scheme does not otherwise proceed?

If the Scheme Resolution is not approved, or if the Scheme Resolution is approved but the Scheme is not approved by the Court or a Condition Precedent is not fulfilled or otherwise waived (if applicable), then the Scheme will not become Effective and will not be implemented.

In such a scenario, Scheme Shareholders will not receive the Scheme Consideration but will retain their Benitec Shares.

Sections 3.11 and 6 contain further information on the implications for Benitec Shareholders if the Scheme does not become Effective.

What happens to my Benitec Shares if I do not vote, or if I vote against the Scheme, and the Scheme becomes Effective?

If the Scheme Resolution is passed by the Requisite Majorities at the Scheme Meeting, then, subject to the other Conditions Precedents being satisfied or waived, the Scheme will be implemented and will be binding on all Benitec Shareholders, including those who did not vote, or voted against the Scheme Resolution.

What do I do if I wish to oppose the Scheme?

If you, as a Benitec Shareholder, wish to oppose the Scheme, you may:

- attend the Scheme Meeting either in person or by proxy and vote against the Scheme Resolution; and/or
- if Benitec Shareholders pass the Scheme Resolution and you wish to appear and be heard at the Second Court Hearing and if so advised, oppose the approval of the Scheme at the Second Court Hearing, you must lodge a notice of intention to appear at the Second Court Hearing, attend the hearing and indicate opposition to the Scheme.

For personal use only

Other questions

Can I sell my Benitec Shares now?

The existence of the Scheme does not preclude you from selling some or all of your Benitec Shares on ASX (or on Nasdaq in the form of ADSs) for cash, if you wish, provided you do so before close of trading on ASX on the Effective Date (currently proposed to be Monday, 30 March 2020) or, if sold in the form of ADSs, before the close of trading on Nasdaq the date before the Implementation Date (currently proposed to be Wednesday, 15 April 2020).

Benitec intends to apply to ASX for Benitec Shares to be suspended from official quotation from the close of trading on the Effective Date. You will not be able to sell your Benitec Shares (except in the form of ADSs, if applicable) on-market after this time.

Section 3.12 contains a summary of the choices available to Benitec Shareholders.

Will I have to pay brokerage fees or stamp duty?

You will not have to pay brokerage fees or stamp duty in connection with receiving whole Holdco Shares under the Scheme.

However, if you are an Ineligible Foreign Shareholder, Selling Shareholder or if you are entitled to fractional Holdco Shares, brokerage fees will be deducted from the sale proceeds of Holdco Shares sold through the Share Sale Facility by the Sale Agent.

What are the taxation implications of the Scheme?

Sections 8.2 and 8.3 contains information on the possible tax treatment for Scheme Shareholders who are Australian and United States residents, respectively.

Tax consequences can vary according to a Scheme Shareholder's particular circumstances. Accordingly, your decision to vote on the Scheme should be made only after consultation with a financial, legal, taxation or other professional adviser based on your own investment objectives, financial situation, taxation position and particular needs.

Sections 8.2 and 8.3 contains further information on certain tax implications which may be relevant to you.

When will the Scheme becomes Effective?

Subject to satisfaction or waiver (if applicable) of the Conditions Precedent, including the Scheme Resolution being approved by the Requisite Majority at the Scheme Meeting, and the Court, the Scheme will become Effective on the Effective Date (currently expected to be Monday, 30 March 2020) and will be implemented on the Implementation Date (currently expected to be Wednesday, 15 April 2020).

Section 7.5 contains further information on when the Scheme will become Effective.

Where can I get further information?

For further information, you can call the Benitec Shareholder Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) between 8.30am and 5.00pm (AEDT).

If you are in doubt about anything in this Scheme Booklet, please contact your financial, legal, taxation or other professional adviser.

Reasons to vote for/against the Scheme

For personal use only

2



For personal use only

2.1 Introduction

The Scheme has a number of advantages and disadvantages which may affect Benitec Shareholders in different ways, depending on their individual circumstances. Benitec Shareholders should seek professional advice on their particular circumstances, as appropriate.

Section 2.2 provides a summary of some of the reasons why the Directors have unanimously recommended you vote in favour of the Scheme Resolution in the absence of a superior proposal.

Section 2.2 should be read in conjunction with Section 2.3 which sets out reasons why you may wish to vote against the Scheme Resolution.

You should read this Scheme Booklet in full, including the Independent Expert's Report, before deciding how to vote at the Scheme Meeting. While the Directors acknowledge the reasons to vote against Scheme Resolution, they believe the advantages of the Scheme Resolution significantly outweigh the disadvantages.

For personal use only

2.2 Why you should vote in favour of Scheme Resolution

The Directors unanimously recommend that you vote in favour of the Scheme in the absence of a superior proposal

The Directors unanimously recommend that Benitec Shareholders vote in favour of the Scheme, in the absence of a superior proposal, and have considered the advantages, disadvantages and risks associated with the Scheme in arriving at this recommendation.

Each member of the Benitec Board intends to vote for the Scheme in respect of their personal holdings of Benitec Shares, and any proxies placed at their discretion, in the absence of a superior proposal.

The Independent Expert has concluded that the Scheme is in the best interests of Benitec Shareholders in the absence of a superior proposal

The Independent Expert has concluded that the Scheme is in the best interests of Benitec Shareholders as, in the Independent Expert's opinion, the advantages of the Scheme outweigh the disadvantages, both of which are summarised in section 5 of the Independent Expert's Report.

A copy of the Independent Expert's Report is set out in Attachment A. Benitec Shareholders are encouraged to read the Independent Expert's Report carefully, including the assumptions, qualifications and disclaimers on which the Independent Expert's conclusions are based.

For personal use only

The re-domiciliation will streamline operations and reduce costs, and align its corporate and operations structure

Benitec is currently admitted to both ASX and Nasdaq. Following implementation of the Scheme, Benitec will be delisted from ASX and Holdco will only be listed on Nasdaq, which will streamline and reduce overhead costs of the group, particularly in respect of compliance, audit and insurance costs, which are increased significantly due to Benitec's dual-listing structure.

Benitec estimates that the re-domiciliation could generate cost savings in excess of A$750,000 per annum once fully implemented.

Benitec's current business and the majority of employees are already located in the United States and the re-domiciliation will align its corporate and operations structure. This may make the overall structure more easily understandable by potential investors.

The re-domiciliation is likely to improve attractiveness as a potential target and its opportunities with potential licensing partners

The Benitec Board believes that the re-domiciliation would improve the attractiveness of the Benitec Group as a potential acquisition target, given that the United States remains one of the most active markets for transactions in the life sciences sector. The Benitec Board also believes that the same logic would apply for potential licensing partners.

Re-domiciling to the United States would allow any potential control, licensing or other transaction to be completed more quickly and potentially with lower transaction costs.

Further, if in the event that the Benitec Group wished to acquire a target or asset, Benitec Group would also have the ability to issue Nasdaq listed Holdco Shares as consideration, which may be more attractive to certain third parties.

The re-domiciliation will provide access to a broader range of investors and may lead to a stronger valuation of the Benitec Group and improved liquidity

The Directors consider that re-domiciling the Benitec Group to the United States would provide access to a broader range of investors in a market which is familiar with and has a stronger interest in earlier to mid-stage biotechnology companies, which may lead to a re-rating of the Benitec Group, a stronger market capitalisation/ valuation and improved liquidity in trading.

No superior proposal has been received as at the date of this Scheme Booklet

As at the date of this Scheme Booklet, no superior proposal has emerged and the Directors are not aware of any superior proposal that is likely to emerge.

The Benitec Board will carefully consider any proposal received from third parties in the context of a control transaction (or any other transaction) to determine whether it is a "superior proposal" in the best interests Benitec Shareholders, taking into account a range of relevant factors.

For personal use only



2.3 Why you may wish to vote against the Scheme

You may disagree with the Directors' recommendation and the Independent Expert's conclusion and believe that the Scheme Resolution are not in your best interests

Despite the view of the Directors and the Independent Expert, you may believe that the Scheme is not in the best interests of Benitec Shareholders or not in your individua best interests.

Benitec Shareholders may believe that the opportunities available to Benitec and the potential returns will be superior as an ASX listed company in the long term. Benitec Shareholders may also believe that it is in the best interests of Benitec Shareholders for Benitec to remain as a company domiciled in Australia.

For personal use only

You may wish to retain your Benitec Shares which are listed on the ASX

You may wish to maintain your investment profile in an Australian publicly listed company on the ASX. Holdco Shares are proposed to be listed on Nasdaq and Holdco does not intend to maintain a Chess Depositary Interest (CDI) on the ASX. Accordingly, Holdco Shares will not be able to be traded on ASX and Benitec Shareholders located outside the US may not be as familiar with trading practices on Nasdaq as they might be with trading practices on the ASX.

You may not wish to hold shares in a publicly traded company domiciled in the United States. On implementation of the Scheme, Benitec Shareholders will become shareholders in Holdco, a company incorporated in Delaware in the US. Holdco is not subject to the provisions of the Corporations Act or the Listing Rules.

The rights of Holdco Shareholders will instead be governed by the laws of the State of Delaware, including the Delaware General Corporation Law (**DGCL**), US federal securities law, Nasdaq listing rules and Holdco's certificate of incorporation and by-laws.

Scheme Shareholders receiving Holdco Shares as part of the Scheme Consideration under the Scheme may also have reduced takeover protection under Delaware and US laws, compared to the protection available under Australian law.

Currently, Australian resident Benitec Shareholders may take action to enforce the provisions of the Benitec Constitution or securities laws applicable to Benitec in Australian courts, applying Australian law. After implementation of the Scheme, such actions with respect to Holdco will be determined in accordance with US law, and in the courts of the State of Delaware.

Benitec Shareholders should refer to Section 5.4 for a summary of the rights and liabilities attaching to Holdco Shares and Section 5.6 for a summary on the differences between the company law regimes applicable to Benitec and Holdco.

Increased exposure to a litigious environment

Holdco may be exposed to increased litigation as a US public company, as the US legal environment is generally more litigious. Under Delaware law, a shareholder must meet certain eligibility and standing requirements to bring a derivative action, but settlement or dismissal of a derivative action requires the approval of the court and notice to shareholders of the proposed dismissal.

Shareholders in the US are entitled to commence class action suits on their own behalf and on behalf of any other similarly situated shareholders to enforce an obligation owed to the shareholders directly where the requirements for maintaining a class action under Delaware law have been met.

There is a risk that any material or costly dispute or litigation could adversely affect Holdco's reputation, financial performance or value.

There may be US federal and Australian taxation consequences for Benitec Shareholders if the Scheme is implemented

Implementation of the Scheme may give rise to US federal and Australian taxation consequences for certain Benitec Shareholders.

These taxation consequences are dependent on the personal circumstances of each Benitec Shareholder. Accordingly, each Benitec Shareholder should seek their own taxation advice prior to voting on the Scheme.

Benitec Shareholders who are Australian and United States residents should refer to Sections 8.2 and 8.3 for a summary of certain potential tax implications of the Scheme.

Summary of the Scheme

For personal use only

3

For personal use only

3.1 Background

Benitec is a company incorporated in Australia admitted to the ASX and Nasdaq. To effect the re-domiciliation to the United States, Benitec entered into a Scheme Implementation Agreement with Holdco, a corporation formed under the laws of Delaware, United States for the purpose of the re-domiciliation, under which Holdco will acquire all Benitec Shares, by way of a scheme of arrangement under Part 5.1 of the Corporations Act, pursuant to which Benitec Shareholders will receive Holdco Shares in exchange for the Benitec Shares.

If the Scheme is implemented, Benitec will be delisted from ASX and will become a wholly owned subsidiary of Holdco.

This Section 3 contains an overview of the Scheme, a copy of which is included in Attachment C.

A summary of the Scheme Implementation Agreement is included in Section 7 and a copy of the Scheme Implementation Agreement is in Attachment E to this Scheme Booklet.

3.2 Scheme Consideration

If the Scheme becomes Effective, Scheme Shareholders will receive Scheme Consideration of one Holdco Share for every 300 Scheme Shares held as at the Record Date.

The Scheme Consideration will be issued on the Implementation Date.

Scheme Shareholders who are Ineligible Foreign Shareholders will not be issued Holdco Shares. Instead, the Holdco Shares to which Ineligible Foreign Shareholders would otherwise be entitled to under the Scheme will be issued to the Sale Agent and sold through the Share Sale Facility, with the Share Sale Facility Proceeds being remitted to those Scheme Shareholders.

Any fractional entitlements to Holdco Shares will not be issued to Scheme Shareholders and will instead be aggregated and issued to the Sale Agent to be sold under the Share Sale Facility.

The Holdco Shares are currently expected to trade on Nasdaq on the Implementation Date, subject to authorisation for listing being obtained from Nasdaq and official notice of issuance of Holdco Shares from Holdco.

The Implementation Date is currently expected to be Wednesday, 15 April 2020.

A holding statement detailing the issue of Holdco Shares is expected to be despatched to Scheme Shareholders within 5 Business Days after the Implementation Date.

Scheme Shareholders may be unable to trade until they receive the holding statement confirming the number of Holdco Shares held and their Holder Account Number. It is the responsibility of each Scheme Shareholder to confirm their holding before trading in their securities. Holdco Shareholders who sell their securities before they receive their holding statement do so at their own risk. Benitec and Holdco disclaim all liability (to the maximum extent permitted by law) to persons who trade Holdco Shares before receiving their holding statements.



For personal use only

3.3 Selling Shareholders

Benitec Shareholders holding less than 50,000 Benitec Shares as at the Record Date may also elect to have all of their Holdco Shares issued to the Sale Agent and sold under the Share Sale Facility. To make a valid Sale Election you return the completed Sale Election Form to the Share Registry by 5.00pm (AEST) on Monday, 6 April 2020 in accordance with the instructions on the Sale Election Form. Once made, the Sale Election is irrevocable.

Participation in the Share Sale Facility is optional. If no Sale Election is made, or a Sale Election is invalid, incomplete or it is received after the date specified on the Sale Election Form, you will not be treated as a Selling Shareholder and will not participate in the Share Sale Facility. Instead, Scheme Shareholders will receive Holdco Shares as Scheme Consideration.

If a Benitec Shareholder holds one or more parcels of Benitec Shares as trustee or nominee for, or otherwise on account of, another person, that Benitec Shareholder may make separate elections in accordance with the election process in respect of each of those parcels. In order to make separate elections, the trustee or nominee must establish distinct holdings on the Share Register in respect of each parcel of Benitec Shares and must make a separate sale election in respect of each such parcel of Benitec Shares. However, the trustee or nominee may not accept instructions from an underlying beneficiary to make an election unless it is in respect of all parcels of Benitec Shares held by the trustee or nominee on behalf of that beneficiary, and the underlying beneficiary has confirmed to the trustee or nominee that its aggregated beneficial and legal holding of Benitec is less than 50,000 Benitec Shares.

For personal use only

3.4 Share Sale Facility

Holdco will issue:

- the Holdco Shares that cannot be issued to Ineligible Foreign Shareholders;
- the Holdco Shares of any Selling Shareholder; and
- any fractional Holdco Shares,

to the Sale Agent and sold for the benefit of the relevant person.

If the number of fractional Holdco Shares is in aggregate, not a whole number, it will be rounded down to the nearest whole number of aggregate fractional Holdco Shares and issued to the Sale Agent.

Benitec will appoint the Sale Agent for the purpose of selling the above Holdco Shares through the Share Sale Facility on Nasdaq following the Implementation Date.

Benitec will, as soon as practicable, distribute to each Ineligible Foreign Shareholder, Selling Shareholder and Scheme Shareholder who has a fractional entitlement to Holdco Shares their respective proportion of those net proceeds by (at its discretion):

- making a deposit in Australian currency into an account with an Australian bank notified by the relevant shareholder to Benitec and recorded in or for the purpose of the Share Register as at the Record Date; or
- sending a cheque in Australian currency by prepaid post to the relevant shareholder's address as recorded in the Share Register at the Record Date.

Brokerage fees will be deducted from the sale proceeds of Holdco Shares sold through the Share Sale Facility by the Sale Agent.

The final Share Sale Facility Proceeds will be remitted to the relevant Scheme Shareholders based on a volume weighted average price per Holdco Share, so that each Scheme Shareholder entitled to such proceeds will receive the same price per Holdco Share.

Having regard to the current trading volume of Benitec Shares on ASX and to ensure that the sale of Holdco Shares takes place in an orderly market and does not unnecessarily impact the price of Holdco Shares, it is anticipated that the completion of the sale of Holdco Shares through the Share Sale Facility and the distribution of the Share Sale Facility Proceeds may require several months. Interest will not be paid on any Share Sale Facility Proceeds. The Share Sale Facility Proceeds will be paid in Australian dollars, converted using the prevailing AUD/US exchange rate at the time of exchange.

The Sale Agent will sell the Holdco Shares at such a price and on such other terms as the Sale Agent determines in good faith (and at the risk of Ineligible Foreign Shareholders, Selling Shareholders, and Scheme Shareholders who have a fractional entitlements to Holdco Shares, as applicable) having due regard for the desire to achieve the best price reasonably available at the time of sale.

There is no guarantee that there will be a liquid market for Holdco Shares. Prices for Holdco Shares may rise and fall during the sale period and will depend on many factors, including the demand for and supply of Holdco Shares. Benitec, Holdco and the Sale Agent give no assurance as to the price that will be achieved for the sale of Holdco Shares described above. The actual price achieved may be more or less than the market value of Benitec Shares as at the date of this Scheme Booklet.

The payment of the Share Sale Facility Proceeds from the sale of Holdco Shares will be in full satisfaction of the rights of Ineligible Foreign Shareholders, Selling Shareholders, and Scheme Shareholders who have fractional entitlements to Holdco Shares.

Under the Scheme, each Ineligible Foreign Shareholder, Selling Shareholder and Scheme Shareholders who have fractional entitlements to Holdco Shares, appoints Benitec as its agent to receive any financial services guide or other notice which may be required to be issued to them by the Sale Agent.

ADS Holders cannot participate in the Share Sale Facility as they are not registered in the Share Register.



For personal use only

3.5 Withholding taxes under Share Sale Facility

US backup withholding may apply to Share Sale Facility Proceeds payable to a US Holder if such holder fails to provide its correct taxpayer identification number or otherwise fails to certify its exemption from backup withholding. Holders who are required to establish their exempt status generally will be required to provide a properly completed applicable IRS Form W-9 or W-8 to Computershare by 5.00 (AEST) on Monday, 6 April 2020.

3.6 Admission of Holdco to Nasdaq

In conjunction with the implementation of the Scheme, Holdco Shares will be admitted to Nasdaq, subject to authorisation for listing being obtained from Nasdaq and official notice of issuance of Holdco Shares from Holdco.

If the Scheme is implemented and Holdco Shares are authorised for admission to Nasdaq, trading in Holdco's Shares will commence on the Implementation Date. Once admission occurs, Holdco Shareholders may trade their Holdco Shares on Nasdaq.

3.7 Directors' recommendation

The Directors unanimously recommend that Benitec Shareholders vote in favour of the Scheme in the absence of a superior proposal and subject to the Independent Expert continuing to conclude the Scheme to be in the best interests of Benitec Shareholders.

The Directors believe that the reasons to vote in favour of the Scheme outweigh the reasons to vote against.

See Section 2.2 above for key reasons for vote in favour of the Scheme and other relevant considerations for Benitec Shareholders.

In considering whether to vote in favour of the Scheme, the Directors encourage you to:

- carefully read all of this Scheme Booklet (including the Independent Expert's Report);
- consider the choices available to you as outlined in Section 3.12;
- have regard to your individual risk profile, portfolio strategy, taxation position and financial circumstances; and
- obtain financial advice from your broker or financial adviser on the Scheme and obtain taxation advice on the effect of the Scheme becoming Effective.



For personal use only

3.8 Voting intentions of the Directors

Each member of the Benitec Board intends to vote all Benitec Shares held by them or controlled by them in favour of the Scheme in the absence of a superior proposal and subject to the Independent Expert continuing to consider the Scheme to be in the best interests of Benitec Shareholders.

3.9 Independent Expert's conclusions

Benitec commissioned the Independent Expert to prepare a report on which the Scheme is, in the Independent Expert's opinion, in the best interests of Scheme Shareholders.

The Independent Expert's Report is contained in Attachment A. The Benitec Board encourages you to read the Independent Expert's Report in full before voting in favour of the Scheme Resolution.

3.10 Conditions to the Scheme

The implementation of the Scheme is still subject to a number of Conditions Precedent. The Conditions Precedent are set out in full in clause 3.1 of the Scheme Implementation Agreement, a copy of which is set out in Attachment E to this Scheme Booklet.

The Scheme will not proceed unless all the Conditions Precedent are satisfied or waived (if applicable) in accordance with the Scheme Implementation Agreement. As at the Last Practicable Date, the Directors are not aware of any reason why these Conditions Precedent would not be satisfied or waived with the agreement of Holdco.

A summary of the Conditions Precedent is included in Section 7.1(b). See also Section 8.5 for more information about the status of the Conditions Precedent as at the Last Practicable Date.

3.11 Implications if the Scheme does not proceed

If the Scheme does not become Effective, Benitec Shareholders will retain their Benitec Shares and Benitec will continue as a company domiciled in Australia, with Benitec Shares trading on ASX and the ADSs and certain warrants issued by Benitec trading on Nasdaq.

The costs of the Scheme have been estimated by Benitec to be approximately A$650,000. Approximately A$550,000 of these costs are expected to be payable by Benitec regardless of whether or not the Scheme becomes Effective and is implemented.

For personal use only

3.12
Your choices as a Benitec Shareholder

As a Benitec Shareholder, you have the following choices available:

✔

Vote in favour of the Scheme Resolution

This is the course of action unanimously recommended by the Directors, in the absence of a superior proposal and subject to the Independent Expert continuing to consider the Scheme is in the best interestsof Benitec Shareholders.

To follow the unanimous recommendation of the Directors, you should vote in favour of the Scheme Resolution at the Scheme Meeting on Thursday, 26 March 2020.

For a summary of how to vote on the Scheme Resolution, please refer to the Section "Overview of this Scheme Booklet" (commencing on page 3)..

✖

Vote against the Scheme Resolution

If, despite the unanimous recommendation of the Directors, you do not support theScheme, you may vote against the Scheme Resolution at the Scheme Meeting on Thursday, 26 March 2020.

However, if all the Conditions Precedents for the Scheme is satisfied or waived (if applicable) and the Scheme becomes Effective, the Scheme will bind all Benitec Shareholders, including those who vote against the Scheme Resolution and those who do not vote at all.

For personal use only



Sell your Benitec Shares

The existence of the Scheme does not preclude you from selling some or all of your Benitec Shares (including in the form of ADSs) on-market for cash, if you wish, provided you do so before close of trading on ASX on the Effective Date (currently proposed to be Monday, 30 March 2020) or, if sold in the form of ADSs, before the close of trading on Nasdaq the date before the Implementation Date (currently proposed to be Wednesday, 15 April 2020).

Benitec intends to apply to ASX for Benitec Shares to be suspended from official quotation from the close of trading on the Effective Date. You will not be able to sell your Benitec Shares (except in the form of ADSs if applicable) on-market after this time.

Benitec Shareholders who sell some or all of their Benitec Shares (including in the form of ADSs):

- may incur a brokerage charge;
- will not be able to participate in the Scheme, or, if one emerges, a superior proposal, in respect of those Benitec Shares they have sold; and
- may be liable for tax consequences (including CGT) on the disposal of their Benitec Shares. There are also potential tax consequences if you choose to participate in the Scheme. Refer to Sections 8.2 and 8.3 for certain tax implications for Scheme Shareholders who are Australian or United States residents.



Do nothing

Benitec Shareholders who elect to not vote at the Scheme Meeting on Thursday, 26 March 2020 or do not sell their Benitec Shares (or ADSs representing the Benitec Shares) on market will:

- if the Scheme becomes Effective – have their Benitec Shares transferred to Holdco, by operation of the Scheme and receive the Scheme Consideration; and
- if the Scheme does not become Effective – retain their Benitec Shares.

ADS Holders should refer to the question "What if I hold ADSs?" in the Section "Overview of this Scheme Booklet" (commencing on page 3).

For personal use only

3.13 Copy of Share Register

Under sections 169 and 173 of the Corporations Act, any Benitec Shareholder has a right to inspect, and to ask for a copy of, the Share Register which contains details of the names and addresses of each Benitec Shareholder.

Benitec may require a Benitec Shareholder to provide reasons for their request prior to providing a copy of the Share Register, and a Benitec Shareholder must not use any information obtained for an improper purpose. A copy of the Share Register will be given to any Benitec Shareholder upon request and payment of the prescribed fee under the Corporations Act where Benitec is satisfied that the details provided are not likely to be used for an improper purpose.

3.14 Warranty and power of attorney by Scheme Shareholder

The terms of the Scheme provide that each Scheme Shareholder is taken to have authorised Benitec to warrant to Holdco that:

- all their Scheme Shares (including any rights and entitlements attaching to those shares) transferred to Holdco under the Scheme will, as at the date of the transfer, be fully paid and free from all mortgages, charges, liens, encumbrances, pledges, security interests and other interests of third parties of any kind; and
- they have full power and capacity to sell and to transfer their Scheme Shares (including any rights and entitlements attaching to those shares) to Holdco under the Scheme.

Under the terms of the Scheme, Benitec undertakes that it will provide such warranty to Holdco as agent and attorney of each Scheme Shareholder.

Subject to the Scheme becoming Effective, each Scheme Shareholder irrevocably appoints Benitec and each of its Directors and secretaries (jointly and each of them individually) as its attorney and agent for the purpose of:

- executing any document necessary or desirable to give effect to the Scheme including the Scheme Share transfer; and
- enforcing the Deed Poll against Holdco.

3.15 No brokerage or stamp duty

No brokerage or stamp duty will be payable by Scheme Shareholders on the transfer of their Scheme Shares to Holdco under the Scheme. However, if you participate in the Share Sale Facility, brokerage fees will be deducted from the final proceeds.



For personal use only

3.16 Existing Benitec Shareholder instructions to Benitec

Except for tax file numbers and except as prohibited by law, all instructions, notifications or elections by each Benitec Shareholder to Benitec binding or deemed binding between the Benitec Shareholder and Benitec relating to Benitec or Benitec Shares, including instructions, notifications or elections relating to:

- whether distributions or dividends are to be paid by cheque or into a specific account; and
- notices or other communications from Benitec (including by email),

will be deemed from the Implementation Date (except to the extent determined otherwise by Holdco in its sole discretion) to be made by the Scheme Shareholder to Holdco and to be a binding instruction, notification or election to, and accepted by, Holdco in respect of any Holdco Shares provided to that Scheme Shareholder until and unless that instruction, notification or election is revoked or amended in writing addressed to Holdco or its agent.

3.17 Delisting of Benitec

On a date after the Implementation Date, Holdco will apply for the termination of the official quotation of Benitec Shares on ASX and for Benitec to be removed from the official list of ASX.

Profile of Benitec

For personal use only

4

For personal use only

4.1 Introduction

Benitec is a clinical-stage biotechnology company focused on the development of novel genetic medicines. The proprietary platform, called DNA-directed RNA interference, or **ddRNAi**, combines RNA interference, or RNAi, with gene therapy to create medicines that facilitate sustained silencing of disease-causing genes following a single administration.

The ddRNAi-based genetic medicine currently under development by Benitec (BB-301) represents a product candidate that can, potentially, be used to meaningfully improve upon the existing standard of care for a rare, chronic, life-threatening form of muscular dystrophy. In the past, the research and development efforts of Benitec have been directed towards disorders that include head and neck squamous cell carcinoma (**HNSCC**), oculopharyngeal muscular dystrophy (**OPMD**), wet age-related macular degeneration (**AMD**) and chronic hepatitis B (**HBV**). Through the combination of the targeted gene silencing effect of RNAi together with the durable gene expression associated with the use of modified viral vectors, ddRNAi has the potential to produce durable silencing of disease-causing genes following a single administration of the proprietary genetic medicine. This novel attribute of the investigational agent that is being advanced through non-clinical development could facilitate the achievement of robust clinical activity while greatly reducing dosing frequencies traditionally expected for medicines employed for the management of chronic diseases. Additionally, the establishment of chronic gene silencing via ddRNAi-based genetic medicines could significantly reduce the risk of patient non-compliance during the course of medical management of potential fatal clinical disorders.

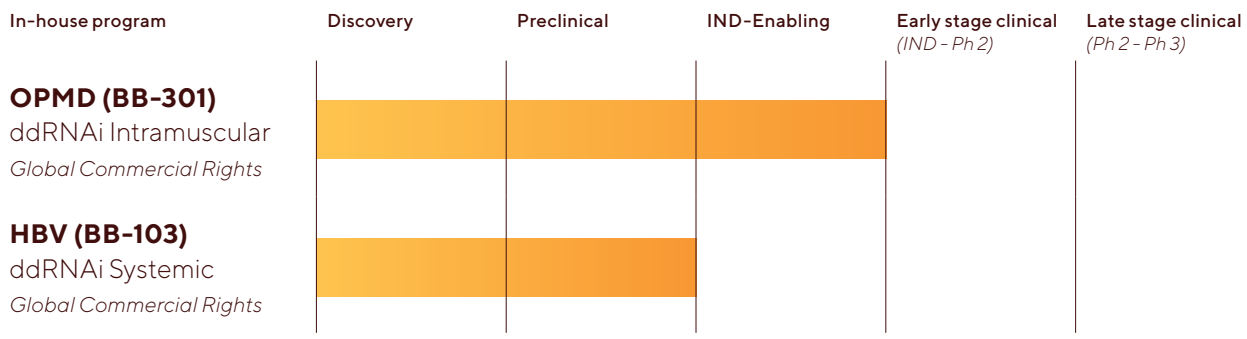
Benitec is based in Melbourne, Australia with laboratories in Hayward, California (USA), and collaborators and licensees around the world.

On 31 July 2019, Benitec announced the completion of a workforce reduction of approximately 50%. Through streamlining of operations, Benitec retained staff members who are key to the achievement of the core research and development goals. The rationalisation of resources will result in an extended financial runway for Benitec while allowing Benitec to continue to advance the BB-301 program through development.

Benitec currently has 13 full-time equivalent employees.

The following diagram sets out Benitec's product candidates and their development status.

Proprietary Pipeline Assets with Peer-Reviewed Proof-of-Concept



For personal use only

4.2 Benitec Board

Jerel A. Banks, M.D., Ph.D.
Executive Chairman and CEO

Megan Boston
Executive Director

Peter Francis
Non-Executive Director

Kevin Buchi
Non-Executive Director

4.3 Senior management team

Jerel A. Banks, M.D., Ph.D.
Executive Chairman and CEO

Megan Boston
Executive Director

4.4 Capital structure

As at the date of this Scheme Booklet, Benitec has the following securities on issue:

TYPE OF SECURITY	NUMBER OF SECURITIES
Current number of Benitec Shares on issue (including Benitec Shares represented by ADSs)	321,287,026
Unlisted options over Benitec Shares with exercise prices ranging from A$0.196 to A$1.25 and expiry dates ranging from 6 May 2020 to 16 May 2024	21,715,000
Quoted warrants (NASDAQ: BNTCW) convertible into one ADS per warrant (representing 11,498,000 Benitec Shares in aggregate) at an exercise price of US$55.00 per ADS issued on exercise and an expiry date of 21 August 2020	57,490
Purchase Warrants exercisable into 312,286 ADSs (equivalent to 64,257,200 Benitec Shares) exercisable at US$7.00 per ADS issued on exercise and an expiry date of 6 December 2024	4

Employee share options plan

As at the date of this Scheme Booklet, Benitec has 21,715,000 unlisted options on issue with exercise prices ranging from A$0.196 to A$1.25 and expiry dates ranging from 6 May 2020 to 16 May 2024 (**Employee Options**). The Employee Options have all been issued under Benitec's Employee Share Option Plan to current employees and officers of Benitec.

On the basis that there is no effective change of control under the Scheme, the Scheme will not trigger the automatic vesting of any Employee Options and the Benitec Board does not intend to accelerate the vesting of the Employee Options or to otherwise make any material change to the terms on which the Employee Options have been issued. Benitec will request each participant who holds Employee Options to agree to have the terms of the Employee Share Option Plan amended (subject to the Scheme becoming Effective) so that Holdco will be allowed to assume the Employee Share Option Plan and the unlisted options.

For personal use only

If the changes are agreed and the Scheme is implemented, any exercise of the Employee Options (subject to vesting conditions being met) will entitle the holder to one Holdco Share for every 300 Benitec Shares that the participant would have been entitled to had the Scheme not been implemented, subject to rounding.

Following the Implementation Date, Holdco will adopt a new employee incentive plan and no further Employee Options (under the existing Employee Share Option Plan) will be issued.

In the event that any existing participants do not agree to the proposed amendment to allow Holdco Shares to be issued in lieu of Benitec Shares upon exercise of the Employee Options, then following implementation of the Scheme Holdco will consider the available courses of action available to it including compulsory acquisition of the Employee Options under Chapter 6A of the Corporations Act (if possible).

Listed warrants

Benitec also has on issue 57,490 warrants exercisable for ADSs on a one for one basis at an exercise price of US$55.00 per ADS, with an expiry date of 21 August 2020. The warrants are listed on Nasdaq under ticker code "BNTCW".

While these warrants are listed on Nasdaq, as at the Last Practicable Date the 50 day average trading volume on Nasdaq of the listed warrants is zero and the exercise price of the warrants is significantly higher than the current market prices of Benitec Shares and ADSs. Benitec considers that there is no financial rationale or benefit for holders of the listed warrants to exercise them prior to expiration. Accordingly, the Benitec Board has formed the view that it would be unduly onerous or impractical to take any action in respect of the warrants, such as to implement a separate scheme for Holdco to acquire the warrants, or to invite holders of the listed warrants to have the terms of the warrants amended to enable Holdco Shares to be issued upon exercise of the warrants. Benitec therefore does not intend to take any action in respect of the listed warrants and the warrants will remain on issue on their current terms following implementation of the Scheme until expiry on 21 August 2020, except that from the Implementation Date these warrants will be de-listed from Nasdaq and there will no longer be a market for these warrants as a result of Benitec becoming a Subsidiary of Holdco.

As Benitec's ADS program is intended to be terminated following implementation of the Scheme, should any listed warrant holder exercise their listed warrants, Holdco will instead issue Holdco Shares to the warrant holder in lieu of ADSs (at a ratio of 1 Holdco Share for every 300 Benitec Shares underlying the ADSs). There is a risk that warrant holders may consider that Benitec has breached the terms of the listed warrant and bring a claim against Benitec or Holdco. However, Benitec considers that this risk is minimal for the reasons discussed above and on the basis that Holdco will be issuing Holdco Shares to the warrant holder, which would arguably put the warrant holder in the same financial position such holder would have been in if it had received Benitec ADSs upon exercise.

Purchase Warrants

As part of its registered direct offering announced to ASX on 1 October 2019, Benitec agreed to issue purchase warrants to certain sophisticated and professional investors in the United States. At Benitec's 2019 Annual General Meeting held on 29 November 2019, Benitec Shareholders approved the issuance of four purchase warrants exercisable into 321,286 ADSs in aggregate (representing 64,257,200 underlying Benitec Shares) at an exercise price of US$7.00 per ADS (**Purchase Warrants**). The Purchase Warrants remain outstanding and are exercisable in whole or in part until 6 December 2024.

Pursuant to the terms of the Purchase Warrants, if Benitec undertakes a "fundamental transaction" at any time while the Purchase Warrants remain outstanding, the holder of a Purchase Warrant may at the holder's option:

(a) receive the number of shares of capital stock of the successor or acquiring corporation or of Benitec (if Benitec is the surviving corporation) and any additional consideration receivable as a result of such fundamental transaction; or

(b) concurrently with, or within 30 days after, the consummation of the fundamental transaction (or, if later, the date of the public announcement of the fundamental transaction) require Benitec or any successor entity to acquire the Purchase Warrant for an amount in cash equal to the black scholes value (calculated in accordance with the terms of the Purchase Warrant) of the remaining unexercised portion of the Purchase Warrant.

The Scheme is a "fundamental transaction" for the purposes of the Purchase Warrant. As at the Last Practicable Date, the black scholes value of the Purchase Warrants (as calculated in accordance with their terms of issue) is approximately US$1.3 million.

Benitec has entered into discussions with holders of the Purchase Warrants to amend and restate the Purchase Warrants so that:

(c) the rights and obligations of Benitec under the Purchase Warrants are assigned to Holdco; and

(d) each holder waives any rights under the Purchase Warrants with respect to the fundamental transaction provision.

For personal use only

If the discussions are unsuccessful, Holdco may be required to acquire the Purchase Warrants from the holders on or after the implementation of the Scheme.

Following the implementation of the Scheme, Holdco will be a public reporting company in the United States with Holdco Shares being listed for trading on Nasdaq on the Implementation Date, subject to authorisation for listing being obtained from Nasdaq and official notice of issuance of Holdco Shares from Holdco. After obtaining such listing approval from Nasdaq, Holdco plans to file in due course a post-effective amendment to the registration statement on Form F-1 (Registration No. 333-235412) previously filed by Benitec with the SEC and request the SEC to declare it effective for Holdco. After the effectiveness of such amendment, holders of the Purchase Warrants can continue to rely on the same registration statement for the resale of Holdco Shares issuable after exercising the Purchase Warrants.

4.5 Interests of Directors in Benitec securities

(a) **Relevant Interests of Directors in Benitec securities**

As at the date immediately prior to the date of this Scheme Booklet, the Directors had the following Relevant Interests in Benitec securities:

DIRECTOR	NATURE OF INTEREST
Jerel A. Banks, M.D., Ph.D.	10,000,000 Employee Options, with an exercise price of A$0.2278 per option (held directly)
Peter Francis	90,000 Benitec Shares (held directly) 546,261 Benitec Shares (held by an entity controlled by Mr Francis) 1,400,000 Employee Options, with an exercise price of A$0.77 per option (held directly)
Kevin Buchi	1,448,210 Benitec Shares (held directly) 840,000 Employee Options over Shares with an exercise price of A$0.77 per option (held directly)
Megan Boston	100,000 Benitec Shares (held by an entity controlled by Ms Boston) 5,000,000 Employee Options, with an exercise price of A$0.2001 per option (held directly)

Each Director intends to vote all Benitec Shares held or controlled by them in favour of the Scheme, in the absence of a superior proposal and subject to the Independent Expert continuing to consider the Scheme to be in the best interests of Benitec Shareholders.

(b) **Dealings of Directors**

No Director acquired or disposed of a Relevant Interest in any Benitec Share in the four month period ending on the date immediately prior to the date of this Scheme Booklet.

For personal use only

4.6 Interests of Directors in securities of Holdco

(a) **Relevant Interests in Holdco**
As at the date immediately prior to the date of this Scheme Booklet, neither Benitec nor any Director had a Relevant Interest in any securities in Holdco.

(b) **Dealings of Directors in securities of Holdco**
No Director acquired or disposed of a Relevant Interest in any securities in Holdco in the four month period ending on the date immediately prior to the date of this Scheme Booklet.

4.7 Benefits and agreements

(a) **Benefits in connection with retirement from office**
No payment or other benefit is proposed to be made or given to any director, company secretary or executive officer of Benitec as compensation for the loss of, or as consideration for or in connection with his or her retirement from, office in Benitec in connection with the Scheme, other than in his or her capacity as a Benitec Shareholder.

(b) **Agreements connected with or conditional on the Scheme**
There are no agreements or arrangements made between any Director and any other person in connection with, or conditional on, the outcome of the Scheme, other than in their capacity as a Benitec Shareholder.
None of the Directors have any interest in any contract entered into by Holdco, other than in their capacity as a Benitec Shareholder.

(c) **Benefits from Holdco**
None of the Directors have agreed to receive, or is entitled to receive, any benefit from Holdco, which is conditional on, or is related to, the Scheme, other than in their capacity as a Benitec Shareholder.

4.8 Recent share price history

A summary of the trading prices of Benitec Shares on ASX for various periods leading up to, and following, announcement of the Scheme on ASX is set out below.

Market close on 26 November 2019 (last trading day immediately prior to announcement of Scheme Implementation Agreement)	A$0.046
Volume weighted average price for the 1 month period up to 26 November 2019	A$0.050
Volume weighted average price for the 3 month period up to November 2019	A$0.053
Volume weighted average price for the 6 month period up to 26 November 2019	A$0.058
Market close on 3 February 2020 (Last Practicable Date)	A$0.036
Highest trading price in the 3 month period to 3 February 2020 (Last Practicable Date)	A$0.056
Lowest trading price in the 3 month period to 3 February 2020 (Last Practicable Date)	A$0.030



For personal use only

4.9 Historical financial information

This Section 4.9 sets out summary financial information in relation to Benitec for the purpose of this Scheme Booklet. The financial information has been extracted from Benitec's 2018 and 2019 Annual Reports.

The historical financial information of Benitec in this Section 4.9 is presented in an abbreviated form and does not contain all the disclosures, presentations, statements or comparatives that are usually provided in an annual report prepared in accordance with the Corporations Act. Benitec considers that for the purposes of this Scheme Booklet, the historical financial information presented in an abbreviated form is more meaningful to Benitec Shareholders. The historical financial information of Benitec has been prepared in accordance with the recognition and measurement principles contained in the Australian Accounting Standards. Certain prior year amounts have been reclassified for consistency with the current year presentation. These reclassifications had no effect on the reported results of operations.

For personal use only

Table 1
Consolidated statement of profit or loss and other comprehensive income

	FY 2019 A$'000	FY 2018 A$'000	FY 2017 A$'000
REVENUE			
Revenue	16,159	378	333
Other income	1,350	4,087	10,507
Total Income	**17,509**	**4,465**	**10,840**
EXPENSES			
Royalties and licence fees	(609)	(451)	(272)
Research and development	(3,104)	(6,890)	(6,925)
Employee benefits expense	(5,025)	(5,094)	(5,015)
Share-based expense	(939)	(434)	(386)
Travel related costs	(350)	(468)	(629)
Consultants costs	(662)	(783)	(976)
Occupancy costs	(648)	(587)	(550)
Depreciation	(221)	(194)	(217)
Corporate expenses	(1,884)	(1,360)	(1,540)
Foreign exchange realized loss	(106)	(39)	(98)
Foreign exchange unrealized loss	-	(5)	(168)
Change in market value of listed investment	(28)	(41)	-
Loss on disposal of fixed assets	(9)	(1)	(7)
Total Expenses	**(13,585)**	**(16,347)**	**(16,783)**
Finance Income	170	242	253
LOSS BEFORE INCOME TAX			
Loss before income tax	4,094	(11,640)	(5,690)
Income tax	-	-	-
Loss after income tax for the period attributable to the owners of Benitec Biopharma Limited	4,094	(11,640)	(5,690)
OTHER COMPREHENSIVE INCOME / (LOSS)			
Foreign currency translation loss	(117)	(63)	34
Total comprehensive profit / (loss) for the period attributable to the owners of Benitec Biopharma Limited	3,977	(11,703)	(5,656)
Basic earnings income / (loss) cents per share	1.59	(5.53)	(3.24)
Diluted earnings income / (loss) cents per share	1.59	(5.53)	(3.24)

For personal use only

Table 2
Consolidated statement of financial position

	FY 2019 A$'000	FY 2018 A$'000	FY 2017 A$'000
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	22,411	16,085	17,375
Other financial assets	181	130	100
Trade and other receivables	3,616	4,255	4,406
Other assets	535	425	281
Total Current Assets	26,743	20,895	22,162
NON-CURRENT ASSETS			
Deposits	13	125	59
Plant and equipment	670	319	445
Total Non-Current Assets	683	444	504
Total Assets	**27,426**	**21,339**	**22,666**
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	3,556	2,376	919
Provisions	210	171	206
Total Current Liabilities	3,766	2,547	1,125
NON-CURRENT LIABILITIES			
Provisions	-	48	35
Total Non-Current Liabilities	-	48	35
Total Liabilities	**3,766**	**2,595**	**1,160**
NET ASSETS			
Total Net Assets	**23,660**	**18,744**	**21,506**
EQUITY			
Issued capital	164,087	164,087	155,580
Reserves	831	1,492	1,674
Accumulated losses	(141,258)	(146,835)	(135,748)
Total Equity	**23,660**	**18,744**	**21,506**

Table 3
Consolidated statement of cash flows

	FY 2019 A$'000	FY 2018 A$'000	FY 2017 A$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	17,664	237	333
Interest received	164	246	242
Government grants	4,121	4,112	6,274
Receipts of CRO prepayment	-	109	791
Payments to suppliers and employees	(16,092)	(14,498)	(15,944)
Net cash used in operating activities	**5,857**	**(9,794)**	**(8,304)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for plant and equipment	(576)	(83)	(171)
Proceeds from disposal of plant and equipment	6	2	-
Clinical trial deposit	-	(66)	-
Security deposits	-	-	(131)
Net cash used in investing activities	**(570)**	**(147)**	**(302)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares	-	8,820	8,072
IPO and share issue transaction cost	-	(313)	(133)
Net cash from financing activities	**-**	**8,507**	**7,939**
Net (decrease)/increase in cash and cash equivalents	5,287	(1,434)	(667)
Cash and cash equivalents at beginning of the period	16,085	17,375	18,230
Effects of exchange rate changes on cash and cash equivalents	1,039	144	(188)
Cash and cash equivalents at end of the period	**22,411**	**16,085**	**17,375**

For personal use only

For personal use only

4.10 Material changes to financial position

Other than the direct offering announced to ASX on 1 October 2019, to the Directors' knowledge there are no material changes to Benitec's financial position since 30 June 2019, being the date of the last balance sheet laid before the company in general meeting or sent to Benitec Shareholders in accordance with section 314 or 317 of the Corporations Act.

4.11 Publicly available information about Benitec

Benitec is a listed disclosing entity for the purposes of the Corporations Act and as such is subject to regular reporting and disclosure obligations. Specifically, as a listed company, Benitec is subject to the Listing Rules which require (subject to some exceptions) continuous disclosure of any information Benitec has that a reasonable person would expect to have a material effect on the price or value of Benitec Shares.

Information disclosed to ASX by Benitec is available at www.asx.com.au.

ASIC also maintains a record of documents lodged with it by Benitec and these documents may be obtained from or inspected at any office of ASIC.

Benitec Shareholders may obtain a copy of:

- its Annual Financial Report for the financial period ended 30 June 2019 (being the full financial report most recently lodged with ASIC before registration of this Scheme Booklet); and
- any announcement given to ASX by Benitec after the lodgement by Benitec of the Annual Financial Report for the year ended 30 June 2019 and before the date of this Scheme Booklet,

from the ASX website (www.asx.com.au) or free of charge by calling the Benitec Shareholder Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) Monday to Friday between 8.30am and 5.00pm (AEDT), or by visiting www.benitec.com.

A list of announcements made by Benitec from 29 August 2019 (being the date on which Benitec lodged its Annual Financial Report for the year ended 30 June 2019 with ASX) to the Last Practicable Date is contained below. Benitec Shareholders may obtain further announcements concerning Benitec from ASX's website (www.asx.com.au).

A substantial amount of information on Benitec is also available in electronic form at www.benitec.com.

For personal use only

DATE	ANNOUNCEMENT
2019	
29 August	Appendix 4G and 2019 Corporate Governance Statement
16 September	Benitec Provides Update on BB-301 OPMD Program
19 September	Ladenburg Thalmann 2019 Healthcare Conference
24 September	Ladenburg Thalmann Conference Presentation
1 October	Benitec Announces US$2.25 Million Registered Direct Offering
1 October	Notice under Listing Rule 3.10.5A
1 October	Appendix 3B – Warrants
1 October	Appendix 3B – Registered Direct Offering
1 October	Cleansing Notice
2 October	Change in substantial holding
3 October	Becoming a substantial holder
7 October	Becoming a substantial holder
11 October	Change in substantial holding
28 October	Notice of Annual General Meeting / Proxy Form
31 October	Appendix 4C – quarterly
18 November	Benitec Changes ADS Ratio
27 November	Change in substantial holding
27 November	Benitec Announces Re-Domiciliation
28 November	Appendix 3B
29 November	Chairman's Presentation to Shareholders
29 November	Results of Meeting
2 December	Change in substantial holding
2 December	Change in substantial holding
2 December	Cleansing Notice
5 December	Appendix 2A
6 December	Cleansing Prospectus
10 December	Change in substantial holding
10 December	Appendix 3B
12 December	Change in substantial holding
23 December	Ceasing to be a substantial holder
23 December	Change in substantial holding
2020	
2 January	Change in substantial holding
16 January	Change of Director's Interest Notice
17 January	Response to ASX Appendix 3Y Query
29 January	Change in substantial holding
31 January	Appendix 4C - quarterly

Profile of Holdco

For personal use only

5



For personal use only

5.1 Overview

Holdco was incorporated under the laws of the US State of Delaware on 22 November 2019.

Holdco has been incorporated for the purposes of re-domiciling Benitec to the United States. Holdco will not conduct and will have no current intent to conduct any business other than entering into the agreements and performing the acts which are detailed in this Scheme Booklet. As Holdco will be a newly formed entity, Holdco's initial financial statements will be Benitec's historical financial statements.

If the Scheme is implemented, Holdco's business will consist entirely of the business of Benitec, which will become a wholly owned subsidiary of Holdco.

5.2 Directors

As at the date of this Scheme Booklet, the directors of Holdco are the existing Directors, being:

- Jerel A. Banks, M.D., Ph.D.
- Peter Francis
- Megan Boston
- Kevin Buchi

The Nasdaq listing rules require that a listed company's board must have a majority of independent directors, being a person other than an executive officer or employee of the company or any other individual having a relationship which, in the opinion of the company's board of directors, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director.

Accordingly, prior to implementation of the Scheme, Holdco intends to appoint at least one additional independent non-executive director to satisfy the Nasdaq listing rules.

5.3 Capital Structure

Holdco is authorised to issue up to 10,000,000 shares of common stock of US$0.0001 par value. As at the date of this Scheme Booklet, no Holdco Shares or other securities have been issued by Holdco.

5.4 Rights and liabilities attaching to Holdco Shares

The rights of Holdco Shareholders are governed by the DGCL and Holdco's certificate of incorporation and by-laws. If Holdco Shares are approved for trading on Nasdaq, they will also be subject to the listing rules of Nasdaq.

A comparison between the key rights of holders of Benitec Shares and Holdco Shares is set out below. The comparison below is provided in summary form and is not an exhaustive list of all rights of holders of Benitec Shares and Holdco Shares. It is intended as a general guide only and should be read in conjunction with the disclosures in other Sections of this Scheme Booklet, including Section 5.6. Benitec Shareholders should consult with their own legal advisers if they have any queries.

For personal use only

ITEM	RIGHTS OF HOLDERS OF BENITEC SHARES	RIGHTS OF HOLDERS OF HOLDCO SHARES
Dividends	Each Benitec Share entitles the holder to receive dividends properly declared by the Benitec Board (subject to any unpaid capital on the Benitec Share).	Holdco Shares entitles the holder to receive dividends declared by the Holdco Board out of funds legally available for that purpose.
Winding up	Each Benitec Share entitles the holder to receive in kind the whole or any part of Benitec's property after payment of all prior claims (i.e. fixed charge holders, preferential creditors and floating charge holders) upon winding up, subject to priority given to any holders of preference shares (of which there are currently none on issue) and the rights of the liquidator under the Corporations Act.	Holdco Shareholders do not have any conversion, redemption or pre-emptive rights. In the event of any voluntary or involuntary liquidation, dissolution, or winding up of Holdco, Holdco Shareholders will be entitled to receive all of the remaining Holdco assets available for distribution to its shareholders, pro rata in proportion to the number of shares of common stock held by them.
Voting rights	Subject to any voting restrictions under the Listing Rules and Corporations Act, each Benitec Share entitles the holder at any general meeting of Benitec Shareholders (whether in person, by proxy or representative) to one vote on a show of hands and one vote per Benitec Share on a poll.	Holdco's certificate of incorporation provides that each holder of shares of voting common stock is entitled to one vote for every share of stock entitled to vote.
Transfer of shares	Subject to the Corporations Act and the Listing Rules, Benitec Shares are generally transferable.	Under the DGCL, shares are generally freely transferable. Transfer of shares may be subject to restrictions imposed by US federal or state securities laws, by the certificate of incorporation or by-laws or by an agreement signed with the holders of shares at issue. Holdco's current certificate of incorporation and by-laws do not impose any specific restrictions on transfer. Transfer of shares shall be made only on the stock ledger of Holdco. Where Holdco Shares are certified, certificates must be surrendered for cancellation before a new certificate, if any, is issued.

For personal use only

5.5 Employee shares and options plan

As set out in Section 4.4, upon implementation of the Scheme, Holdco will assume all obligations in relation to the Employee Options under the existing Benitec Employee Share Options Plan.

Holdco intends to adopt a new employee incentive plan (**Holdco EIP**) to enable Holdco to issue long-term incentives to Officers and employees of Holdco subsequent to completion of the re-domiciliation. The Holdco EIP is expected to be in a form and contain provisions which are customary for a US public company admitted to a major stock exchange. Upon Holdco Shareholder approval and adoption by Holdco, a copy of the Holdco EIP will be made available at the SEC's website at www.sec.gov.

5.6 Differences between corporate laws

Benitec is incorporated in Western Australia, Australia. Holdco is incorporated in Delaware, United States. As a result, if the Scheme is implemented, different legal regimes will apply to the Benitec Group.

Some of the differences between Australian and Delaware corporate laws could be viewed as advantageous to Benitec Shareholders, while others could be viewed as disadvantageous.

The comparison below is provided in summary form and is not an exhaustive statement of all relevant laws, rules and regulations. It is intended as a general guide only. It should be read in conjunction with the disclosures in other Sections of this Scheme Booklet, including Section 5.4. Benitec Shareholders should consult with their own legal advisers if they have any queries.

For personal use only

For personal use only

ITEM	AUSTRALIAN POSITION	US POSITION
DEALINGS WITH SHARES		
Share capital	Australian law does not contain any concept of authorised capital or par value per share. The number and issue price of shares is set by the Benitec Directors collectively as a board at the time of each issue.	Holdco's certificate of incorporation authorises the issue of up to 10,000,000 shares of common stock, US$0.0001 par value per share.
Share buy-backs	Under the Corporations Act, a company may buy-back its shares. The procedure, which may include shareholder approval, depends on the type of the buy-back and the quantity of shares subject to the buy-back. Share buy-backs must not materially prejudice the company's ability to pay its creditors.	The DGCL generally permits Holdco to purchase or redeem its outstanding shares out of funds legally available for that purpose without obtaining stockholder approval, provided that: • the capital of Holdco is not impaired; • such purchase or redemption would not cause the capital of Holdco to become impaired; • the purchase price does not exceed the price at which the shares are redeemable at the option of Holdco; and • immediately following any such redemption Holdco shall have outstanding one or more shares of one or more classes or series of stock, which shares shall have full voting powers.
Issue of new shares	The Benitec Board is generally free to authorise the issue of additional securities, subject to the Listing Rules and the Corporations Act. Listing Rule 7.1 prohibits any entity from issuing or agreeing to issue securities in any 12 month period if the issue would exceed 15% of the entity's fully paid ordinary securities unless it obtains shareholder approval (unless an exception applies). There are also restrictions under the Corporations Act and the Listing Rules with respect to issuance of securities under certain circumstances, such as to related parties including to directors, unless an exception applies.	If all the shares authorised in Holdco's certificate of incorporation have not been issued, the Holdco Board may issue shares in such manner, for such consideration and on such terms as the Holdco Board may determine, without stockholder approval, not exceeding the number of authorised shares. Under the Nasdaq listing rules, shareholder approval is required for certain significant issuances of Holdco securities including issuances in excess of 20% of the voting power or number of shares outstanding before the issuance (or 5% in the case of certain related parties), issuances of company securities that will result in a change in control and issuances in connection with a new or materially amended equity compensation arrangement for officers, directors, employees or consultants.

For personal use only

ITEM	AUSTRALIAN POSITION	US POSITION
Variation of class rights	The rights and privileges attached to any class of shares may only be varied (subject to the terms of issue of shares of that class and sections 246B to 246E of the Corporations Act) be varied: • with the written consent of holders of 75% of the issued shares of the affected class; or • by special resolution passed at a meeting of the holders of the issued shares of the affected class. The Corporations Act provides that shareholders with at least 10% of the votes in the affected class may apply to the court (within a limited time frame) to have the variation, cancellation or modification set aside. Subject to the shares' terms of issue, the rights attached to a class of shares are not deemed varied by the issue of further shares of that class.	Under the DGCL, any amendment to Holdco's certificate of incorporation requires approval by holders of the outstanding shares of a particular class if that amendment would: • increase or decrease the aggregate number of authorised shares of that class; • increase or decrease the par value of the shares of that class; or • alter or change the powers, preferences or special rights of the shares of that class so as to affect them adversely. If an amendment would alter or change the powers, preferences or special rights of one or more series of any class so as to adversely affect that series without adversely affecting the entire class, then only the shares of the series so affected shall be considered a separate class and entitled to such separate class approval of the proposed amendment. Under the DGCL, amendments to Holdco's certificate of incorporation also generally require: • a board resolution recommending the amendment; and • approval of a majority of the outstanding shares entitled to vote and a majority of the outstanding shares of each class entitled to vote. Pursuant to Holdco's by-laws, Holdco's by-laws may be adopted, amended or repealed by the affirmative vote of a majority of the directors present at a meeting of the Holdco Board or by the affirmative vote of the holders of at least a majority of the voting power of all of the shares of the corporation then issued and outstanding and entitled to vote generally in any election of directors, voting together as a single class.
Payment of dividends	The Corporations Act states that a company must not pay a dividend unless its assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend. The dividend must be fair and reasonable to the company's shareholders as a whole and must not materially prejudice the company's ability to pay its creditors.	Under the DGCL, the Holdco Board is permitted to declare and pay dividends to stockholders either: • out of Holdco's surplus, which is defined as the net assets less statutory capital; or • if no surplus exists, then out of the net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year, provided that the capital of the corporation is not less than the aggregate amount of the capital represented by the corporation's outstanding stock of all classes having a preference on distribution of assets. Holders of common stock are entitled to receive dividends when and as declared by the Holdco Board out of funds legally available for that purpose.

For personal use only

ITEM	AUSTRALIAN POSITION	US POSITION
DIRECTORS AND GOVERNANCE		
Number and nomination of directors	**NUMBER** As a public company in Australia, Benitec must have no fewer than three directors (not counting alternate directors), at least two of whom are ordinarily resident in Australia, and at least one company secretary ordinarily resident in Australia. This is also prescribed in the Benitec Constitution. **NOMINATION** Under the Listing Rules, an entity must accept nominations for the election of directors up to 35 Business Days (or 30 Business Days in the case of a meeting requested by shareholders) before the date of a general meeting at which the directors may be elected, unless the Benitec Constitution provides otherwise. Under the Benitec Constitution, except in the case of a director retiring and seeking re-election, a person is only eligible to be appointed as a director by election at a general meeting if Benitec receives at its office at least 30 business days before the relevant general meeting at which the appointment will be considered both a nomination by a Benitec Shareholder and a consent to act as director signed by the person nominated. A person nominated by the Benitec Board for appointment as a director must be nominated at least 25 business days before the relevant general meeting at which the appointment will be considered.	**NUMBER** Holdco's by-laws provide that the number of directors shall be fixed from time to time exclusively by the board of directors. Holdco's by-laws provide that directors may be nominated by either the board of directors or by stockholders entitled to vote in the election of directors generally. **NOMINATION** Holdco's by-laws provide that nominations of persons for election to the board of directors at an annual meeting of stockholders shall be made pursuant to Holdco's notice of meeting of stockholders, or by or at the direction of the board of directors.
Removal of directors	A director may only be removed by resolution at a general meeting of Benitec Shareholders. Under section 203D of the Corporations Act, a notice of intention to move the resolution must be given to the company at least two months before the meeting is to be held. However, if the company calls a meeting after the notice of intention is given, the meeting may pass the resolution even though the meeting is held less than two months after the notice of intention is given.	The DGCL provides that, subject to the rights of the holders of any series of preferred stock, directors may be removed with or without cause by the affirmative vote of the holders of a majority of the voting power of all of the then-outstanding shares of capital stock, or of a single class, entitled to vote generally in the election of directors, voting together as a single class.

For personal use only

ITEM	AUSTRALIAN POSITION	US POSITION
Casual vacancies	The Benitec Board may appoint a person to be a director at any time. Any director so appointed holds office until the next annual general meeting (and is eligible for re- election) and is not taken into account in deciding the rotation or retirement of directors.	Holdco's by-laws provide that vacancies in the board of directors will be filled by the affirmative vote of a majority of the directors then in office, even if less than a quorum, unless the board of directors determines by resolution that any such vacancies shall be filled by the stockholders. Directors so chosen shall serve for the remainder of the full term of the director for which the vacancy was created or occurred and until such director's successor shall have been duly elected and qualified.
Rotation of directors	The Listing Rules require: • a director must not hold office (without re-election) past the third annual general meeting following the director's appointment, or 3 years, whichever is longer; • that an entity must hold an election of directors at each annual general meeting (even if none of the directors have exceeded the above time limit); and • directors appointed to fill casual vacancies must not hold office (without re-election) past the next annual general meeting. The Benitec Constitution also provides that at each annual general meeting, the following directors automatically retire (other than the managing director, although if there is more than one managing director then only one will not be subject to such retirement): • one-third of the directors or, if their number is not a multiple of three, then the number nearest to but not exceeding one-third; and • any director who has held office for greater than 3 years following their appointment or if that director did not retire at that annual general meeting would, at the next annual general meeting, have held office for more than three annual general meetings following their appointment, whichever is longer. Under the Benitec Constitution, retiring directors will, unless disqualified under the Corporations Act or the Benitec Constitution, be eligible for election or re-election to the Benitec Board.	Neither the DGCL nor Holdco's certificate of incorporation provide for mandatory retirement or rotation of directors. Holdco's by-laws provide that each director shall hold office until the next annual meeting of stockholders to be held in the first year after the year in which he or she was elected and until his or her successor is elected, except in the case of his or her death, resignation, disqualification, removal or other causes resulting in a vacancy.



For personal use only

ITEM	AUSTRALIAN POSITION	US POSITION
Remuneration	Under the Listing Rules, the maximum amount to be paid to a company's non-executive directors for their services as directors (other than the salary of an executive director) is not to exceed the amount approved by shareholders in general meeting. There are also certain restrictions in relation to retirement benefits to directors and other officers under the Corporations Act and the Listing Rules. Australian law gives shareholders of listed companies the right to participate in a non-binding vote, to be held at the annual general meeting, on the adoption of the remuneration report of the company. The remuneration report is included in the directors' report and is required to contain a discussion of the board's policy in relation to remuneration of key management personnel of the company. However, if 25% or more of the votes cast are against the passing of the resolution for two annual general meetings in a row, the company must put forward a resolution to spill the board of directors. If the spill resolution is approved, then all directors must stand for re-election at a general meeting to be held within 90 days.	Holdco's by-laws provide that the directors may be paid such compensation for their services and such reimbursement for expenses of attendance at meetings as the board of directors may from time to time determine. Compensation must be determined by the Holdco Board or a duly authorized committee of the Holdco Board.

For personal use only

ITEM	AUSTRALIAN POSITION	US POSITION
Release of liability and indemnity of Officers	The Benitec Constitution provides that the company must, to the extent permitted by law, indemnify every Officer (and former Officers) against any liability (other than legal costs) incurred in acting as Officer of Benitec or a Subsidiary, other than a liability: • owed to the company or a related body corporate; • for a pecuniary penalty order or a compensation order under the Corporations Act; or • that did not arise out of conduct in good faith. The Benitec Constitution also provides that the company must indemnify each Officer (and former Officers) for costs and expenses incurred by an Officer (or former Officer) in defending an action for a liability incurred in acting as Officer of Benitec or its Subsidiary, except for legal costs incurred: • in defending any proceedings, whether civil or criminal, in which the Officer is found to have a liability for which they could not be indemnified under the Benitec Constitution; • in defending any criminal proceedings in which the Officer is found guilty; • in defending proceedings brought by ASIC or a liquidator where the grounds for a court order have been made out (except for costs incurred in responding to actions taken by ASIC or a liquidator as part of an investigation before commencing proceedings for the court order); or • in connection with proceedings for relief to the Officer under the Corporations Act in which the relief is denied by the court.	Holdco's by-laws provide that, to the fullest extent permitted by the DGCL, Holdco will indemnify, and advance expenses to, a director or officer in an action brought by reason of the fact that the director or officer is or was a director or officer of Holdco, or is, or was, serving at the request of Holdco as a director or officer of any other entity, against all expenses, liability and loss (including attorneys' fees, judgments, fines and amounts paid in settlement) incurred or suffered by such person in connection therewith. To the fullest extent permitted by the DGCL, Holdco may, upon approval by the board of directors, maintain insurance to protect a director and an officer against any expense, liability or loss.
Directors' duties	Under Australian law, directors have a wide range of both general law and statutory duties to Benitec. These duties are of a fiduciary nature and include the duty to: • act in good faith in the best interests of the company as a whole; • act for a proper purpose; • not improperly use information or their position; • to exercise care, skill and diligence; and • to avoid actual or potential conflicts of interest.	Under Delaware law, the directors of Holdco have fiduciary obligations, including the duty of care and the duty of loyalty. The duty of care requires directors to inform themselves of all reasonably available material information before making business decisions on behalf of Holdco and to act with requisite care in discharging their duties to Holdco. The duty of loyalty requires directors to act in good faith and in Holdco's best interests.

For personal use only

ITEM	AUSTRALIAN POSITION	US POSITION
Related party transactions	Chapter 2E of the Corporations Act prohibits Benitec from giving related parties (including any director) a financial benefit unless it falls within an applicable exception, or Benitec obtains shareholder approval in accordance with the Corporations Act and gives the benefit within 15 months after such approval. Certain transactions with related parties (including any director) is also subject to approval by shareholders under the Listing Rules unless an exception applies, including the issue of securities to related parties and the acquisition or disposal of a substantial asset Directors are also subject to the Australian common law and statutory duties to avoid actual and potential conflicts of interest and must also comply with: • the material personal interest provisions set out in section 191 of the Corporations Act; • section 195 of the Corporations Act in relation to being present and voting at a board meeting that considers a matter in which he or she has a material personal interest; and • declarations of material personal interests under the Listing Rules in the prescribed form.	Under the DGCL, no contract or transaction between Holdco and one or more of its directors, or between Holdco and any other corporation, partnership, association or other organisation in which one or more of its directors are directors or officers, or have a financial interest, will be void or voidable solely for that reason, or solely because the relevant director is present at or participates in the Holdco Board or committee meeting that authorises the contract or transaction, or solely because the vote of the relevant director is counted for that purpose, if: • the material facts as to the director's relationship or interest, and as to the contract or transaction, are disclosed or known to Holdco Board or committee, and Holdco Board or committee in good faith authorises the contract or transaction by the affirmative votes of a majority of the disinterested directors, even though the disinterested directors be less than a quorum; or • the material facts as to the director's relationship or interest and as to the contract or transaction are disclosed or known to the Holdco stockholders entitled to vote thereon, and the contract or transaction is specifically approved in good faith by vote of the stockholders; or • the contract or transaction is fair to Holdco as of the time that it is authorised, approved or ratified by Holdco Board, committee or stockholders.
Continuous disclosure	Subject to certain limited exceptions, the Corporations Act and Listing Rules require Benitec to immediately disclose to ASX any information concerning the company that a reasonable person would expect to have a material effect on the price or the value of Benitec Shares. There are also periodic reporting and disclosure rules that apply to the company, requiring it (among other things) to report to the ASX at the end of every half year and annually in respect of its financial statements and reports.	Nasdaq listing rules will generally require disclosure to the public of any material information that would reasonably be expected to affect the value of Holdco's shares or influence investors' decisions. US federal securities laws and regulations and Nasdaq listing rules require Holdco to publicly file with the SEC, among others: • annual reports on Form 10-K; • quarterly reports on Form 10-Q; • current reports containing material information required to be disclosed on Form 8-K; • company insider reports; and • proxy statement.

For personal use only

ITEM	AUSTRALIAN POSITION	US POSITION
Insider trading	Under the Corporations Act, any person who possesses price sensitive information relating to a company or its securities is prohibited (subject to exceptions) from buying or selling those securities or procuring others do so, or from communicating the information to third parties.	US federal securities laws generally prohibit any person who possesses material non-public information relating to Holdco or its securities from buying or selling those securities or procuring others to do so, or from communicating the material non-public information to third parties.
SHAREHOLDERS' MEETINGS		
Notice of meetings	For an ASX listed company, notice of a general meeting must be given to shareholders at least 28 days before the date of the proposed meeting. Notice of the meeting must also be given to each director and to the auditor of the company.	Notice of a stockholders' meeting shall be delivered not less than 10 days nor more than 60 days before the date of the meeting to each stockholder entitled to vote at such meeting, except as otherwise provided in Holdco's by-laws, certificate of incorporation, or as required by the DGCL.
Resolutions at general meetings	A resolution at a general meeting is to be passed by a majority of votes cast by those present and voting (including by proxy, attorney or corporate representative), unless the Corporations Act or the Benitec Constitution provides otherwise. A resolution put to the vote at a members' meeting must be decided on a show of hands unless a poll is demanded in accordance with the Benitec Constitution either before or on the declaration of the result of the vote on a show of hands. The company must not count any votes on a resolution purported to be cast by those members who are not permitted to vote (under the Corporations Act or the Listing Rules) on the resolution (or whose votes are to be disregarded) and the relevant notice of meeting states that voting restriction. Under the Benitec Constitution, no business may be transacted at any general meeting unless a quorum of Benitec Shareholders is present at the commencement of the business. A quorum is three Benitec Shareholders present in person or represented by proxy, attorney or a representative.	Holdco's by-laws provide that, unless otherwise provided by the DGCL, the certificate of incorporation or the by-laws, at all stockholders' meetings, the presence, in person, by remote communication, or by duly authorized and executed proxy, of the holders of a majority of the outstanding shares of stock entitled to vote will constitute a quorum. All matters other than the election of directors requires the affirmative vote of a majority of shares present in person, by remote communication, if applicable, or represented by duly authorized and executed proxy at the meeting and entitled to vote on the subject matter; directors will be elected by a plurality of votes of the shares present in person, by remote communication, or represented by duly authorized and executed proxy at the meeting and entitled to vote on the election of directors. Where a separate vote by a class or classes or series is required, a majority of the outstanding shares of such class or classes or series, present in person, by remote communication, or represented by duly authorized and executed proxy, shall constitute a quorum entitled to take action by vote on the matter, and the affirmative vote of the majority (plurality, in the case of the election of directors) of shares of such class or classes or series shall be the act of such class or classes or series.

For personal use only

ITEM	AUSTRALIAN POSITION	US POSITION
Resolutions at general meetings (continued)		Shareholders have power to adopt, amend or repeal any by-law, provided that in addition to any vote of the holders of any class or series of stock required by the DGCL or certificate of incorporation, the affirmative vote of the holders of at least a majority of the voting power of all the then-outstanding shares of capital stock entitled to vote generally in the election of directors, voting together as a single class or series, is also required. The DGCL requires the approval of a majority of all votes entitled to be cast by Holdco stockholders for specified actions including: • dissolution of the corporation; • most mergers or consolidations; • amendments to the corporation's certificate of incorporation.
Special resolutions	The Corporations Act requires certain matters to be resolved by a company by special resolution, including the change of name of the company, a selective reduction of capital or selective share buy-back, the conversion of the company from one type or form to another and a decision to wind up the company voluntarily. Under the Corporations Act, a special resolution is also required to modify or repeal a company's constitution. A special resolution must be passed by at least 75% of the votes cast by shareholders entitled to vote.	The DGCL contains no concept of special resolutions.
Minority shareholder protections / relief from oppression	Under the Corporations Act, any shareholder of the company can apply for an order from the court in circumstances where the conduct of the company's affairs, or any actual or proposed act or omission or resolution is either: • contrary to the interests of shareholders as a whole; or • oppressive to, unfairly prejudicial to, or unfairly discriminatory against, any shareholders in that capacity or any other capacity. Former shareholders can also bring an action if it relates to the circumstances in which they ceased to be a shareholder. The court may make any order that it considers appropriate in relation to the circumstances and the company including, among other things, an order that the company be wound up, that the company's existing constitution be modified or repealed, or that a person is required to do a specified act.	The DGCL contains no equivalent statutory provisions. However, Delaware law may provide judicial remedies to stockholders in comparable circumstances.

For personal use only

ITEM	AUSTRALIAN POSITION	US POSITION
TAKEOVERS		
Takeovers and takeovers defenses	The Corporations Act restricts the acquisition by any person of a "relevant interest" in issued "voting shares" in the company under a transaction where, as a result of the acquisition, that person or someone else's "voting power" in the company increases from 20% or below to more than 20% or from a starting point that is above 20% and below 90%. The takeovers prohibition is subject to a number of exceptions detailed in the Corporations Act. These exceptions include, for example, an acquisition: • of not more than 3% of the voting shares during any six month period; • made with shareholder approval under section 611(7) of the Corporations Act; • made under a takeover bid; or • resulting from a scheme of arrangement undertaken in accordance with the Corporations Act and approved by the court. Any takeover bid must treat all shareholders alike, must not involve any collateral benefits and must comply with the timetable, disclosure and other requirements set out in the Corporations Act. The purpose of these provisions is to ensure that shareholders in the target company have a reasonable and equal opportunity to participate in any benefits accruing to shareholders through the takeover proposal and that they are given reasonable time and enough information to assess the merits of the proposal. Under Australian takeovers legislation and policy, boards of target companies are limited in the defensive mechanisms that they can put in place to discourage or defeat a takeover bid. For example, it is likely that the adoption of a shareholders' rights plan (or socalled 'poison pill') would give rise to a declaration of unacceptable circumstances by the Australian Takeovers Panel if it had that effect.	The DGCL provides that if a holder acquires 15% or more of Holdco's voting stock, or is an affiliate or associate of Holdco and was the owner of 15% or more of the outstanding voting stock of the corporation at any time within 3 years immediately prior to the date on which it is sought to be determined whether such person is an interested stockholder (an "Interested Holder"), Holdco is prohibited from engaging in any business combination with the Interested Holder for a period of 3 years following the time the holder became an Interested Holder. Such business combinations include, but not limited to, (a) certain mergers or consolidations with the Interested Holder or entities affiliated with the Interested Holder, (b) certain sales, leases, exchanges, pledges, transfers or other dispositions of Holdco assets to the Interested Holder, which assets have an aggregate market value equal to 10% or more of either all of the assets of Holdco or all of the outstanding stock of Holdco and (c) certain transactions which result in the issuance or transfer by Holdco or by any direct or indirect majority owned Holdco subsidiary, to the Interested Holder, of any stock of Holdco or of such Holdco subsidiary. The above notwithstanding, Holdco may engage in business transactions with an Interested Holder if: (1) Holdco Board approved the business combination or transaction that resulted in the holder becoming an Interested Holder; (2) upon completion of the transaction, the Interested Holder owned at least 85% of the voting stock at the time the transaction commenced; or (3) the business combination is approved at the time of the combination or retroactively by the Holdco Board and authorized at an annual or special stockholders' meeting, and not by written consent, by the affirmative vote of at least 662/3% of the outstanding voting stock that is not owned by the Interested Holder. The effect of the restriction is to give Holdco's board of directors the ability to prevent or inhibit an unsolicited takeover attempt initiated through a merger or asset purchase proposal. It may also dissuade unsolicited tender offer proposals unless the offer or is confident of achieving the 85% shareholding level via the tender offer.

For personal use only

ITEM	AUSTRALIAN POSITION	US POSITION
Takeovers and takeovers defenses (continued)		Certain provisions of the certificate of incorporation and by-laws of Holdco also have the effect of deterring takeovers, such as those provisions: • requiring the affirmative vote of at least a majority of the voting power of all then-outstanding Holdco Shares entitled to vote generally in the election of directors in order for stockholders to adopt, amend or repeal any provision of Holdco's certificate of incorporation; • requiring the affirmative vote of at least a majority of the voting power of all then-outstanding Holdco Shares entitled to vote generally in the election of directors in order for stockholders to adopt, amend or repeal any provision of Holdco's by-laws; and • providing that the number of directors shall be fixed from time to time in the by-laws or any amendment thereof duly adopted by the stockholders. The certificate of incorporation and by-laws of Holdco may be amended in the future pursuant to these provisions and the DGCL to authorise additional takeover defence mechanisms.
OTHER		
Substantial Shareholding Notices	Under the Corporations Act, a person must give notice to the company and the ASX in the prescribed form generally within two business days if: • the person begins to have, or ceases to have, a substantial holding in the company; or • if the person has a substantial holding in the company and there is a movement of 1% or more in their holding. A person has a substantial holding if that person and that person's associates have a relevant interest in 5% or more of the voting shares in the company.	The Exchange Act requires any shareholder who acquires more than 5% of the outstanding shares of that class to file schedule 13D or 13G reports until their holdings drop below 5%. Beneficial ownership is defined as holding voting or investment power, directly or indirectly. Schedule 13D are for active investors in a company while Schedule 13G reports are for passive investors who do not intend to exert control or seek changes in a company. However, those who own more than 20% of a company must file a Schedule 13D report regardless of their passivity. Both 13D and 13G reports must be filed within 10 days of the purchase resulting in more than 5% of the outstanding shares of a class. The requirement to file schedule 13D and schedule 13G applies not only to US domestic listed issuers, such as Holdco, but also to foreign private issuers, such as Benitec, listed on a US stock exchange. Thus, this requirement will not impose any new obligations on Scheme Shareholders.

ITEM	AUSTRALIAN POSITION	US POSITION
Winding up	A company can be wound up voluntarily by the shareholders. The directors must give a statutory declaration of solvency for such winding up. This procedure is therefore instigated by a solvent company. A shareholders' voluntary winding up is started by the shareholders passing a special resolution. If the directors do not give a statutory declaration of solvency, a creditors' voluntary winding up can commence by the shareholders passing a special resolution. This procedure is therefore instigated by an insolvent company. Any surplus after payment of debts and interest will go to the shareholders according to the rights attached to their shares. As with unsecured creditors, they would be paid out of free assets or any funds available from charged assets following payment of all prior claims (i.e. fixed charge holders, preferential creditors and floating charge holders).	The DGCL permits the board of directors to authorise the dissolution of Holdco if: • a majority of the directors in office adopt a resolution to approve such dissolution at a meeting called for that purpose; • holders of a majority of the issued and outstanding shares entitled to vote on the matter adopt a resolution to approve dissolution at a stockholders' meeting called for that purpose; and • a certificate of dissolution is filed with the Delaware Secretary of State. The DGCL also permits stockholders to authorise the dissolution of Holdco without board action if: • all of the stockholders entitled to vote on the matter provide written consent to dissolution; and • a certificate of dissolution is filed with the Delaware Secretary of State.

5.7 Differences between Australian and US financial reporting

If the Scheme is implemented, a different financial reporting regime will apply with respect to Benitec's accounts. Benitec will no longer report under International Financial Reporting Standards (**IFRS**) and instead, will report in accordance with United States Generally Accepted Accounting Principles (**US GAAP**).

The Holdco Board considers there is no reason to believe that there would be a material difference in reported results under the different accounting principles. The Holdco Board believes users of the accounts will continue to understand the content of the accounts after Benitec changes from reporting under IFRS to reporting under US GAAP.

Financial reporting under US GAAP would be similar to that under IFRS, although several items would be classified differently and the required reporting timetable will be different.

For personal use only



For personal use only

5.8 Reporting obligations of Holdco

Following implementation of the Scheme, Holdco will be a publicly listed US company and must comply with the applicable US financial reporting requirements. Holdco will become subject to the reporting requirements of the US Securities Act and will be required to file annual, quarterly and current reports, proxy statements and other information with the SEC in addition to its reporting requirements under the Nasdaq listing rules. Affiliates of Holdco will also be subject to the short-swing profit disclosure and recovery provisions of Section 16 of the US Securities Act.

There are material differences between Australia and US financial reporting requirements. A comparison of the financial reporting requirements for Benitec and Holdco is set out below.

The comparison below is provided in summary form and is not an exhaustive statement of all relevant laws, rules and regulations. It is intended as a general guide only. Benitec Shareholders should consult with their own legal advisers if they have any queries.

For personal use only

ITEM	AUSTRALIAN REPORTING REQUIREMENTS	US REPORTING REQUIREMENTS
Annual reporting	Under the Corporations Act and Listing Rules, a listed entity is required to: • prepare financial statements in respect of each financial year, have the statements audited and obtain an auditor's report; • prepare a directors' report, which must include a remuneration report for key management personnel; • as soon as available but by no later than two months after the end of the financial year, give ASX a preliminary report (which need not be audited) containing the prescribed information; • within three months after the end of the financial year, lodge with ASX and ASIC the audited financial statements, directors' report and auditor's report; and • within four months after the end of the financial year, send the annual report, including the audited financial statements, directors' report, auditor's report and a corporate governance statement (or a link to the corporate governance statement) to shareholders who have elected to receive a copy of the report and make available the annual report on a readily accessible website.	Under the Exchange Act, US public companies must file annual reports on Form 10-K with the SEC within a certain period of time (depending on the companies' public market float) after the end of each fiscal year. Public companies are required to: • describe its business, risk factors, the locations of its principal and material physical properties, and any material pending legal proceedings affecting it; • provide information on which market its common stock trades, its ticker symbol, and the number of record holders of its common stock as of a recent date; • provide a table of certain operating and balance sheet information for its five most recent fiscal years; • provide a section on management's discussion and analysis of the company's financial condition and results of operations; • provide quantitative and qualitative disclosures about market risks it bears; • provide audited financial statements for most recently completed fiscal year and certain additional fiscal years, including audited notes to the financial statements; • disclose if the company has changed auditors within the last year as a result of (a) any disagreements on accounting principles, financial statement disclosures or audit procedures; or (b) notification from its former auditor that (i) it had inadequate internal controls over financial reporting; (ii) they do not believe they can rely on management's representations; or (iii) they no longer believe that previously issued audit reports or financial statements or upcoming financial statements to be issued are reliable or are presented fairly, and this issue is not resolved before the auditors' departure; • state the conclusions of its CEO and CFO regarding the effectiveness of the company's disclosure controls and procedures as of the end of the fiscal year, including any change in its internal control over financial reporting; • describe anything that occurred in the fourth fiscal quarter that was required to be disclosed in a Form 8-K but that was not so disclosed; • list its executive officers and directors and their ages, plus disclose certain previous experience for those individuals;

ITEM	AUSTRALIAN REPORTING REQUIREMENTS	US REPORTING REQUIREMENTS
Annual reporting (continued)		• describe the compensation of its mostly highly paid executive officers; • provide information about its equity compensation plan; • describe its policy, if any, regarding the review, approval or ratification of any transaction with a related party and identify any transactions that were not subject to these related party policies; • provide a table that lists the fees billed by its auditors in each of the last two fiscal years; • provide financial statements, financial schedules, if applicable, and certain exhibits; • file Section 302 and Section 906 certificates of the CEO and CFO as required by Sarbanes-Oxley as exhibits; and • file financial statements in eXtensible Business Reporting Language format as an exhibit.
Half-year reporting	Under the Corporations Act and Listing Rules, a listed entity is required to: • prepare financial statements for the first six months of the financial year have the statements reviewed by the company's auditor and obtain an auditor's report; • prepare a directors' report; and • within two and a half months after the end of the half-year, lodge the financial statements, directors' report and auditor's report with ASX and ASIC.	Half-year reporting is not applicable to US public companies.

For personal use only

ITEM	AUSTRALIAN REPORTING REQUIREMENTS	US REPORTING REQUIREMENTS
Quarterly reporting	Quarterly cash flow reports must be lodged with ASX by certain listed entities (being entities with more than half its assets in cash or assets readily convertible to cash, other than listed investment companies, and mining exploration companies) within one month after each quarter of a listed entity's financial year.	Under the Exchange Act, US public companies must file quarterly reports on Form 10-Q within a certain period of time (depending on the companies' public market float) after each of their first three fiscal quarters (and file an annual report on Form 10-K at the end of their fourth fiscal quarter). Public companies are required to: • provide unaudited financial statements for the most recently completed fiscal quarter; • provide a section on management's discussion and analysis of company's financial condition and results of operation; • disclose quantitative and qualitative information about market risks; • state conclusions of CEO and CFO regarding the effectiveness of company's disclosure controls and procedures; • describe material pending legal proceedings affecting it; • provide any material updates as to risk factors from its most recent annual report on Form 10-K; • describe any sales of its equity during most recent quarter that were not registered with the SEC; and • any other information that should have been previously disclosed in a Form 8-K but that was not so disclosed. Quarterly reviews by independent registered public accounting firm are required by the SEC and Public Company Accounting Oversight Board.

For personal use only

5.9 Corporate governance structure

As a Delaware entity listed on Nasdaq, Holdco will adopt corporate governance policies and new board committee charters in line with Nasdaq listing standards. Holdco intends to adopt the same policies and charters as currently in effect for Benitec, with such changes as necessary for Holdco to comply with the rules applicable to US companies listed on Nasdaq.

Pursuant to the Nasdaq listing rules, Holdco will establish and adopt charters for its Audit Committee and Nominating and Governance Committee. Holdco will also establish a Compensation Committee, the main functions of which are to review, approve and recommend the base salary, equity-based incentives and short-term incentive compensation for the executive officers, approve all long- term equity incentives to Holdco employees, review Holdco's cash and stock-based incentive compensation plans to assess their effectiveness in meeting Holdco's goals and objectives and take other actions to meet its responsibilities as set out in its written charter. Holdco may adopt other charters and policies as the Holdco Board determines is necessary or appropriate.

Holdco is committed to ensuring that its corporate governance systems comply with statutory and stock exchange requirements and to maintaining its focus on transparency, responsibility and accountability.

5.10 Holdco's intentions for Benitec's business, assets and employees following implementation

If the Scheme is implemented, Holdco will own all Benitec Shares and Benitec will become a wholly owned subsidiary of Holdco. No winding up, merger or liquidation of Benitec, nor any transfer of material assets from Benitec to Holdco or any other member of the Benitec Group, is currently contemplated.

The Holdco Board currently intends to operate the Benitec Group's business in a manner consistent with past practice, and to continue the employment of its current employees, without any major change or amendment, although the Holdco Board may undertake a review of the Benitec Group following implementation of the Scheme and consider whether there are appropriate measures required to streamline its operations and structure. Additionally, future economic, market and business conditions may cause Holdco to make changes it considers necessary and in the interests of its shareholders.

It is intended that Benitec will be removed from the official listing of the ASX and Holdco will have Holdco Shares traded on Nasdaq.

For personal use only

Risk Factors

For personal use only



For personal use only

6.1 Introduction

In considering the Scheme Resolution, you should be aware that there are a number of risk factors, both general and specific, associated with the Scheme. There are also risks specific to Benitec and/or the industries in which it operates, which could materially adversely affect the future operating and financial performance of Benitec and the value of Benitec Shares.

Benitec Shareholders will continue to be exposed to materially the same general market risks (in Section 6.2) and risks specific to an investment in Benitec (in Section 6.3) that they are exposed to now regardless of whether the Scheme becomes Effective. These risks are provided in short summary form only given Benitec Shareholders are already exposed to them. If the Scheme becomes Effective, then in addition to those risks Scheme Shareholders will also gain exposure to the risks in Section 6.4 as shareholders of Holdco.

The outline of the risks set out in this Section 6 is a summary only and should not be considered exhaustive. This Section 6 does not purport to list every risk that may be applicable to Benitec Shareholders now or in the future. Further, the occurrence or consequences of some of the risks described in this Section 6 may be partially or completely outside the control of Benitec, its Directors and senior management team.

These risk factors do not take into account the individual investment objectives, financial situation, position or particular needs of Benitec Shareholders. Before deciding how to vote in relation to the Scheme Resolution, you should have a sufficient understanding of these matters, having regard to your own individual risk profile, portfolio strategy, investment objectives, financial circumstances and taxation position. If you do not understand any part of this Scheme Booklet or are in any doubt as to how to vote in relation to the Scheme Resolution, it is recommended that you seek professional guidance from your financial, legal, taxation or other independent and qualified professional adviser before deciding how to vote.

You should carefully consider the risk factors discussed in this Section 6, as well as the other information contained in this Scheme Booklet before voting on the Scheme Resolution.

6.2 General market risks

Like many listed companies, Benitec is exposed to a number of general risks that could materially adversely affect its financial position, assets and liabilities, reputation, profits, prospects and the market price and/or value of Benitec Shares.

These could include any or all of the following:

- fluctuations in economic conditions in Australia and internationally, including fluctuations in economic growth, interest rates, exchange rates, the level of inflation and employment levels;
- fluctuations in Australian and overseas stock markets;
- changes in government fiscal, monetary, regulatory and foreign policy in relevant jurisdictions and changes to political or judicial policies or conditions (including the impact of referendums in relevant jurisdictions);
- increases in expenses (including wage inflation);
- changes to accounting or financial reporting standards; and
- natural disasters and catastrophic events.

For personal use only

6.3 Specific risks relating to Benitec and the industries in which it operates

- Benitec anticipates that it will continue to incur significant net losses for the foreseeable future and it may never achieve or maintain profitability.
- Benitec will need to continue its efforts to raise additional funding, which may not be available on acceptable terms, or at all. Failure to obtain capital when needed may negatively impact Benitec's ability to continue as a going concern.
- Developing ddRNAi products is expensive, and Benitec expects its research and development expenses to increase substantially in connection with its ongoing activities, particularly as it advances its product candidates in preclinical studies and in future clinical trials and as it undertakes preclinical studies of new product candidates.
- Benitec's product candidates are based on ddRNAi technology. Currently, no product candidates utilising ddRNAi technology have been approved for commercial sale and Benitec's approach to the development of ddRNAi technology may not result in safe, effective or marketable products.
- Benitec is early in its product development efforts and its current product candidates are still in preclinical or early clinical development. Benitec may not be able to obtain regulatory approvals for the commercialisation of some or all of its product candidates.
- Benitec may find it difficult to enrol patients in, and patients could discontinue their participation in, any future clinical trials, which could delay or prevent any future clinical trials of its product candidates and make those trials more expensive to undertake.
- If Benitec is unable to successfully develop related diagnostics for its therapeutic product candidates, or experience significant delays in doing so, Benitec may not achieve marketing approval or realise the full commercial potential of its therapeutic product candidates.
- Even if Benitec completes the necessary preclinical studies and clinical trials, it cannot predict when or if Benitec will obtain regulatory approval to commercialise a product candidate or the approval may be for a more narrow indication than Benitec expects.
- Even if Benitec obtains and maintains approval for its product candidates from the US Food and Drug Administration, Benitec may never obtain approval for its product candidates outside of the United States, which would limit Benitec's market opportunities and adversely affect its business.
- Benitec may not be able to obtain orphan drug exclusivity, where relevant, in all markets for its product candidates.
- Benitec's prospects for successful development and commercialisation of Benitec's products are dependent to varying degrees upon the research, development, commercialisation, and marketing efforts of Benitec's potential collaborators.
- Benitec has not entered into agreements with any third-parties to manufacture, support commercialisation or establish sales and marketing of its product candidates.
- Physicians, patients, third-party payers or others in the medical community may not be receptive to Benitec's product candidates, and Benitec may not generate any future revenue from the sale or licensing of its product candidates.
- Benitec faces competition from entities that have developed or may develop product candidates for its target disease indications, including companies developing novel treatments and technology platforms based on modalities and technology similar to Benitec's.
- A variety of risks outside of Benitec's control associated with international operations could adversely affect Benitec's business.
- The insurance coverage and reimbursement status of newly approved products is uncertain.
- Benitec's relationships with third-party payers, healthcare professionals and customers in the United States and elsewhere may be subject to anti-kickback, fraud and abuse, false claims, transparency, health information privacy and security and other healthcare laws and regulations, which could expose Benitec to significant penalties.
- Negative public opinion and increased regulatory scrutiny of gene therapy and genetic research may damage public perception of Benitec's product candidates or compromise its ability to conduct its business or obtain regulatory approvals for Benitec's product candidates.

For personal use only

- Benitec may not successfully engage in strategic transactions or enter into new collaborations, which could adversely affect Benitec's ability to develop and commercialise product candidates, impact its cash position, increase its expenses and present significant distractions to its management.
- Any inability to attract and retain qualified key management and technical personnel would impair Benitec's ability to implement its business plan.
- Benitec's collaborations with outside scientists and consultants may be subject to restriction and change.
- Benitec may experience difficulties in managing its growth and expanding its operations.
- Benitec's employees, independent contractors, principal investigators, contract research organisations, consultants and vendors may engage in misconduct or other improper activities, including noncompliance with regulatory standards and insider trading.
- Benitec could face potential product liability and, if successful claims are brought against it, Benitec may incur substantial liability and costs.
- Benitec and its development partners, third-party manufacturers and suppliers use biological materials and may use hazardous materials, and any claims relating to improper handling, storage or disposal of these materials could be time consuming or costly.
- Benitec's internal computer and information technology systems, or those of its collaborators and other development partners, third-party contract research organisations or other contractors or consultants, may fail or suffer security breaches, which could result in a disruption of Benitec's product development programs.
- Benitec's current laboratory operations are concentrated in one location and any events affecting this location may seriously compromise Benitec's ability to operate its business and continue the development of its product candidates.
- If Benitec is unable to obtain or protect intellectual property rights related to its product candidates, Benitec may not be able to obtain exclusivity for its product candidates or prevent others from developing similar competitive products.
- Benitec relies on licence relationships with a number of third parties for portions of its intellectual property, including platform technology patents relating to its ddRNAi technology.
- Third-party claims of intellectual property infringement may prevent or delay Benitec's development and commercialisation efforts.
- Benitec may not be successful in obtaining or maintaining necessary rights to gene therapy product components and processes for its development pipeline through acquisitions and in-licenses.
- Benitec may enter into licence agreements with third parties, and if it fails to comply with its obligations in such agreements under which Benitec licenses intellectual property rights from third parties or otherwise experience disruptions to its business relationships with its licensors, Benitec could lose licence rights that are important to its business.
- Benitec may be involved in lawsuits to protect or enforce its patents or the patents of its licensors, which could be expensive, time-consuming and unsuccessful, and issued patents covering its product candidates could be found invalid or unenforceable if challenged in court.
- Benitec's results of operations will be affected by the level of royalty payments that it is required to pay to third parties.
- The licences Benitec grants to its collaborators to use its ddRNAi technology are exclusive to the development of product candidates for certain conditions.
- Changes in US patent law could diminish the value of patents in general, thereby impairing Benitec's ability to protect its products.

For personal use only

6.4 Risks relating to holding Holdco Shares

Change in jurisdiction

Delaware law, US federal law and Nasdaq listing rules will apply to Holdco, a company incorporated in the State of Delaware, with the Holdco Shares proposed to be listed on Nasdaq.

Holdco Shareholders effectively will have different rights to the rights they had as Benitec Shareholders as they will no longer be governed by the Corporations Act and Listing Rules.

Differences may arise in respect of rights where a takeover bid is made for Benitec, minority shareholders' rights (for example, in statutory derivative actions or to requisition shareholders meetings) and related party transaction regulation compared to an Australian ASX-listed public company.

Benitec Shareholders should carefully consider the summary of differences between the various comparisons between Benitec and Holdco's legal and financial reporting requirements in Sections 5.6, 5.7 and 5.8.

Share market volatility

There is currently no public market for Holdco Shares. It is important to recognise that once the Holdco Shares are traded on Nasdaq, their price may rise or fall and they might trade at prices below or above the current equivalent price for Benitec Shares. There is no guarantee that the listing of Holdco Shares would "re-rate" the valuation of the Benitec Group as it currently stands on the ASX.

Factors affecting the price at which Holdco Shares are traded on Nasdaq include domestic and international conditions. In addition, the prices of many listed entities' securities are affected by factors that might be unrelated to the operating performance of the relevant company. Those fluctuations might adversely affect the price of Holdco Shares.

Trading liquidity in Holdco Shares

Once the Holdco Shares are quoted on Nasdaq, there can be no guarantee that an active trading market for the Holdco Shares will develop or that the price of Holdco Shares will increase. There may be few potential buyers or sellers of the Holdco Shares at any time, which may increase the volatility of the market price of Holdco Shares. It may also affect the prevailing price at which Holdco Shareholders are able to sell their Holdco Shares, which may result in a market price that is less than the current equivalent price for Benitec Shares.

Dividends

Any future determination to declare cash dividends will be made at the discretion of the Holdco Board, subject to compliance with applicable laws and covenants under current or future credit facilities, which may restrict or limit Holdco's ability to pay dividends, and will depend on its financial condition, operating results, capital requirements, general business conditions and other factors that the Holdco Board may deem relevant.

Holdco does not anticipate paying any cash dividends on Holdco Shares in the foreseeable future. As a result, a return on your investment will only occur if Holdco's Share price appreciates.

US legal environment is more litigious

Holdco may be exposed to increased litigation as a US public company, as the US legal environment is generally more litigious. Under Delaware law, a shareholder must meet certain eligibility and standing requirements to bring a derivative action, but settlement or dismissal of a derivative action requires the approval of the court and notice to shareholders of the proposed dismissal.

Shareholders in the US are entitled to commence class action suits on their own behalf and on behalf of any other similarly situated shareholders to enforce an obligation owed to the shareholders directly where the requirements for maintaining a class action under Delaware law have been met.

There is a risk that any material or costly dispute or litigation could adversely affect Holdco's reputation, financial performance or value.

For personal use only

6.5 Risk factors which may prevent the Scheme from being implemented

Conditions Precedent

The Scheme is subject to a number of Conditions Precedent, including Court approval and any approvals from ASX and ASIC and the approval of Benitec Shareholders.

There is a risk that the applicable regulatory or Court approvals may not be obtained, or may be obtained subject to conditions which Benitec and/or Holdco (as applicable) are not prepared to accept (acting reasonably), or may be delayed, or that Benitec Shareholders may not approve the Scheme.

Benitec Shareholders should be aware that the costs of the Scheme have been estimated by Benitec to be approximately A$650,000. Approximately A$550,000 of these costs are expected to be payable by Benitec regardless of whether or not the Scheme becomes Effective and is implemented.

Implementing the Scheme

7

For personal use only

For personal use only

7.1 Scheme Implementation Agreement

a. Overview

Benitec and Holdco originally entered into a scheme implementation agreement on 27 November 2019 pursuant to which Benitec agreed to undertake the Scheme and also a warrant scheme. Benitec and Holdco subsequently decided not to proceed with the warrant scheme and replaced the original scheme implementation agreement with an amended and restated scheme implementation agreement on 30 January 2020 (**Scheme Implementation Agreement**) to that effect. A full copy of the Scheme Implementation Agreement is set out in Attachment E to this Scheme Booklet.

The key terms of the Scheme Implementation Agreement are summarised below. This is a summary only and you should refer to the full copy of the Scheme Implementation Agreement for full details.

b. Conditions Precedent

Implementation of the Scheme is conditional on the satisfaction (or waiver, if applicable) of all of the following Conditions Precedent:

- **ASIC and ASX:** Before 8.00am on the Second Court Date, ASIC and ASX issue or provide all reliefs, waivers, confirmations, exemptions, consents or approvals, and have done all other acts, necessary, or which Benitec and Holdco agree are desirable, to implement the Scheme and such reliefs, waivers, confirmations, exemptions, consents, approvals or other acts (as the case may be) have not been withdrawn, suspended or revoked at 8.00am on the Second Court Date.
- **Shareholder approval:** Benitec Shareholders approve the Scheme by the Requisite Majority in accordance with the Corporations Act.
- **Court approval:** The Court approves the Scheme in accordance with section 411(4)(b) of the Corporations Act.
- **Regulatory approvals:** Before 8.00am on the Second Court Date the approvals of each Regulatory Authority which Holdco and Benitec agree (acting reasonably) are necessary to implement the Scheme or conduct the Benitec Group's business on and from the implementation of the Scheme lawfully and in a manner consistent with its conduct prior to the Implementation Date.
- **Independent Expert:** The Independent Expert issues a report which concludes that the Scheme is in the best interests of Benitec Shareholders before the date on which this Scheme Booklet is lodged with ASIC.
- **Nasdaq approval:** Prior to 8:00am on the Second Court Date, the Holdco Shares have been authorised for listing on Nasdaq, subject to official notice of issuance following the implementation of the Scheme and any customary conditions.
- **Regulatory intervention:** No Court or Regulatory Authority has issued or taken steps to issue an order, temporary restraining order, preliminary or permanent injunction, decree or ruling or taken any action enjoining, restraining or otherwise imposing a legal restraint or prohibition preventing the Scheme and no such order, decree, ruling, other action or refusal is in effect as at 8.00am on the Second Court Date.

A summary of the status of the Conditions Precedent is set out in Section 8.5.

c. Termination

The Implementation Deed may be terminated by either Benitec or Holdco if:

- **Material Breach:** at any time prior to 8:00am on the Second Court Date, if the other party is in material breach of the Implementation Deed in certain circumstances; or
- **Mutual Termination:** if agreed to in writing by Benitec and Holdco.

For personal use only

7.2 Voting on the Scheme

The Scheme will only become Effective and be implemented if:

- the Requisite Majority of Benitec Shareholders approve the Scheme Resolution at the Scheme Meeting;
- the Court approves the Scheme at the Second Court Hearing; and
- all Conditions Precedents have been satisfied or waived (if applicable) by the End Date.

Passing of the Scheme Resolution by Benitec Shareholders requires approval by both:

- a majority in number (more than 50%) of Benitec Shareholders present and voting at the Scheme Meeting – it should be noted that the Court has the power to waive this requirement; and
- at least 75% of the total number of votes cast on the Scheme Resolution by Benitec Shareholders present and voting at the Scheme Meeting.

7.3 Court approval of the Scheme

In the event that:

- the Scheme is approved by the Requisite Majority at the Scheme Meeting (see Section 7.2 for the approval requirements); and
- all Conditions Precedent (except Court approval of the Scheme) have been satisfied or waived (if they are capable of being waived), then Benitec will apply to the Court for orders approving the Scheme.

The Court may refuse to grant the orders referred to above even if the Scheme is approved by the Requisite Majority of the Benitec Shareholders at the Scheme Meeting.

The date on which the Court will hear Benitec's application for approval of the Scheme is the Second Court Date, which is expected to be on Monday, 30 March 2020. Any change to this date will be announced through the ASX. The hearing will be held at the Supreme Court of Queensland, 415 George Street, Brisbane, Queensland 4000.

Each Benitec Shareholder has the right to appear at the Second Court Hearing. Any Benitec Shareholder who wishes to oppose approval of the Scheme at the Second Court Hearing may do so by filing with the Court, and serving on Benitec, a notice of appearance, in the prescribed form, together with any affidavit on which the Benitec Shareholder wishes to rely at the Second Court Hearing at least one day before the Second Court Hearing.

For personal use only

7.4 Deed Poll

As at the date of this Scheme Booklet, the Deed Poll has been executed by Holdco in favour of the Scheme Shareholders, under which Holdco covenants:

- to provide, or to procure the provision of, the Scheme Consideration payable to the Scheme Shareholders in accordance with the Scheme, subject to the Scheme becoming Effective; and
- to undertake all other actions attributed to Holdco under the Scheme.

A copy of the Deed Poll is contained in Attachment B.

7.5 Effective Date

If the Court approves the Scheme, the Scheme will become Effective on the Effective Date (currently expected to be Monday, 30 March 2020), being the date an office copy of the Court order from the Second Court Hearing approving the Scheme is lodged with ASIC. Benitec will, on the Scheme becoming Effective, give notice of that event to ASX.

7.6 Record date and entitlement to scheme consideration

If the Scheme becomes Effective, Benitec Shareholders on the Share Register on the Record Date (currently expected to be 7.00pm (AEST) on Monday, 6 April 2020) will be entitled to receive the Scheme Consideration in respect of the Scheme Shares they hold as at the Record Date.

7.7 Implementation of the Scheme

If the Scheme becomes Effective, the Scheme Consideration will be issued on the Implementation Date (currently expected to be Wednesday, 15 April 2020).

Holdco will also issue:

- the Holdco Shares that cannot be issued to Ineligible Foreign Shareholders;
- the Holdco Shares of any Selling Shareholder; and
- any fractional Holdco Shares,

to the Sale Agent and sold through the Share Sale Facility for the benefit of the relevant person. Refer to Section 3.4 for additional information on the Share Sale Facility.

Additional Information

For personal use only

8

For personal use only

8.1 Effect of the transaction on Benitec's material contracts

There are no material contracts held by Benitec which would be affected by the implementation of the Scheme.

8.2 Australian taxation implications of the Scheme

Benitec is not able to consider the potential tax implications of each shareholder. Based on current shareholder information the majority of Benitec Shareholders are residents of Australia and the US. This section and the following section contain a general summary of potential Australian and US tax implications of the Scheme based on the tax laws as at the date of this Scheme Booklet.

The summary in this section is intended to serve as a general summary of the Australian income tax, Goods and Services Tax (**GST**) and stamp duty implications of the Scheme, in respect of Benitec Shareholders. This summary is for informational purposes only. It is not tax advice and it should not be relied upon as tax advice.

The tax implications of the Scheme will depend upon your personal circumstances. Accordingly, you should consult your personal taxation advisor in respect of the tax consequences to you of the Scheme.

Benitec has not sought any rulings from the Australian Taxation Office in relation to the Scheme and does not intend to do so. The Australian Taxation Office may disagree with the discussion below and its views may be upheld by a court.

This section does not consider the consequences of the Scheme for holders of ADS. ADS Holders should consult their personal taxation advisors in respect of the tax consequences of the Scheme.

Australian income tax considerations of the Scheme for Australian-resident Benitec Shareholders

The following discussion outlines the key Australian income tax implications of the Scheme only for Benitec Shareholders who are Australian residents for Australian tax purposes and who hold their Benitec Shares on capital account.

The below discussion does not apply to Benitec Shareholders who hold their shares on revenue account, as trading stock or subject to the Taxation of Financial Arrangements provisions of the income tax legislation.

CGT

CGT Event A1 may apply to Benitec Shareholders upon disposal of their Benitec Shares in exchange for Holdco Shares. The CGT event should occur on the Implementation Date, which is when the change in ownership of the Benitec Shares occurs.

Benitec Shareholders may make:

- A capital gain to the extent that the market value of the Holdco Shares and cash (if sold under the Share Sale Facility) they receive under the Scheme exceeds their cost base in their Benitec Shares, subject to the availability of CGT roll-over relief; or
- A capital loss to the extent that the market value of the Holdco Shares and cash (if sold under the Share Sale Facility) they receive under the Scheme is less than their reduced cost base in their Benitec Shares.

The cost base of Benitec Shares will generally include the amount paid to acquire them or the market value of any property given to acquire them, plus certain incidental costs such as brokerage. However, the actual cost base will depend on the Benitec Shareholder's own circumstances.

For personal use only

If an Australian-resident Benitec Shareholder makes a capital gain in respect of the disposal of their Benitec Shares but is for any reason not able to access scrip-for-scrip roll-over relief as described below, a CGT discount may be available. Relevantly, the CGT discount is available in respect of capital gains made on the disposal of CGT assets held by an individual, a trust or certain superannuation or life insurance entities for at least 12 months (not including the date of acquisition or disposal). Generally, the discount allows the relevant taxpayer to reduce the gain made by 50% if the taxpayer is an individual or a trust, and by 33.33% if the taxpayer is a qualifying superannuation or life insurance entity.

Benitec Shareholders who make a capital gain on disposal of their Benitec Shares will be required to include that gain in calculating their net capital gain for the income year. If they make a net capital gain, they will need to include the amount of that net capital gain (if any) in their assessable income.

Roll-over relief

Scrip-for-scrip roll-over relief should enable Australian-resident Benitec Shareholders to disregard any capital gain they may make on disposal of the Benitec Shares, to the extent that they receive Scheme Consideration in the form of Holdco Shares. Benitec Shareholders will not be able to obtain the roll-over if any capital gain they might make from their Holdco Shares would be disregarded (except because of a roll-over).

Benitec Shareholders will need to choose the roll-over to apply. This choice may be demonstrated by the way their tax return is completed for the income year in which they would otherwise make the capital gain.

Benitec Shareholders will not be able to choose the roll-over to the extent that they receive anything other than Holdco Shares in exchange for their Benitec Shares under the Scheme. This will include a Benitec Shareholder who receives cash in lieu of Fractional Holdco Shares, or as a result of a Sale Election. While a partial roll-over should still be available to the extent those Benitec Shareholders receive Holdco Shares, they may make a capital gain or capital loss as set out above to the extent they receive cash.

A roll-over may be available but additional conditions will be need to be satisfied if any Benitec Shareholder holds a "significant stake" in Benitec before the Scheme and in Holdco after the Scheme is implemented. A person will hold a significant stake if, together with any associates (as defined in the income tax law), they hold 30% or more of the voting, capital or dividend rights in the company, or rights to acquire those rights.

The roll-over would not be available for a Benitec Shareholder who makes a capital loss on the disposal of their Benitec Shares.

Cost base and acquisition date of Holdco Shares

To the extent that Benitec Shareholders qualify for scrip-for-scrip roll-over relief and choose the roll-over, their cost base in the Holdco Shares should include their cost base for the Benitec Shares they previously held (taking into account the potential different number of shares held in each). To the extent that Benitec Shareholders qualify for partial roll-over relief, then the cost base of the Benitec Shares should be apportioned between the Holdco Shares and the cash received in lieu of Holdco Shares.

For the purposes of the potential availability of the CGT discount on a later disposal of Holdco Shares, each Holdco Share should be treated as if it was acquired at the time at which the corresponding Benitec Share was originally acquired.

For Benitec Shareholders who are not eligible for the roll-over or do not choose the roll-over, the Holdco Shares should be taken to be acquired on the Implementation Date for the market value of their Benitec Shares at the Implementation Date.

Dividends on Holdco Shares

The following comments are also based on the Australian tax laws as at the date of this Scheme Booklet. Benitec Shareholders should be aware that the laws may change after the date of this Scheme Booklet and the consequences of holding Holdco Shares will be subject to the laws as they stand at the relevant time.

The assessable income of an Australian resident for Australian tax purposes includes the ordinary income derived directly and indirectly from Australian and worldwide sources.

Accordingly, after the Scheme is implemented, an Australian-resident Holdco Shareholder will be required to include in its assessable income the gross amount of any dividends it may receive from Holdco when those dividends are paid or credited to them.

Where a Holdco Shareholder is an Australian resident company that holds (directly or indirectly) at least 10% of the "direct participation" interests in Holdco, dividends received from Holdco may be treated as non-assessable non-exempt income if certain requirements are met.

For personal use only

Sale or other disposal of Holdco Shares

The following comments are also based on the Australian tax laws as at the date of this Scheme Booklet. Benitec Shareholders should be aware that the laws may change after the date of this Scheme Booklet and the consequences of disposing of Holdco Shares will be subject to the laws as they stand at the relevant time.

Any capital gain derived from the disposal of Holdco Shares held on capital account should be included in calculating a Holdco Shareholder's net capital gain for the income year. The resulting net capital gain (if any) should be included in the assessable income of an Australian-resident Holdco Shareholder and taxed accordingly. An Australian-resident Holdco Shareholder will make a capital gain to the extent that the capital proceeds (in Australian dollars) of that disposal exceeds the cost base (in Australian dollars). An Australian-resident Holdco Shareholder will make a capital loss if the capital proceeds (in Australian dollars) of that disposal are less than the reduced cost base (in Australian dollars).

If an Australian-resident Holdco Shareholder receives any foreign capital proceeds (i.e., in US dollars), such proceeds should be converted into Australian dollars at the prevailing exchange rate at the time of the disposal for Australian tax purposes.

However, in certain circumstances, Holdco Shareholders may be wholly or partly exempted from Australian income tax on a disposal of their Holdco Shares. This may include where their Holdco Shares are attributable to a permanent establishment in another country or where they are entitled to the benefit of a provision of a double tax agreement between Australia and another country. Lastly, and in broad terms, a capital gain or capital loss on disposal of Holdco Shares may be reduced by a percentage to which the underlying assets of Holdco are used in the "active business", where a Holdco Shareholder is an Australian resident company that holds a "direct voting percentage" of 10% or more in Holdco throughout a 12 month period that began no earlier than 24 months before the time of the disposal and ended no later than that time.

Foreign Income Tax Offsets (FITO)

Australian-resident Holdco Shareholders may be entitled to claim a FITO for an income year where they have paid foreign income tax on amounts included in their assessable income for the year.

A FITO is a credit that is used to reduce the Australian income tax that would otherwise be payable. Australian-resident Holdco Shareholders should generally, and subject to limitations applicable to their particular circumstances, be entitled to a FITO for tax withheld from dividends paid by Holdco.

A FITO should also be available to Australian-resident Holdco Shareholders for the foreign tax applicable, if any, on any gain derived from the disposal of Holdco Shares.

Australian income tax considerations of the Scheme for Non-Australian-resident Benitec Shareholders

The following discussion outlines the key Australian income tax implications of the Scheme only for Benitec Shareholders who are non-residents for Australian tax purposes and who hold their Benitec Shares on capital account.

The below discussion does not apply to Benitec Shareholders who hold their shares on revenue account, as trading stock or subject to the Taxation of Financial Arrangements provisions of the income tax legislation.

CGT

CGT Event A1 may apply to non-resident Benitec Shareholders upon disposal of their Benitec Shares in exchange for Holdco Shares. The CGT event should occur on the Implementation Date, which is when the change in ownership of the Benitec Shares occurs.

Benitec Shareholders may make:

- A capital gain to the extent that the market value of the Holdco Shares and cash (if any) they receive under the Scheme exceeds their cost base in their Benitec Shares, subject to the availability of CGT roll-over relief; or
- A capital loss to the extent that the market value of the Holdco Shares and cash (if any) they receive under the Scheme is less than their reduced cost base in their Benitec Shares.

For personal use only

However, any capital gain or loss may be disregarded by a non-resident Benitec Shareholder if their Benitec Shares do not constitute "Taxable Australian Property" (**TAP**). The Benitec Shares should only be considered TAP if:

- more than 50% of the market value of Benitec's assets is attributable to Australian real property (i.e., a freehold or leasehold interest in Australian real property, or mining, quarrying or prospecting rights in land in Australia, whether held directly or indirectly through its subsidiaries); or
- the Benitec Shareholder used the shares at any time in carrying on a business through an Australian permanent establishment.

The Benitec Group does not hold material interests in Australian real property. Accordingly, if the Benitec Shareholder has not used their Benitec Shares at any time to carry on a business through an Australian permanent establishment, any capital gain or loss made by the Benitec Shareholder should be disregarded.

In relation to non-resident Benitec Shareholders who hold their Benitec Shares on capital account and have used their Benitec Shares to carry on a business through an Australian permanent establishment, to the extent that:

- a Benitec Shareholder realises a capital gain from exchanging their Benitec Shares for Holdco Shares under the Scheme, they may be able to choose to apply scrip-for-scrip roll-over relief (discussed above) if their Holdco Shares would also be TAP; or
- a capital loss arises, scrip-for-scrip roll-over relief should not apply. Instead, the capital loss would be treated as arising at the time of disposal of the Benitec Shares.

Benitec Shareholders will not be able to obtain the roll-over if any capital gain they might make from their Holdco Shares would be disregarded (except because of a roll-over). This may include situations in which Benitec Shares are TAP in the hands of a Benitec Shareholder but the Holdco Shares received in exchange are not TAP.

To the extent that non-resident Benitec Shareholders qualify for scrip-for-scrip roll-over relief and choose the roll-over, their cost base in the Holdco Shares should include their cost base for the Benitec Shares they previously held (taking into account the potential different number of shares held in each). To the extent that Benitec Shareholders qualify for partial roll-over relief, then the cost base of the Benitec Shares should be apportioned between the Holdco Shares and the cash received in lieu of Holdco Shares.

A roll-over may be available but additional conditions will be need to be satisfied if any Benitec Shareholder holds a "significant stake" in Benitec before the Scheme and in Holdco after the Scheme is implemented. A person will hold a significant stake if, together with any associates (as defined in the income tax law), they hold 30% or more of the voting, capital or dividend rights in the company, or rights to acquire those rights.

For Benitec Shareholders who are not eligible for the roll-over or do not choose the roll-over, the Holdco Shares should be taken to be acquired on the Implementation Date for the market value of their Benitec Shares at the Implementation Date.

GST

No GST liability should arise to Benitec Shareholders on either the disposal of their Benitec Shares or on the acquisition of Holdco Shares under the Scheme.

Stamp duty

No stamp duty should payable by Benitec Shareholders on either the disposal of their Benitec Shares or on the acquisition of Holdco Shares under the Scheme.

For personal use only

8.3 US federal taxation implications

The following is a summary of certain material US federal income tax consequences of the (i) Scheme and (ii) post Scheme ownership and disposition of Holdco Shares. This summary is based upon the US Internal Revenue Code of 1986, as amended (**"Code"**) and US Treasury regulations promulgated thereunder, published guidance and court decisions, each as in effect on the date hereof, all of which are subject to change, or to changes in interpretation, possibly with retroactive effect. Benitec has not sought, and will not seek, a ruling from the Internal Revenue Service (**"IRS"**) as to any US federal income tax consequence described herein. The IRS may disagree with the discussion herein, and its determination may be upheld by a court. Moreover, there can be no assurance that future legislation, regulations, administrative rulings or court decisions will not adversely affect the accuracy of the statements in this discussion.

The following discussion assumes the Scheme will be consummated as described herein, and applies only to Benitec Shareholders receiving Holdco Shares (rather than cash from the Share Sale Facility) that hold their Benitec Shares and ADSs, and that will hold their shares of Holdco received pursuant to the Scheme, as "capital assets" within the meaning of Section 1221 of the Code (generally, property held for investment). This discussion assumes that Benitec Shareholders will receive Holdco Shares representing at least 80 percent of the outstanding Holdco Shares and that Holdco will directly own all of the Benitec shares after the Scheme. This discussion does not address all aspects of US federal income taxation that may be relevant to a holder in light of such holder's particular circumstances, including any tax consequences arising under the Medicare contribution tax on net investment income, the alternative minimum tax, tax with respect to foreign currency gains and losses, or to any holder subject to special treatment under the Code, including, but not limited to:

- A person who directly, indirectly or constructively owns 10 percent or more of the Benitec ADSs and/or Benitec Shares (or Holdco Shares after the Scheme);
- Financial institutions or broker-dealers;
- Mutual funds;
- Tax-exempt organizations (including private foundations);
- Insurance companies;
- Dealers in securities or foreign currencies;
- Traders in securities who elect to use a mark-to-market method of accounting;
- Controlled foreign corporations and their direct and indirect shareholders, or any foreign corporation with respect to which there are one or more "United States shareholders" within the meaning of Section 951(b) of the Code;
- Passive foreign investment companies and their direct and indirect shareholders;
- US expatriates and certain former US citizens or long-term residents;
- "S" corporations, partnerships and their partners, or other entities or arrangements classified as partnerships for US federal income tax purposes, grantor trusts, or other pass-through entities (and investors therein);
- Holders who acquired their Benitec Shares or ADSs through the exercise of options or otherwise as compensation;
- Holders who hold their Benitec Shares or ADSs (or Holdco Shares after the Scheme) as part of a hedge, straddle, constructive sale, conversion transaction, or other integrated transaction for US federal income tax purposes;
- Regulated investment companies;
- Real estate investment trusts; and
- Investors subject to special tax accounting rules as a result of any item of gross income with respect to the ADSs or common stock being taken into account in an applicable financial statement.

In addition, this summary does not address any aspect of non-US, state, local, estate, gift or other tax law that may be applicable to a holder.

This summary is intended to provide only a general summary of certain US federal income tax consequences of the Scheme to holders of Benitec Shares and ADSs and post Scheme ownership and disposition of Holdco Shares.

The US federal income tax laws are complex and subject to varying interpretation. Accordingly, the IRS may not agree with the tax consequences described in this Scheme Booklet, and there is no assurance that the IRS' position would not be sustained in a court. Each holder of Benitec Shares and ADSs should consult their own tax advisor regarding the US federal, state, local, non-US and other tax consequences to them of the receipt of Holdco Shares in exchange for Benitec Shares and ADSs pursuant to the Scheme, and the ownership and disposition thereof.

For personal use only

For purposes of this summary, a "**US Holder**" is a beneficial owner of ADSs or Benitec Shares that is, for US federal income tax purposes:

- an individual who is a citizen or resident of the United States;
- a corporation (or an entity classified as a corporation for US federal income tax purposes), created in, or organised under the laws of, the United States or any state thereof or the District of Columbia;
- an estate the income of which is includible in gross income for US federal income tax purposes regardless of its source; or
- a trust (A) the administration of which is subject to the primary supervision of a US court and which has one or more US persons who have the authority to control all substantial decisions of the trust or (B) that has made a valid election to be treated as a US person under the Code.

If a partnership (or other entity treated as a "tax transparent" entity for US tax purposes) is the beneficial owner of Benitec Shares or ADSs, the tax treatment of a partner in the partnership (or interest holder in the "tax transparent" entity) will generally depend on the status of the partner (or interest holder) and the activities of the partnership (or tax transparent entity).

A Non-US Holder is a beneficial owner (other than a partnership) of Benitec Shares or ADSs that is not a US Holder (as defined above). The following discussion assumes that a Non-US Holder does not have a trade or business or permanent establishment in the United States.

In general, for US federal income tax purposes, US Holders of ADSs will be treated as the beneficial owners of the underlying common stock represented by the ADSs.

THIS DISCUSSION IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT TAX ADVICE. HOLDERS SHOULD CONSULT THEIR TAX ADVISORS REGARDING THE PARTICULAR US FEDERAL INCOME TAX CONSEQUENCES TO THEM OF ACQUIRING, OWNING AND DISPOSING OF THE HOLDCO SHARES, AS WELL AS ANY TAX CONSEQUENCES ARISING UNDER ANY STATE, LOCAL, OR NON-US TAX LAWS AND ANY OTHER US FEDERAL TAX LAWS.

Material US Federal Income Tax Consequences of the Scheme

Subject to the Passive Foreign Investment Company discussion below and the exceptions and assumptions otherwise described in this section 8.3, the exchange of Benitec Shares and ADSs for Holdco Shares pursuant to the Scheme is intended to be treated as a reorganization described in Code Section 368(a) and/or an exchange described by Code Section 351 in which no gain or loss is recognized to Benitec or Holdco. This summary assumes that the exchange of Benitec Shares and ADSs for Holdco Shares pursuant to the Scheme will be governed by Section 368(a) and/or Section 351 of the Code and that following the Scheme, Benitec will continue as a direct, wholly owned subsidiary of Holdco.

US Holders

Passive Foreign Investment Company

A non-US corporation will be treated as a passive foreign investment company (**"PFIC"**) for any taxable year if at least 75% of its gross income is passive income or at least 50% of its gross assets produce (or are held for the production of) passive income. Passive income for this purpose generally includes, among other things, dividends, interest, rents, royalties and gains from assets that produce passive income. The Benitec Board believes it is likely that Benitec qualified as a PFIC for fiscal year 2019.

US persons who are shareholders of PFICs are generally subject to special tax as well as an interest charge upon a disposition of their PFIC stock. In general, any gain realized on such dispositions is not treated as capital gain. Instead, a US person is treated as if it had realized such gain and certain "excess distributions" over its holding period for the PFIC stock and is taxed at the highest tax rate in effect for each year to which the gain was allocated, together with an interest charge in respect of the tax attributable to each such year. The Code also provides special rules regarding exchanges and other dispositions of PFIC stock that can, in certain circumstances, override otherwise applicable nonrecognition treatment.

A US shareholder may generally mitigate the adverse tax consequences of holding PFIC stock by timely making certain elections. In general, a US shareholder that makes a mark-to-market election with respect to PFIC stock that is "marketable stock" must include in ordinary income for each year an amount equal to the excess, if any, of the fair market value of such US shareholder's PFIC stock at the close of the taxable year, over such shareholder's adjusted US tax basis therein. If a valid mark-to-market election is timely made, gains from a sale or other taxable disposition of PFIC

For personal use only

stock generally will be treated as ordinary income, and any losses incurred on such a sale or disposition will generally be treated as an ordinary loss (to the extent of any net mark-to-market gains for prior years).

Alternatively, a US shareholder may make a "qualified electing fund" ("QEF") election. In general, a US shareholder that timely makes a valid QEF election with respect to a PFIC is required to annually include in income such shareholder's pro rata share of the PFIC's ordinary earnings and net capital gain, which will be taxed as ordinary income and long-term capital gain, respectively, regardless of whether such amounts are actually distributed. A US shareholder generally recognizes capital gain or loss on the disposition of PFIC stock in an amount equal to the difference between (i) the amount realized and (ii) the US shareholder's adjusted tax basis in the PFIC stock.

In general, unless an exception applies, gain (but not loss) must be recognized upon the disposition of PFIC stock by a US shareholder in connection with a nonrecognition transaction, notwithstanding that such transfer may otherwise be eligible for nonrecognition treatment. Exceptions to such gain recognition on transfers of PFIC stock include (i) certain transfers to US persons, (ii) certain transfers which result in the transferring US shareholder holding an indirect ownership interest in the PFIC, and (iii) if the transferring US shareholder timely made a valid QEF or mark-to-market election with respect to the PFIC. If a disposition of PFIC stock in a nonrecognition transaction to which such an exception would apply but for the fact that cash is received in addition to stock, gain is generally recognized to the extent of the cash received. If an exception to gain recognition applies, a US shareholder will generally be subject to additional information reporting requirements.

US Holders are urged to contact their own tax advisor regarding our status as a PFIC and the application of the PFIC rules in light of each US Holder's particular circumstances.

Exchange of Benitec Shares and ADSs for Holdco Shares

Subject to the exceptions and assumptions otherwise described in this section 8.3 and the PFIC discussion above, assuming Benitec is a PFIC, US Holders generally will be subject to tax as described above in "Passive Foreign Investment Company" on the exchange of Benitec Shares or ADSs for Holdco Shares as a disposition of PFIC stock subject to gain recognition unless the US Holder timely made a valid QEF or mark-to-market election or qualifies for an exception, in which case such US Holder generally will recognize no gain or loss on the exchange of Benitec Shares or ADSs for Holdco Shares. Such US Holders generally will recognize gain or loss to the extent of cash received in lieu of fractional Holdco Shares.

US Holders generally will have an aggregate adjusted US federal tax basis in the Holdco Shares received pursuant to the Scheme equal to their aggregate adjusted US federal tax basis in the Benitec Shares and ADSs surrendered, increased by the amount of gain recognized, if any. Thus, to the extent a US Holder has a loss in its Benitec Shares or ADSs, such loss generally will be preserved. The holding period for Holdco Shares received pursuant to the Scheme by US Holders generally will include the holding period of Benitec Shares and ADSs surrendered pursuant to the Scheme.

US Holders who (i) receive cash in lieu of fractional Holdco Shares or (ii) are Ineligible Foreign Shareholders or Selling Shareholders, generally will be treated as having received such Holdco Shares (or fraction of such Holdco Share) to which they would have been entitled, and then having received cash in exchange for such Holdco Shares (or fraction of such Holdco Shares).

US Holders are urged to contact their own tax advisor regarding our status as a PFIC and the application of the PFIC rules in light of each US Holder's particular circumstances, including the potential applicability of any exceptions to the PFIC gain recognition rule as well as reporting requirements and information statements that could potentially be applicable with respect to the Scheme and any consequences, including penalties, potentially applicable as a result of a failure to meet such requirements.

Non-US Holders

Exchange of Benitec Shares and ADSs for Holdco Shares

Non-US Holders generally will not recognize gain or loss for US federal income tax purposes as a result of the Scheme. Non-US Holders that receive cash (in lieu of fractional shares or because they are an Ineligible Foreign Shareholder or Selling Shareholder) may recognize gain or loss, if any. Subject to the considerations described in "Non-US Holders - Sale or Other Disposition of Holdco Shares" below, any gain recognized by a Non-US Holder with respect to Holdco Shares generally will not be subject to US federal income taxation.

Non-US Holders that receive Holdco Shares will generally have an aggregate adjusted US federal tax basis in the Holdco Shares received pursuant to the Scheme equal to their aggregate adjusted US federal tax basis in the Benitec Shares and ADSs surrendered. The holding period for Holdco Shares received pursuant to the Scheme for US federal income tax purposes will generally include the

For personal use only

holding period of Benitec Shares and ADSs surrendered pursuant to the Scheme.

Non-US Holders are urged to contact their own tax advisor regarding any reporting requirements and information statements that could potentially be applicable with respect to the Scheme and any consequences, including penalties, potentially applicable as a result of a failure to meet such requirements.

Material US Federal Income Tax Consequences of Holding and Disposing of Holdco Shares Post-Scheme

US Holders

Sale or Other Disposition of Holdco Shares

A US Holder will generally recognize gain or loss on a sale or other disposition of Holdco Shares equal to the difference, if any, between the fair market value of the Holdco Shares sold and such US Holder's adjusted US federal tax basis in the Holdco Shares. Such gain or loss will generally be capital gain or loss. If the US Holder has a holding period in the Holdco Shares sold of more than one year, such capital gain or loss will be long-term capital gain or loss. Generally, for US Holders who are individuals (as well as certain trusts and estates), long-term capital gains are subject to US federal income tax at preferential rates. The deductibility of capital losses is subject to significant limitations.

Distributions on Holdco Shares

Distributions, if any, paid on Holdco Shares will be treated as dividends to the extent of Holdco's current and accumulated earnings and profits. Amounts treated as dividends will generally be includable in a US Holder's gross income in the year actually or constructively received. Any amount distributed in excess of Holdco's current earnings and profits will first be treated as a tax-free return of capital to the extent of a US Holder's basis in the Holdco Shares with respect to which the distribution was received. Amounts in excess of a US Holder's basis in the Holdco Shares will be treated as capital gain subject to the treatment described above in "Sale or Other Disposition of Holdco Shares." Generally, for US Holders who are individuals (as well as certain trusts and estates), dividends paid by Holdco will be subject to US federal income tax at preferential rates.

Information Reporting and Backup Withholding

US backup withholding tax and information reporting requirements will generally apply to payments to non-corporate holders of Holdco Shares. Information reporting will generally apply to payments of dividends on, and to proceeds from the disposition of, Holdco Shares by a paying agent to a US Holder, other than US Holders that are exempt from information reporting and properly certify their exemption. A paying agent generally will be required to withhold at the applicable statutory rate, currently 24%, in respect of any payments of dividends on, and the proceeds from the disposition of, Holdco Shares within the United States to US Holders (other than US Holders that are exempt from backup withholding and properly certify their exemption) if the holder fails to furnish its correct taxpayer identification number or otherwise fails to comply with applicable backup withholding requirements. US Holders who are required to establish their exempt status generally must provide a properly completed IRS Form W-9 prior to any such payment or distribution being made to the US Holder.

Backup withholding is not an additional tax. Amounts withheld as backup withholding may be credited against a US Holder's US federal income tax liability. A US Holder generally may obtain a refund of any amounts withheld under the backup withholding rules in excess of such US Holder's US federal income tax liability by filing the appropriate claim for refund with the IRS in a timely manner and furnishing any required information.

Non-US Holders

Sale or Other Disposition of Holdco Shares

A Non-US Holder generally will not be subject to US federal income or withholding tax in respect of gain recognized on a sale, exchange or other taxable disposition of Holdco stock unless Holdco is considered a "United States real property holding corporation" (**"USRPHC"**) within the meaning of Section 897 of the Code, or has been a USRPHC in the five-year period ending on the date of the sale or other disposition. If it is, or was, a USRPHC, then, absent an exception, a Non-US Holder's gain, if any, on the sale of Holdco Shares will be treated as effectively connected with the conduct of a US trade or business. Holdco is not expected to be treated as a USRPHC immediately after the Scheme. If, however, Holdco is or becomes a USRPHC, Non-US Holders would generally be subject to US federal income taxation on gain at the rates generally applicable to US persons. Additionally, a purchaser of Holdco Shares from a Non-US Holder would generally be required to withhold 15% of the purchase price. Such US taxation generally would not apply however to Non-US Holders who have owned (directly, indirectly or constructively) 5 percent or less of the outstanding Holdco Shares during the 5-year period ending on the date of such sale or disposition, as long as the stock of Holdco is regularly traded (within the meaning of Code Section 897(c)(3)) on an established securities market, such as Nasdaq. There can be no assurance that Holdco Shares will be treated as regularly traded on an established securities market for this purpose.

For personal use only

Distributions on Holdco Shares

Distributions, if any, paid on Holdco Shares will be treated as dividends to the extent of Holdco's current and accumulated earnings and profits. Any amount distributed in excess of Holdco's earnings and profits will first be treated as a tax-free return of capital to the extent of a Non-US Holder's basis in the Holdco Shares with respect to which the distribution was received. Amounts in excess of a Non-US Holder's basis in the Holdco Shares will be treated as capital gain subject to the treatment described above in "Sale or Other Disposition of Holdco Shares."

Dividends paid to a Non-US Holder will generally be subject to withholding tax at a 30% rate unless the Non-US Holder is eligible for the benefits of an income tax treaty that provides for a reduced rate of withholding and such Non-US Holder establishes its eligibility for the reduced rate by providing a valid, executed applicable Form W-8 (and any other applicable documentation). If a Non-US Holder is eligible for a reduced rate of withholding, such Non-US Holder may file a refund claim with the IRS for a refund of any amounts withheld in excess of such reduced rate.

Although distributions that are treated as a return of capital or as capital gain are generally not subject to withholding, distributions from USRPHCs are generally subject to 15 percent withholding. As noted above, it is not anticipated that Holdco will be treated as a USRPHC immediately after the Scheme. Accordingly, it is not anticipated that Holdco will be required to so withhold 15% of any amount distributed that is not a dividend.

Information Reporting and Backup Withholding

Distributions to Non-US Holders on Holdco Shares generally will not be subject to backup withholding, and payments of proceeds made to Non-US Holders upon a sale of Holdco Shares generally will not be subject to information reporting or backup withholding, in each case so long as the Non-US Holder timely certifies its non-resident status (and Holdco or its paying agent do not have actual knowledge or reason to know that the Non-US Holder is a US person or that the conditions of any other exemption are not, in fact, satisfied) or otherwise establishes an exemption. The certification procedures to claim a reduced rate of withholding under an income tax treaty described above in "Distributions on Holdco Shares" will generally satisfy the certification requirements necessary to avoid backup withholding. Copies of information returns with respect to dividends that are filed with the IRS may also be made available to tax authorities of the country in which the Non-US Holder resides.

Backup withholding is not an additional tax. Amounts withheld as backup withholding may be credited against a Non-US Holder's US federal income tax liability. A Non-US Holder generally may obtain a refund of any amounts withheld under the backup withholding rules in excess of such Non-US Holder's US federal income tax liability by filing the appropriate claim for refund with the IRS in a timely manner and furnishing any required information.

FATCA Withholding

Withholding tax may be imposed under Sections 1471 to 1474 of the Code (commonly referred to as the Foreign Account Tax Compliance Act or "FATCA") on certain types of payments made to non-US financial institutions and certain other non-US persons. Specifically, a 30% withholding tax may be imposed on payments of dividends (including constructive dividends) if paid to a "foreign financial institution" or a "non-financial foreign entity" (each as defined in the Code or applicable intergovernmental agreement governing FATCA between the United States and the applicable country), unless various US information reporting and due diligence requirements (generally relating to ownership by US persons of interests in or accounts with those entities) have been satisfied, or an exemption applies (typically certified as to by the delivery of a properly completed, applicable IRS Form W-8).

The FATCA withholding tax can apply to any "withholdable payments" (as defined in the Code) without regard to whether the beneficial owner of the payment would otherwise be entitled to an exemption from or reduction of withholding tax pursuant to an applicable income tax treaty with the United States or under other provisions of the Code. Non-US Holders are urged to consult their tax advisors regarding the potential application of withholding under FATCA to their investment in Holdco Shares.

THE US FEDERAL INCOME TAX SUMMARY SET FORTH ABOVE IS INCLUDED FOR GENERAL INFORMATION ONLY. HOLDERS OF BENITEC ADSS, BENITEC SHARES, AND AFTER THE SHARE SCHEME, HOLDCO SHARES, SHOULD CONSULT THEIR TAX ADVISORS TO DETERMINE THE PARTICULAR TAX CONSEQUENCES TO SUCH HOLDERS OF THE SHARE SCHEME, INCLUDING THE APPLICABILITY AND EFFECT OF STATE, LOCAL, AND NON-US TAX LAWS.

8.4 Disputes and litigation

Benitec is from time to time involved in disputes and litigation.

As at the date of this Scheme Booklet, the Benitec Group is not involved in any ongoing litigation or dispute which is material in the context of Benitec.

8.5 Status of Conditions Precedent

The Conditions Precedent are summarised in Section 7.1(b) and set out in full in clause 3.1 of the Scheme Implementation Agreement.

As at the Last Practicable Date, the Conditions Precedent which remain outstanding are:

- **ASIC and ASX:** Before 8.00am on the Second Court Date, ASIC and ASX issue or provide all reliefs, waivers, confirmations, exemptions, consents or approvals, and have done all other acts, necessary, or which Benitec and Holdco agree are desirable, to implement the Scheme and such reliefs, waivers, confirmations, exemptions, consents, approvals or other acts (as the case may be) have not been withdrawn, suspended or revoked at 8.00am on the Second Court Date.
- **Shareholder Approval:** Benitec Shareholders approve the Scheme by the Requisite Majority in accordance with the Corporations Act.
- **Court Approval:** The Court approves the Scheme in accordance with section 411(4)(b) of the Corporations Act.
- **Regulatory Approvals:** Before 8.00am on the Second Court Date the approvals of each Regulatory Authority which Holdco and Benitec agree (acting reasonably) are necessary to implement the Scheme or conduct the Benitec Group's business on and from the implementation of the Scheme lawfully and in a manner consistent with its conduct prior to the Implementation Date.
- **Nasdaq Approval:** Prior to 8:00am on the Second Court Date, the Holdco Shares have been authorised for listing on Nasdaq, subject to official notice of issuance following the implementation of the Scheme and any customary conditions.
- **Regulatory Intervention:** No Court or Regulatory Authority has issued or taken steps to issue an order, temporary restraining order, preliminary or permanent injunction, decree or ruling or taken any action enjoining, restraining or otherwise imposing a legal restraint or prohibition preventing the Scheme and no such order, decree, ruling, other action or refusal is in effect as at 8.00am on the Second Court Date.

As at the Last Practicable Date, the Directors are not aware of any reason why these Conditions Precedent would not be satisfied or waived with the agreement of Holdco.

The Scheme will not proceed unless all the Conditions Precedent are satisfied or waived (if applicable) in accordance with the Scheme Implementation Agreement.

Benitec will continue to keep Benitec Shareholders updated on any material developments.

For personal use only

For personal use only

8.6 Substantial shareholders of Benitec

As extracted from filings released on ASX, at the Last Practicable Date, the following persons were substantial holders of Benitec securities:

SUBSTANTIAL HOLDER	CURRENT INTERESTS IN SECURITIES IN BENITEC	VOTING POWER
Sabby Volatility Warrant Master Fund, Ltd	17,591,700 Benitec Shares (represented by 87,958 ADSs) 1 Purchase Warrant convertible into 160,643 ADSs (representing 32,128,600 Benitec Shares)	5.62%
Nant Capital LLC	87,917,656 Benitec Shares	27.72%
Bank of New York Mellon	75,305,365 Benitec Shares	23.44%

8.7 Consents to be named

a. Consents

This Scheme Booklet contains statements made by, or statements said to be based on statements made by:

- Holdco, in respect of the Holdco Information only; and
- McGrathNicol Advisory Partnership as the Independent Expert.

Each of those persons named above has consented to the inclusion of each statement it has made in the form and context in which the statements appear and has not withdrawn that consent at the date of this Scheme Booklet.

The following parties have given and have not, before the time of registration of this Scheme Booklet with ASIC, withdrawn their consent to be named in this Scheme Booklet in the form and context in which they are named:

- Jones Day; and
- Computershare Investor Services Pty Limited.

b. Disclosures and responsibility

Further, each person named in Section 8.7(a):

- has not authorised or caused the issue of this Scheme Booklet; and
- does not make, or purport to make, any statement in this Scheme Booklet or any statement on which a statement in this Scheme Booklet is based, other than:
  - Holdco, in respect of the Holdco Information only; and
  - McGrathNicol Advisory Partnership, in relation to its Independent Expert's Report; and
- to the maximum extent permitted by law, expressly disclaims all liability in respect of, makes no representation regarding, and takes no responsibility for, any part of this Scheme Booklet other than a reference to its name and the statement (if any) included in this Scheme Booklet with the consent of that party as specified in this Section 8.7(b).

For personal use only

8.8 Intentions of Directors

The Corporations Regulations require a statement by the Directors of their intentions regarding Benitec's business.

If the Scheme becomes Effective, Holdco will own all of the Benitec Shares and will control Benitec. The Holdco Board's intentions in relation to the Benitec Group are set out in Section 5.10.

If the Scheme is not implemented, the Directors intend to operate the existing Benitec business substantially in the manner it is currently operated and in accordance with its publicly stated strategy to develop Benitec's core products.

8.9 No unacceptable circumstances

The Directors believe that the Scheme does not involve any circumstances in relation to the affairs of Benitec that could reasonably be characterised as constituting 'unacceptable circumstances' for the purposes of section 657A of the Corporations Act.

8.10 Foreign jurisdictions

The distribution of this Scheme Booklet outside Australia may be restricted by law and persons who come into possession of it should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may contravene applicable securities laws. Benitec disclaims all liabilities to such persons.

Benitec Shareholders who are nominees, trustees or custodians are encouraged to seek independent advice as to how they should proceed.

No action has been taken to register or qualify this Scheme Booklet or any aspect of the Scheme in any jurisdiction outside of Australia.

Hong Kong

WARNING

The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the Scheme. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

This Scheme Booklet has not been and will not be registered as a prospectus under the Companies Ordinance (Cap 32 of the Laws of Hong Kong). No shares of Benitec or Holdco (as applicable) may be offered to the public in Hong Kong, unless the offer falls within one of the exemptions specified in Part 1 of the Seventeenth Schedule of the Companies Ordinance (Cap 32 of the Laws of Hong Kong). This Scheme Booklet is provided to you on a confidential basis and solely for your information, and is not to be copied, distributed, published or circulated, or otherwise disclosed, directly or indirectly, to any other person.

This Scheme Booklet is not an offer to sell securities or a solicitation of offers to buy securities in Hong Kong. This Scheme Booklet is not an offer to the Hong Kong public and it should not be passed to any person other than to the intended recipient.

For personal use only

New Zealand

This Scheme Booklet is not a New Zealand disclosure document and has not been registered, filed with or approved by any New Zealand regulatory authority under or in accordance with the Financial Markets Conduct Act 2013 (or any other relevant New Zealand law). The offer of Holdco Shares under the Scheme is being made to existing shareholders of Benitec in reliance upon the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 and, accordingly, this Scheme Booklet may not contain all the information that a disclosure document is required to contain under New Zealand law.

Singapore

This Scheme Booklet and any other document or material in connection with the offer, sale or distribution, or invitation for subscription, purchase or receipt of Holdco Shares have not been and will not be registered as a prospectus with the Monetary Authority of Singapore and this offering is not regulated by any financial supervisory authority pursuant to any legislation in Singapore. Accordingly, statutory liabilities in connection with the contents of prospectuses under the Securities and Futures Act, Cap. 289 (**SFA**) will not apply.

This Scheme Booklet and any other document or material in connection with the offer, sale or distribution, or invitation for subscription, purchase or receipt of Holdco Shares may not be offered, sold or distributed, or be made the subject of an invitation for subscription, purchase or receipt, whether directly or indirectly, to persons in Singapore except pursuant to exemptions in Subdivision (4), Division 1, Part XIII of the SFA, including the exemption under section 273(1)(c) of the SFA, or otherwise pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA.

Any offer is not made to you with a view to Holdco Shares being subsequently offered for sale to any other party. You are advised to acquaint yourself with the SFA provisions relating to on-sale restrictions in Singapore and comply accordingly.

The investments contained or referred to in this document may not be suitable for you and it is recommended that you consult an independent investment advisor if you are in doubt about such investment. Nothing in this document constitutes investment, legal, accounting or tax advice or a representation that any investment or strategy is suitable or appropriate to your individual circumstances or otherwise constitutes a personal recommendation to you.

Neither Benitec nor Holdco is in the business of dealing in securities or hold itself out or purpose to hold itself out to be doing so. As such, Benitec and Holdco are neither licensed nor exempted from dealing in securities or carrying out any other regulated activities under the SFA or any other applicable legislation in Singapore.

United States

The Holdco Shares have not been registered under the US Securities Act or under the securities laws of any state or other jurisdiction of the United States. The Scheme is not being made in any U.S. state or other jurisdiction where it is not legally permitted.

Holdco is relying on Section 3(a)(10) of the US Securities Act in connection with the consummation of the Scheme and the issuance of Holdco Shares. Section 3(a)(10) provides an exemption for registration of securities issued in exchange for other securities where the terms and conditions of the issuance and exchange have been approved by a court of competent jurisdiction, after a hearing upon the fairness of the terms and conditions of the issuance at which all persons to whom the securities will be issued have the right to appear. Approval of the Scheme by the Court will be relied upon by Benitec and Holdco for purposes of qualifying for the Section 3(a)(10) exemption.

Persons who are affiliates of Benitec prior to the Effective Date of the Scheme and who are affiliates of Holdco after the Effective Date of the Scheme will be subject to certain restrictions on resale in a United States public market including:

- sales may be made only if Holdco has been a United States reporting company for at least 90 days and has complied with its United States reporting obligations;
- the volume of securities that can be sold in any three month period is limited to an amount equal to 1% of Holdco Shares on issue or, if the Holdco Shares are listed on Nasdaq, the greater of 1% of Holdco Shares on issue and 1% of the average reported weekly trading volume of Holdco Shares (measured over the previous four weeks); and
- sales must be conducted by way of unsolicited broker's transactions.

This Scheme Booklet has not been filed with or reviewed by the SEC or any United States state securities authority and none of them has passed upon or endorsed the merits of the Scheme or the accuracy, adequacy or completeness of this Scheme Booklet. Any representation to the contrary is a criminal offence.

Benitec Shareholders in the United States should note that the Scheme will be conducted in accordance with the laws of Australia and Listing Rules. As a result, it may be difficult for you to enforce your rights, including any claim you may have arising under United States federal securities laws, as Benitec is presently located outside the United States and some of its officers and directors may be residents of a foreign country. As such, you may not be able to take legal action against Benitec or its officers and directors in Australia for violations of United States securities laws and it may be difficult to compel Benitec and its officers and directors to subject themselves to a United States court's judgement.

8.11 No other material information

Except as disclosed elsewhere in this Scheme Booklet, so far as the Benitec Board is aware, there is no other information that is:

- material to the making of a decision by a Benitec Shareholder whether or not to vote in favour of the Scheme Resolution; and
- known to any member of the Benitec Board at the date of lodging this Scheme Booklet with ASIC for registration,

which has not previously been disclosed to Benitec Shareholders.

8.12 Supplementary disclosure statement

Benitec will issue a supplementary document to this Scheme Booklet if it becomes aware of any of the following between the date of this Scheme Booklet and the Effective Date:

- a material statement in this Scheme Booklet that is false or misleading in a material respect;
- a material omission from this Scheme Booklet;
- a significant change affecting a matter included in this Scheme Booklet; or
- a significant new matter that has arisen and would have been required to be included in this Scheme Booklet if it had arisen before the date of this Scheme Booklet.

Depending on the nature and timing of the changed circumstances, and subject to obtaining any relevant approvals, Benitec may circulate and publish any supplementary document by:

- making an announcement to ASX;
- placing an advertisement in a prominently published newspaper which is circulated generally throughout Australia;
- posting the supplementary document to Benitec Shareholders at their address shown on the Share Register; and/or
- posting a statement on Benitec's website at www.benitec.com,

as Benitec, in its absolute discretion, considers appropriate.

For personal use only

Definitions and interpretation

For personal use only

9

For personal use only

9.1 Definitions

In this Scheme Booklet unless the context otherwise appears, the following terms have the meanings shown below:

TERM	MEANING
ADS	American Depository Share representing 200 Benitec Shares, which trade on the Nasdaq under the ticker code "BNTC".
ADS Depositary	the Bank of New York Mellon as ADS depositary.
ADS Holder	the holder of one or more ADSs.
ASIC	the Australian Securities and Investments Commission.
ASX	ASX Limited ABN 98 008 624 691 and, where the context requires, the financial market that it operates.
Benitec	Benitec Biopharma Limited (ACN 068 943 662).
Benitec Board	the board of directors of Benitec.
Benitec Constitution	the constitution of Benitec, as adopted or amended from time to time.
Benitec Group	prior to implementation of the Scheme, means Benitec and each of its Subsidiaries, and following implementation of the Scheme, means Holdco and each of its Subsidiaries including Benitec.
Benitec Share	a fully paid ordinary share issued in the capital of Benitec.
Benitec Shareholder	each person who is registered in the Share Register as a holder of Benitec Shares.

TERM	MEANING
Business Day	a business day as defined in the Listing Rules.
CGT	Australian Capital Gains Tax.
Conditions Precedent	each of the conditions set out in clause 3.1 of the Scheme Implementation Agreement and which are summarised in Section 7.1(b).
Corporations Act	the *Corporations Act 2001* (Cth).
Corporations Regulations	the *Corporations Regulations 2001* (Cth).
Court	the Supreme Court of Queensland or such other court of competent jurisdiction under the Corporations Act agreed in writing by Benitec and Holdco.
Deed Poll	the deed poll substantially in the form of Attachment B to this document.
DGCL	Delaware General Corporation Law.
Directors	Jerel A. Banks, M.D., Ph.D., Megan Boston, Kevin Buchi and Peter Francis.

For personal use only

TERM	MEANING
Effective	when used in relation to the Scheme, the coming into effect, under subsection 411(10) of the Corporations Act, of the order of the Court made under paragraph 411(4)(b) of the Corporations Act in relation to the Scheme, but in any event at no time before an office copy of the order of the Court is lodged with ASIC.
Effective Date	the date on which the Scheme becomes Effective.
Employee Options	unlisted options for Benitec Shares issued to employees and Officers of Benitec.
End Date	5.00pm (AEDT) on 30 June 2020 or such other date and time agreed in writing between the parties.
First Court Date	the first day on which an application made to the Court for orders under section 411(1) of the Corporations Act convening the Scheme Meeting is heard.
Fractional Holdco Share	a fraction of a Holdco Share.
Holdco Board	the board of directors of Holdco.

TERM	MEANING
Holdco Information	the information contained in: • the following questions and answers in Section 1: – 'Who is Holdco?'; – 'Who will be the directors of Holdco following the implementation of the Scheme?'; – 'What are Holdco's intentions for Benitec?'; – 'Will there be changes to the strategy of the Benitec Group following implementation of the Scheme?'; • Section 5; and • Section 6.4, but does not include any information provided by Benitec to Holdco for the purposes of Holdco preparing information on Holdco.
Holdco Share	a share of voting common stock in Holdco.
Holdco Shareholder	a person who is registered in the register of members of Holdco as the holder of one or more Holdco Shares.
Implementation Date	the fifth Business Day after the Record Date, currently anticipated to be Wednesday, 15 April 2020, or such other date as is agreed to in writing between Benitec and Holdco.
Independent Expert	McGrathNicol Advisory Partnership.

For personal use only

9.1 Definitions continue

TERM	MEANING
Independent Expert's Report	the report from the Independent Expert for inclusion in this Scheme Booklet, including any update or supplementary report, stating whether or not in the Independent Expert's opinion the Scheme is in the best interests of Benitec Shareholders, contained in Attachment A.
Ineligible Foreign Shareholder	a Scheme Shareholder whose address, as shown in the Share Register (as at the Record Date), is in a place outside Australia, New Zealand, Hong Kong, Singapore or the United States, unless Holdco is satisfied, acting reasonably, that the laws of that place permit the offer and issue of Holdco Shares to that Scheme Shareholder and, in Holdco's sole discretion, is not unduly onerous or impracticable for Holdco.
Last Practicable Date	Monday, 3 February 2020, being three clear Business Days prior to the First Court Date.
Listing Rules	the official listing rules of ASX.
Nasdaq	Nasdaq, Inc. or the Nasdaq Capital Market, as the context requires.
Notice of Scheme Meeting	the notice relating to the Scheme Meeting to be held at 10.00am (AEDT) on Thursday, 26 March 2020 which is contained in Attachment D.
Officer	in relation to an entity, its directors, officers and employees.
Purchase Warrants	warrants issued under certain share purchase warrant agreements entered into between Benitec and the holders.
Proxy Form	a proxy form for the Scheme Meeting which accompanies this Scheme Booklet or which is available from the Share Registry allowing eligible Benitec Shareholders to vote directly or to appoint up to two proxies.
Record Date	5:00pm (AEST) on the fifth Business Day following the Effective Date, currently anticipated to be Monday, 6 April 2020, or such other date as Benitec and Holdco agree.
Regulatory Authority	includes, in any jurisdiction: (a) a government or governmental, semi-governmental or judicial entity or authority; (b) a minister, department, office, commission, delegate, instrumentality, agency, board, authority or organisation of any government; and (c) any regulatory organisation established under statute, and includes ASX, ASIC and the Takeovers Panel.
Relevant Interest	has the meaning given in sections 608 and 609 of the Corporations Act.

For personal use only

TERM	MEANING
Requisite Majority	in relation to the Scheme Resolution: (a) a majority in number (more than 50%) of Benitec Shareholders present and voting at the Scheme Meeting – it should be noted that the Court has the power to waive this requirement; and (b) at least 75% of the total number of votes cast on the Scheme Resolution by Benitec Shareholders present and voting at the Scheme Meeting.
Sale Agent	the person appointed by Benitec to sell the Holdco Shares that are attributable to Ineligible Foreign Shareholders, Selling Shareholders and Scheme Shareholders who are entitled to Fractional Holdco Shares as part of their Scheme Consideration under the terms of the Scheme.
Sale Election	an election by a Selling Shareholder who holds less than 50,000 Benitec Shares as at the Record Date to have all (but not some) of the Holdco Shares to which the Selling Shareholder is entitled to under the Scheme sold by the Sale Agent through the Share Sale Facility by lodging a "Sale Election Form" in accordance with the instructions on that form so that it is received by Benitec before 5.00pm (AEDT) on the Record Date.
Sale Election Form	the sale election form which accompanies this Scheme Booklet for use by Benitec Shareholders who hold less than 50,000 Benitec Shares as at the Record Date.
Scheme	the scheme of arrangement under part 5.1 of the Corporations Act under which all Benitec Shares held by the Scheme Shareholders will be transferred to Holdco substantially in the form of Attachment A together with any amendment or modification made pursuant to section 411(6) of the Corporations Act.
Scheme Booklet	this booklet, including the attachments to it.
Scheme Consideration	the consideration payable by Holdco for the transfer of Scheme Shares to Holdco, being, one Holdco Share for every 300 Scheme Shares held by the Scheme Shareholder.
Scheme Implementation Agreement	the Amended and Restated Scheme Implementation Agreement between Benitec and Holdco dated 30 January 2020, contained in Attachment E.
Scheme Meeting	the meeting to be convened by the Court at which Benitec Shareholders will vote on the Scheme.
Scheme Resolution	the resolution to agree to the terms of the Scheme, as set out in the Notice of Scheme Meeting.

9.1
Definitions continue

TERM	MEANING
Scheme Share	a Benitec Share as at the Record Date.
Scheme Shareholder	means each person who is a Benitec Shareholder as at the Record Date.
SEC	the United States Securities and Exchange Commission.
Second Court Date	the day on which the Court makes an order pursuant to section 411(4)(b) of the Corporations Act approving the Scheme, with such hearing being the **Second Court Hearing.**
Selling Shareholder	a Benitec Shareholder who makes a valid Sale Election.
Share Sale Facility	means the facility to be established by Benitec and managed by the Sale Agent under which: (a) the Holdco Shares which otherwise would be received by Ineligible Foreign Shareholders and Selling Shareholders; and (b) the aggregate Fractional Holdco Shares, will be sold in accordance with the Scheme and the agreement to be entered into between Benitec and the Sale Agent in relation to the Share Sale Facility.
Share Sale Facility Proceeds	the net cash proceeds from the sale of Holdco Shares sold through the Share Sale Facility, after deducting brokerage and other costs of sale and any taxes which may be required to be withheld under applicable laws.
Share Registry	Computershare Investor Services Pty Limited ACN 078 279 277.
Share Register	the register of members of Benitec maintained by the Share Registry in accordance with the Corporations Act.
Subsidiary	has the meaning given to that term in the Corporations Act.
United States or US	the United States of America.
US Securities Act	the US Securities Act of 1933, as amended.

For personal use only

9.2 Interpretation

In this Scheme Booklet, unless the context otherwise appears:

(a) words and phrases have the same meaning (if any) given to them in the Corporations Act;

(b) words importing a gender include any gender;

(c) words importing the singular include the plural and vice versa;

(d) an expression importing a natural person includes any company, partnership, joint venture, association, corporation or other body corporate and vice versa;

(e) a reference to a Section or attachment is a reference to a section of and an attachment to this Scheme Booklet as relevant;

(f) a reference to any statute, regulation, proclamation, ordinance or by law includes all statutes, regulations, proclamations, ordinances, or by laws amending, varying, consolidating or replacing it and a reference to a statute includes all regulations, proclamations, ordinances and by laws issued under that statute;

(g) headings and bold type are for convenience only and do not affect the interpretation of this Scheme Booklet;

(h) a reference to time is a reference to Australian Eastern Daylight Time (AEDT);

(i) a reference to writing includes facsimile transmissions;

(j) a reference to dollars, $, A$, cents, ¢ and currency is a reference to the lawful currency of the Commonwealth of Australia; and

(k) a reference to US$ is a reference to the lawful currency of the United States.

For personal use only

Attachment A

Independent Expert's Report

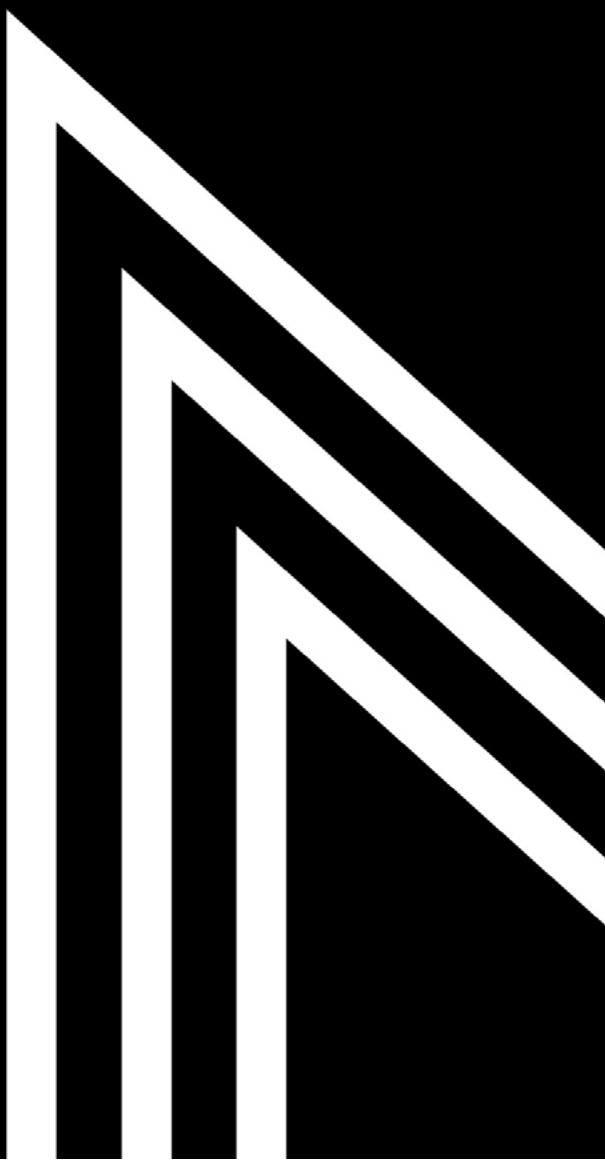
For personal use only

A

For personal use only

Benitec Biopharma Limited
Independent Expert's Report

16 January 2020



McGrathNicol

McGrathNicol
Transaction Advisory

ABN 83 160 621 054

Level 12, 20 Martin Place
Sydney NSW 2000, Australia

GPO Box 9986
Sydney NSW 2001, Australia

T +61 2 9338 2600
F +61 2 9338 2699

mcgrathnicol.com

16 January 2020

The Directors

Benitec Biopharma Limited

Level 14, 114 William Street

Melbourne VIC 3000

For personal use only

1 Executive summary

Independent Expert's Report

Dear Directors,

1.1 Introduction

1.1.1 Benitec Biopharma Limited (**Benitec**) is a clinical-stage biotechnology company focused on the development of novel genetic medicines. Benitec's head company is currently located in Melbourne, Victoria, Australia, however it has laboratories in Hayward, California, United States of America (**US**), and collaborators and licensees around the world.

1.1.2 On 27 November 2019, Benitec announced its intention to re-domicile from Australia to the US. The restructure will be implemented via a scheme of arrangement and will involve incorporation of Benitec Biopharma Inc. (**Holdco**) as the ultimate holding company of Benitec (**Proposed Scheme**). Holdco will be incorporated in accordance with the laws of the US state of Delaware.

1.1.3 Under the Proposed Scheme, Holdco will acquire all of the ordinary shares in Benitec (**Benitec Shares**) (including such Benitec Shares underlying the American Depositary Shares (**ADSs**) on issue) and holders of Benitec Shares (**Benitec Shareholders**) will receive one new share of ordinary stock (**Holdco Share**) in exchange for every 300 Benitec Shares held.

1.1.4 Benitec is currently listed on the Australian Securities Exchange (**ASX**) and has ADSs (and certain warrants) listed on the Nasdaq Capital Market (**Nasdaq**). Following implementation of the Proposed Scheme, Holdco will become the ultimate parent company of Benitec and Benitec will be delisted from the ASX. It is intended that Holdco will be a public reporting company in the US with Holdco Shares being listed for trading on the Nasdaq promptly following the implementation of the Proposed Scheme, subject to authorisation for listing being obtained from Nasdaq and official notice of issuance of Holdco Shares from Holdco.

1.1.5 The underlying business of Benitec will not change as a result of the Proposed Scheme. In addition, the underlying ownership interests of Benitec Shareholders will also not change as a result of the Proposed Scheme[1].

1.1.6 Implementation of the Proposed Scheme is subject to a number of conditions precedent, including approval by Benitec Shareholders by the requisite majority and Court approval of the Proposed Scheme. Further detail in relation to conditions precedent and their status is included in Sections 7.1 and 8.4 of the Scheme Booklet.

[1] With the exception of Benitec Shareholders deemed to be "Ineligible Foreign Shareholders" for the purpose of the Proposed Scheme as defined in Section 9.1 of the Scheme Booklet as being those shareholders whose address is in a place outside Australia, New Zealand, Hong Kong, Singapore or the US. Holdco Shares to which Ineligible Foreign Shareholders would otherwise be entitled to under the Proposed Scheme will be sold with the proceeds being remitted to those shareholders (less any brokerage fees).

1.2 Purpose

1.2.1 The Directors of Benitec have requested that McGrathNicol Transaction Advisory Pty Ltd (**McGrathNicol**) provide an Independent Expert's Report in relation to the Proposed Scheme, indicating whether in our opinion the Proposed Scheme is in the best interests of Benitec Shareholders.

1.2.2 Our Independent Expert's Report has been prepared to assist Benitec Shareholders to form the view as to whether to approve the Proposed Scheme. McGrathNicol is independent of Benitec and has no involvement with, or interest in, the outcome of the Proposed Scheme other than the preparation of this report.

1.3 Summary and conclusion

1.3.1 In our opinion, the Proposed Scheme is in the best interests of Benitec Shareholders.

1.3.2 In forming our opinion, we compared the potential advantages and disadvantages to Benitec Shareholders should the Proposed Scheme proceed. In our opinion, the advantages of the Proposed Scheme outweigh the disadvantages, both of which are summarised below and set out in more detail in Section 5.

1.3.3 The key advantages to Benitec Shareholders should the Proposed Scheme proceed include:

(a) Companies trading on the Nasdaq generally trade at higher earnings multiples than those trading on the ASX.

(b) Given Benitec's current business and the majority of its employees are currently located in the US, the re-domiciliation is expected to streamline operations, generating estimated cost savings in excess of $750,000 per annum once implemented.

(c) The re-domiciliation is expected to reduce overhead costs, particularly in respect of compliance, audit and insurance costs associated with its current dual listing on the ASX and Nasdaq.

(d) The re-domiciliation may improve attractiveness of Benitec as a potential acquisition target and create additional opportunities with potential licensing or joint venture partners.

(e) A primary listing in the US will allow Holdco greater access to US capital markets which are substantially larger than in Australia, resulting in the potential ability for Holdco to raise equity capital and access a broader range of investors who may only be interested in a direct investment in a US listed company.

(f) The Directors of Benitec unanimously recommend that Benitec Shareholders vote in favour of the Proposed Scheme.

1.3.4 The key disadvantages to Benitec Shareholders should the Proposed Scheme proceed include:

(a) Benitec Shareholders may wish to retain their Benitec Shares, which are listed on the ASX due to familiarity with ASX trading practices.

(b) There will be differences in the rights attaching to the Benitec Shares as compared to the rights attaching to the Holdco Shares.

(c) Should the Proposed Scheme be implemented, Holdco Shareholders will have an increased level of exposure to a litigious environment given Holdco will be a US public company and not an Australian listed company.

(d) Although we understand roll-over relief may be available, there may be US federal and Australian taxation consequences for some Benitec Shareholders if the Proposed Scheme is implemented.

(e) The costs associated with the Proposed Scheme have been estimated by the Directors to be approximately $650,000. Notwithstanding, approximately $550,000 of these costs are expected to be incurred regardless of whether the Proposed Scheme is approved by Benitec Shareholders.

(f) Benitec Shareholders who are Ineligible Foreign Shareholders will not be issued Holdco Shares. Instead, the Holdco Shares to which Ineligible Foreign Shareholders would otherwise be entitled to under the Proposed Scheme will be sold with the proceeds being remitted to those shareholders (less any brokerage fees).

For personal use only

1.4 Consent and other matters

1.4.1 Our report is to be read in conjunction with the Scheme Booklet in which this report is included, and is prepared for the exclusive purpose of assisting Benitec Shareholders. This report should not be used for any other purpose.

1.4.2 McGrathNicol consents to the issue of this report in its form and context and consents to its inclusion in the Scheme Booklet.

1.4.3 This report constitutes general financial product advice only and in undertaking our assessment, we have considered the likely impact of the Proposed Scheme to Benitec Shareholders as a whole. We have not considered the potential impact of the Proposed Scheme on individual shareholders. Individual shareholders have different financial circumstances and it is neither practicable nor possible to consider the implications of the Proposed Scheme on individual shareholders.

1.4.4 The decision of whether or not to approve the Proposed Scheme is a matter for each shareholder based on, amongst other things, their own views, their risk profile, liquidity preference, investment strategy and tax position. Individual shareholders should therefore consider the appropriateness of our opinion to their specific circumstances before acting on it. If shareholders are in doubt about the action they should take, they should seek their own professional advice.

1.5 Other

1.5.1 This letter is a summary of McGrathNicol's opinion on the Proposed Scheme. This letter should be read in conjunction with the detailed report and appendices as attached. Unless the context requires otherwise, references to "we", "our" and similar terms refer to McGrathNicol. For the avoidance of doubt, all amounts presented are in Australian dollars (**AUD**) unless otherwise indicated.

Yours faithfully



McGrathNicol Transaction Advisory Pty Ltd

For personal use only

Contents

Report sections **Page**

1 Executive summary 2
1.1 Introduction 2
1.2 Purpose 3
1.3 Summary and conclusion 3
1.4 Consent and other matters 4
1.5 Other 4

2 Details of the Proposed Scheme 7
2.1 Background 7
2.2 Proposed Scheme 7

3 Scope of our report 8
3.1 Purpose of the report 8
3.2 Basis of assessment 8
3.3 Limitations and reliance on information 8

4 Profile of Benitec 10
4.1 Background 10
4.2 Historical financial performance 12
4.3 Historical financial position 13
4.4 Statement of cash flows 14
4.5 Share capital structure 15
4.6 Share trading history 16

5 Evaluation of the Proposed Scheme 20
5.1 Conclusion 20
5.2 Advantages of the Proposed Scheme 20
5.3 Disadvantages of the Proposed Scheme 20

6 Glossary 22

7 Qualifications, Declarations and Consents 24
7.1 Qualifications 24
7.2 Independence 24
7.3 Consent and other matters 24
7.4 Information relied on and limitations 25

Appendices

A Financial services guide 26
A.1 Purpose of this guide 26
A.2 Financial services we are authorised to provide 26
A.3 General financial product advice 26
A.4 Remuneration for our services 26
A.5 Associations and relationships 26

For personal use only

A.6 Complaints process 26
A.7 Compensation arrangements 27

B Information relied upon 28
B.1 Publicly available information 28
B.2 Non-public information 28

For personal use only

For personal use only

2 Details of the Proposed Scheme

2.1 Background

2.1.1 Benitec is a clinical-stage biotechnology company focused on the development of novel genetic medicines currently listed on the ASX and Nasdaq. Benitec's head company is located in Melbourne, Victoria, Australia with laboratories in Hayward, California, US, and collaborators and licensees around the world.

2.2 Proposed Scheme

2.2.1 On 27 November 2019, Benitec announced its intention to re-domicile from Australia to the US. To implement the re-domiciliation, Benitec has entered into a Scheme Implementation Agreement with Holdco, a new US company incorporated for the purposes of effecting the re-domiciliation. Under the terms of the Scheme Implementation Agreement, Holdco will acquire all of the Benitec Shares by way of a scheme of arrangement under Part 5.1 of the Corporations Act 2001 (Cth) (**Corporations Act**), pursuant to which current holders of Benitec Shares will receive Scheme Consideration by way of one new Holdco Share in exchange for every 300 Benitec Shares held.

2.2.2 If the Proposed Scheme is implemented, Benitec will become a wholly owned subsidiary of Holdco. Benitec will be de-listed from the ASX and Holdco will apply for the Holdco Shares to be listed on Nasdaq.

2.2.3 Benitec Shareholders who are considered to be Ineligible Foreign Shareholders will not be issued Holdco Shares. Instead, the Holdco Shares to which these shareholders would otherwise be entitled to under the Proposed Scheme will be sold, with the proceeds being remitted to those shareholders (less brokerage fees) by way of a Share Sale Facility. Refer Section 3.4 of the Scheme Booklet for further detail. Benitec Management has advised that as at 14 January 2020, the number of shareholders expected to be deemed Ineligible Foreign Shareholders total 32, holding approximately 1,053,371 Benitec Shares in aggregate, representing approximately 0.33% of total Benitec Shares outstanding.

2.2.4 Any fractional entitlements to Holdco Shares will not be issued to Benitec Shareholders and will be aggregated and sold via the Share Sale Facility for the benefit of the relevant shareholder (less brokerage fees). If the number of fractional Holdco Shares is in aggregate, not a whole number, it will be rounded down to the nearest whole number of aggregate fractional Holdco Shares.

2.2.5 Holders of ADSs (**ADS Holders**) will be entitled to vote and participate in the Proposed Scheme (through the ADS depositary, being the Bank of New York Mellon). If the Proposed Scheme is implemented, Benitec intends on terminating the ADS program. The ADS depository will call for surrender of all outstanding ADSs and will deliver Holdco Shares and any proceeds from the Share Sale Facility (resulting from the sale of fractional entitlements) to ADS Holders upon surrender of their ADSs and payment of any fee for such surrender.

2.2.6 Implementation of the Proposed Scheme is subject to a number of conditions precedent, including approval by Benitec Shareholders by the requisite majority and Court approval of the Proposed Scheme. Further detail in relation to conditions precedent and their status is included in Sections 7.1 and 8.4 of the Scheme Booklet.

For personal use only

3 Scope of our report

3.1 Purpose of the report

3.1.1 Section 411 of the Corporations Act governs schemes of arrangement between companies and their members. When a scheme of arrangement is proposed under Section 411 of the Corporations Act, Section 412(1) of the Corporations Act requires that an explanatory statement accompanies the Notices of Scheme Meeting relating to the proposed scheme of arrangement which includes information that is material to the making of a decision by a member whether or not to agree to the proposed scheme.

3.1.2 It is anticipated that Benitec and Holdco will have the same Directors. Under Part 3 Schedule 8 of the Corporations Regulations the explanatory statement to be sent to shareholders as part of the Notices of Scheme Meeting must include a report by an expert where the parties to the proposed scheme have a common director(s).

3.1.3 The independent expert must state whether, in the expert's opinion, the proposed scheme of arrangement is in the best interests of the members of the body as a whole and set out the expert's reasons for forming that opinion.

3.1.4 In accordance with the above, Benitec has appointed McGrathNicol as an independent expert to express an opinion addressing whether or not the terms of the Proposed Scheme are fair and reasonable to Benitec Shareholders.

3.1.5 Our Independent Expert's Report has been prepared to assist Benitec Shareholders in forming the view as to whether to approve the Proposed Scheme.

3.2 Basis of assessment

3.2.1 In undertaking our work we have considered the requirements of the Corporations Act and relevant Regulatory Guides issued by the Australian Securities and Investment Commission (**ASIC**).

3.2.2 McGrathNicol has had regard to ASIC Regulatory Guide 111 "Content of expert's reports" (**RG 111**) in relation to the content of Independent Expert's Reports. RG 111 requires an Independent Expert's Report to be prepared in connection with change of control transactions. Given the underlying ownership interests of Benitec Shareholders will not change as a result of the Proposed Scheme[2], in our opinion the Proposed Scheme does not represent a change of control transaction.

3.2.3 RG 111.35 and RG 111.36 state that where there is no change of control in the underlying ownership interests of security holders or selective treatment of security holders, the issue of 'value' may be of secondary importance:

"If the expert does not undertake such a valuation, to the extent reasonably practicable, and where it can do so with sufficient precision to assist security holders, the expert should quantify the advantages and disadvantages that it considers to be material".

3.2.4 RG 111.37 states where a transaction:

"involves a scheme of arrangement and the expert concludes that the advantages of the transaction outweigh the disadvantages, the expert should say that the scheme is in the best interests of members".

3.3 Limitations and reliance on information

3.3.1 McGrathNicol's opinion is based on economic, share market, business and trading conditions prevailing at the date of this report. These conditions can change significantly over relatively short periods. If they did change materially, our opinion could vary significantly.

3.3.2 This report is based upon financial and non-financial information provided by Benitec and its advisers. McGrathNicol has considered and relied upon this information and has no reason to believe that any material facts have been withheld. The information provided to McGrathNicol has been evaluated through analysis,

[2] With the exception of Ineligible Foreign Shareholders.

inquiry and review for the purposes of forming an opinion as to whether the Proposed Scheme is in the best interests of Benitec shareholders. However, McGrathNicol does not warrant that its inquiries have identified or verified all of the matters that an audit, extensive examination or due diligence investigation might disclose.

3.3.3 An important part of the information used in forming an opinion as to whether the Proposed Scheme is in the best interests of Benitec Shareholders is comprised of the opinions and judgement of Benitec Management. This type of information was evaluated through analysis, inquiry and review. However, such information is often not capable of external verification or validation and has not been independently verified. To the extent that there are taxation and legal issues relating to assets, properties, or business interests or issues relating to compliance with applicable laws, continuous disclosure rules, regulations, and policies, McGrathNicol:

(a) assumes no responsibility and offers no legal opinion or interpretation on any issue; and

(b) has generally assumed that matters such as title, compliance with laws and regulations and contracts in place are in good standing and will remain so and that there are no legal proceedings, other than as publicly disclosed.

For personal use only

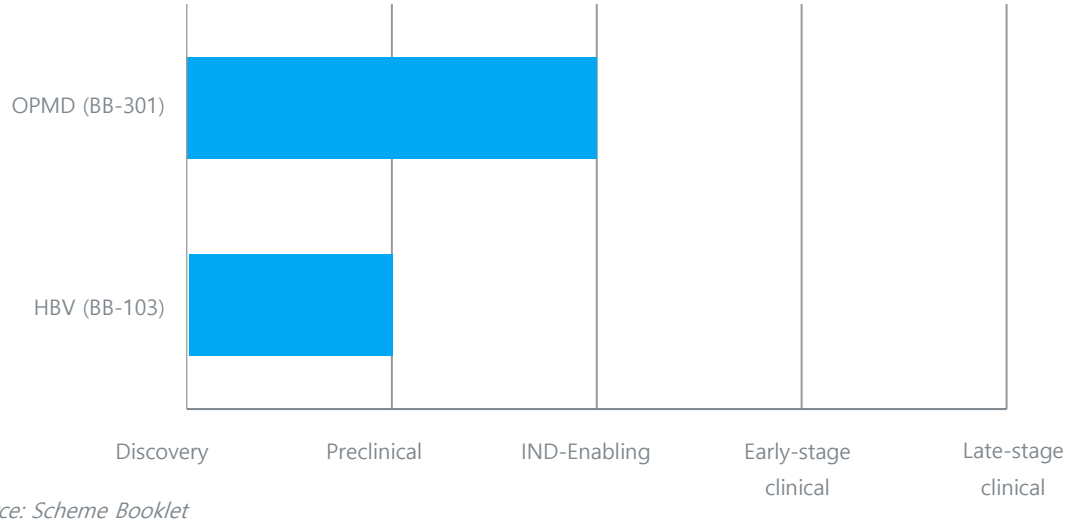
4 Profile of Benitec

4.1 Background

4.1.1 Benitec is a clinical-stage biotechnology company focused on the development of novel genetic medicines. Benitec's proprietary therapeutic technology platform (DNA-directed RNA interference (**ddRNAi**)) combines RNA interference with gene therapy for the goal of providing sustained, long-lasting silencing of disease-causing genes from a single administration.

4.1.2 The ddRNAi-based genetic medicines currently under development by Benitec and their development status is summarised below:

Figure 1: Benitec in-house program phases of development



Source: Scheme Booklet

4.1.3 In respect of the above:

(a) BB-301 is Benitec's primary asset and represents a product candidate with the aim to meaningfully improve the existing standard of care for a rare, chronic, life threatening form of muscular dystrophy oculopharyngeal muscular dystrophy (**OPMD**); and

(b) BB-103 represents a gene silencing agent for chronic hepatitis B (**HPV**) virus infection.

4.1.4 We note the operations of Benitec are not expected to change should the Proposed Scheme be implemented.

4.1.5 Benitec's head company is currently located in Melbourne, Victoria, Australia, however it has laboratories in Hayward, California, US, and collaborators and licensees around the world.

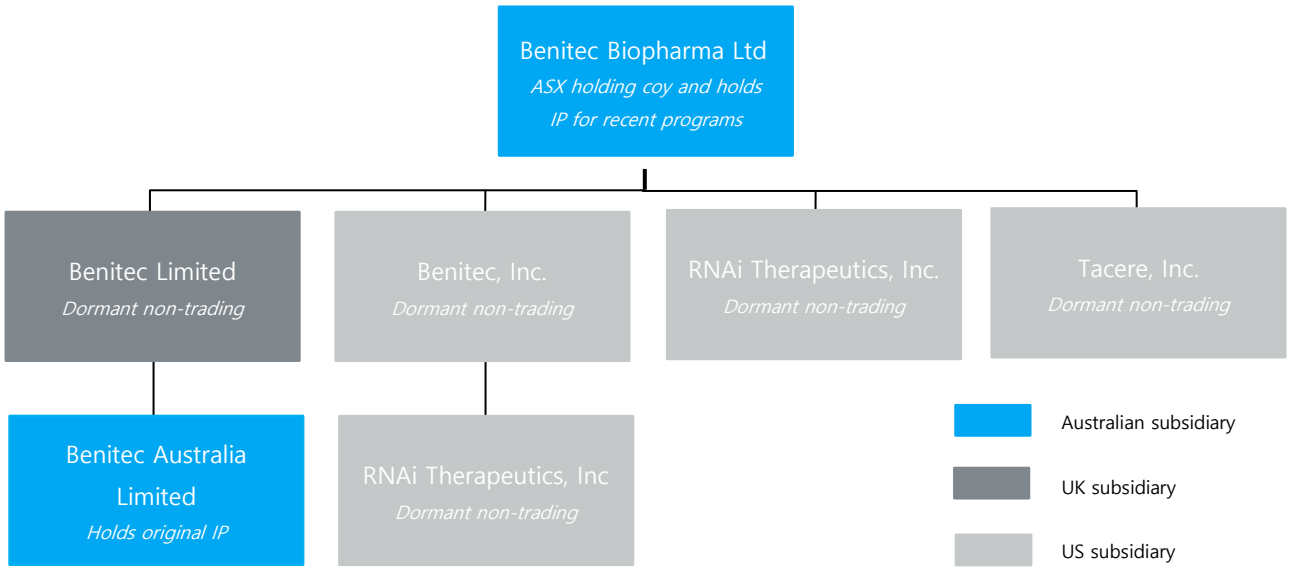
4.1.6 Benitec is a listed public company limited by shares, currently incorporated and domiciled in Australia. Benitec shares are currently listed on the ASX (ASX: BLT). Benitec also has ADSs which are traded on the Nasdaq (NASDAQCM: BNTC), and certain warrants which are also traded on the Nasdaq (NASDAQ: BNTCW).

4.1.7 Benitec currently has 13 full-time equivalent employees, the majority of which are located in the US. Benitec announced the completion of a workforce reduction of approximately 50% on 31 July 2019 in an effort to streamline operations. Staff members key to the achievement of Benitec's core research and development (**R&D**) goals relating to BB-301 were retained.

For personal use only

4.1.8 Benitec is the holding company for a number of 100% owned dormant non-trading subsidiaries. The current company structure is provided below:

Figure 2: Corporate structure



Source: Benitec Management

4.1.9 Should the Proposed Scheme be implemented, the above structure will change whereby Holdco will be interposed as the ultimate parent company of the group.

For personal use only

For personal use only

4.2 Historical financial performance

4.2.1 A summary of the consolidated audited financial performance of Benitec for the three years ended 30 June 2019 is provided below:

Table 1: Benitec financial performance

Benitec Financial Performance			
A$'000	**FY17A**	**FY18A**	**FY19A**
Revenue	333	378	16,159
Other income	10,507	4,087	1,350
Total income	**10,840**	**4,465**	**17,509**
Employee benefits expense	(5,015)	(5,094)	(5,025)
Research and development	(6,925)	(6,890)	(3,104)
Corporate expenses	(1,540)	(1,360)	(1,884)
Share-based expenses	(386)	(434)	(939)
Consultants costs	(976)	(783)	(662)
Occupancy costs	(550)	(587)	(648)
Royalties and licence fees	(272)	(451)	(609)
Travel related costs	(629)	(468)	(350)
Foreign exchange realised loss	(98)	(39)	(106)
Change in market value of listed investment	-	(41)	(28)
Loss on disposal of fixed assets	(7)	(1)	(9)
Foreign exchange unrealised loss	(168)	(5)	-
Total expenses	**(16,566)**	**(16,153)**	**(13,364)**
Reported EBITDA	**(5,726)**	**(11,688)**	**4,145**
Depreciation	(217)	(194)	(221)
Reported EBIT	**(5,943)**	**(11,882)**	**3,924**
Interest received	253	242	170
Reported profit / (loss) before income tax	**(5,690)**	**(11,640)**	**4,094**

Source: Annual Reports

4.2.2 In relation to Benitec's historical financial performance, we note:

(a) Revenue relates to licensing revenue and royalties. In addition to its in-house development programs, Benitec has historically licensed its ddRNAi technology to companies who are developing therapeutic programs in other disease areas, including HIV / AIDS, cancer immunotherapy and intractable neuropathic pain. Revenue in FY19A included an upfront license payment of $14.2 million received in July 2018 in relation to an agreement with Axovant Sciences Ltd (**Axovant**) which was subsequently terminated on 6 June 2019 (effective 3 September 2019), as well as the reimbursement of labour costs of $1.5 million from Axovant. There are currently no material licensing agreements with third parties.

(b) Other income predominantly relates to Australian Government R&D grants received. R&D grant income decreased from $4.0 million in FY18A to $907,000 in FY19A due to decreased R&D expenditure during the period. R&D grant income was high in FY17A as it included an amount relating to FY16A. Other income in FY18A and FY19A included unrealised foreign exchange gains of $87,000 and $443,000 respectively.

(c) Employee benefits expense primarily relates to employee salaries, wages and superannuation, which has remained relatively consistent over the historical period. On 31 July 2019, Benitec announced the completion of a workforce reduction of approximately 50%.

(d) R&D expenses in FY19A were offset by reimbursements of $4.7 million received from Axovant in relation to the OPMD program.

(e) Share-based expenses increased in FY19A as a result of the issuance of options to Directors.

For personal use only

4.3 Historical financial position

4.3.1 A summary of the consolidated audited financial position of Benitec for the three years ended 30 June 2019 is provided below:

Table 2: Benitec financial position

Benitec Financial Position			
A$'000	**Jun17A**	**Jun18A**	**Jun19A**
Cash and cash equivalents	17,375	16,085	22,411
Other financial assets	100	130	181
Trade and other receivables	4,406	4,255	3,616
Other current assets	281	425	535
Total current assets	**22,162**	**20,895**	**26,743**
Deposits non current	59	125	13
Property, plant and equipment	445	319	670
Total non current assets	**504**	**444**	**683**
Total assets	**22,666**	**21,339**	**27,426**
Trade and other payables	(919)	(2,376)	(3,556)
Provisions	(206)	(171)	(210)
Total current liabilities	**(1,125)**	**(2,547)**	**(3,766)**
Provisions	(35)	(48)	-
Total non current liabilities	**(35)**	**(48)**	**-**
Total liabilities	**(1,160)**	**(2,595)**	**(3,766)**
Net assets	**21,506**	**18,744**	**23,660**

Source: Annual Reports

4.3.2 As at 30 June 2019:

(a) Benitec had approximately $22.4 million in cash and cash equivalents (refer Section 4.5 below);

(b) Other financial assets comprised a security deposit of $147,000 relating to credit cards and other deposits of $33,000;

(c) Trade and other receivables predominantly related to R&D grants receivable;

(d) Other current assets comprised prepayments relating to various insurance policies, Nasdaq and ASX annual fees and other licenses and subscription fees;

(e) Property, plant and equipment comprised the written down value of plant and equipment of $634,000 and leasehold improvements of $63,000;

(f) Trade and other payables relate to $2.1 million of trade creditors and $1.5 million of sundry creditors and accrued expenses;

(g) Current provisions comprised employee benefits of $200,000 as well as a provision for make good of $10,000. Non current provisions relate to employee benefits (long service leave), however this balance was nil as at 30 June 2019 as there were no employees at Benitec eligible for long service leave at this date; and

(h) Benitec had no debt.

4.4 Statement of cash flows

4.4.1 A summary of the consolidated audited statement of cash flows of Benitec for the three years ended 30 June 2019 and three months ended 30 September 2019 (unaudited) is provided below:

Table 3: Benitec statement of cash flows

Benitec Statement of Cash Flows				
A$'000	**FY17A**	**FY18A**	**FY19A**	**YTD Sept19A**
Receipts from customers	333	237	17,664	349
Interest received	242	246	164	37
Government grants	6,274	4,112	4,121	-
Receipt of CRO prepayments	791	109	-	-
Reimbursement from Axovant	-	-	-	2,145
Payments to suppliers and employees	(15,944)	(14,498)	(16,092)	(4,073)
Cash flows from operating activities	**(8,304)**	**(9,794)**	**5,857**	**(1,542)**
Payments for plant and equipment	(171)	(83)	(576)	-
Proceeds from disposal of plant and equipment	-	2	6	1
Security deposits	(131)	-	-	
Clinical trial deposit	-	(66)	-	
Cash flows from investing activities	**(302)**	**(147)**	**(570)**	**1**
Proceeds from issue of shares	8,072	8,820	-	2,822
Proceeds from issue of pre-funded warrants	-	-	-	398
IPO and share issue transaction costs	(133)	(313)	-	-
Cash flows from financing activities	**7,939**	**8,507**	**-**	**3,220**
Net (decrease)/increase in cash and cash equivalents	**(667)**	**(1,434)**	**5,287**	**1,679**
Cash and cash equivalents at beginning of the period	18,230	17,375	16,085	22,411
Effects of exchange rate changes on cash and cash equivalents	(188)	144	1,039	542
Cash and cash equivalents at end of the period	**17,375**	**16,085**	**22,411**	**24,632**

Source: Annual Reports, Appendix 4C dated 30 September 2019

4.4.2 In relation to Benitec's statement of cash flows, we note:

(a) Receipts from customers during FY19A included a license payment of $14.2 million received from Axovant;

(b) As at 30 September 2019, Benitec's cash position had increased from $22.4 million as at 30 June 2019 to $24.6 million driven by:

(i) a reimbursement from Axovant of $2.1 million during year to date (**YTD**) 30 September 2019 following the termination of the license agreement; and

(ii) during September 2019, Benitec secured $3.2 million of additional funding through a Registered Direct Offering, providing Benitec additional operating capital to support advancement of BB-301.

For personal use only

4.5 Share capital structure

4.5.1 As at 14 January 2020, there were 321,287,026 ordinary Benitec Shares on issue (including in the form of ADSs). A summary of Benitec's top ten shareholders as at 14 January 2020 is summarised in the table below:

Table 4: Ten largest shareholders

Benitec Ten Largest Shareholders		
Shareholder	**No. ordinary shares held**	**% total**
HSBC Custody Nominees	80,037,844	24.91%
Nant Capital LLC	58,611,638	18.24%
Merrill Lynch (Australia)	30,174,393	9.39%
J P Morgan Nominees Australia	12,531,082	3.90%
Jinxter Pty Ltd	9,543,169	2.97%
CS Fourth Nominees Pty Limited	4,627,954	1.44%
Chebena Pty Ltd	4,428,648	1.38%
Citicorp Nominees Pty Ltd	3,691,809	1.15%
BNP Paribas Nominees Pty Ltd	3,105,806	0.97%
Jinark Pty Ltd	2,685,903	0.84%
Ten largest shareholders	**209,438,246**	**65.19%**
Other	111,848,780	34.81%
Total shares outstanding	**321,287,026**	**100.00%**

Source: Management as at 14 January 2020

4.5.2 In addition to ordinary shares on issue, Benitec also had the following securities on issue as at 15 January 2020:

(a) 22,015,000 unlisted options over Benitec Shares with exercise prices ranging from $0.196 to $1.25 and expiry dates ranging from 6 May 2020 to 16 May 2024. The unlisted options have been issued under Benitec's Employee Share Option Plan to current employees and officers of Benitec. If the Proposed Scheme is implemented, an agreement will be entered into with the unlisted option holders whereby Holdco will assume the Employee Share Option Plan.

(b) 57,490 quoted warrants (NASDAQ:BNTCW) convertible into one ADS per warrant (representing 11,498,000 Benitec Shares in aggregate) at an exercise price of US dollar (**USD**) $55.00 per ADS issued on exercise and an expiry date of 21 August 2020. Given the exercise price of the quoted warrants is significantly above the current trading price of the Benitec Shares and Benitec ADSs, the quoted warrants are out of the money and Benitec has formed the view that it would be unduly onerous or impractical to enter into a separate scheme of arrangement for these securities; and

(c) 4 Purchase Warrants exercisable into 312,286 ADSs (equivalent to 64,257,200 Benitec Shares) exercisable at USD$7.00 per ADS issued on exercise and an expiry date of 6 December 2024. If the Proposed Scheme is implemented, an agreement will be entered into with the Purchase Warrant holders where the Purchase Warrants will be transferred to Holdco.

4.5.3 Benitec Shareholders should refer to Section 4.4 of the Scheme Booklet for further information in relation to the above.

4.5.4 ADS Holders will be entitled to vote and participate in the Proposed Scheme (through the ADS depositary, being the Bank of New York Mellon). If the Proposed Scheme is implemented, Benitec intends on terminating the ADS program. The ADS depository will call for surrender of all outstanding ADSs and will deliver Holdco Shares and any proceeds from the Share Sale Facility (resulting from the sale of fractional entitlements) to ADS Holders upon surrender of their ADSs and payment of any fee for such surrender.

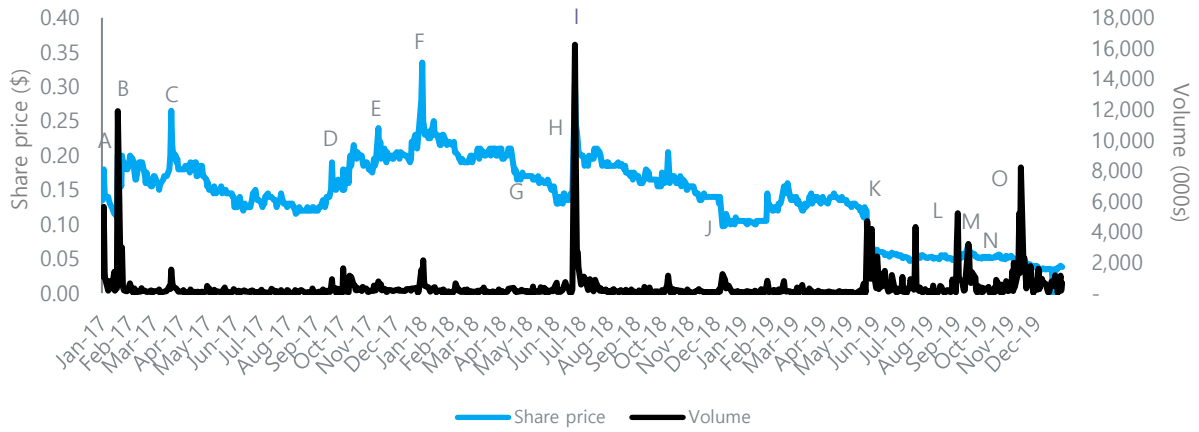
For personal use only

For personal use only

4.6 Share trading history

4.6.1 Summarised below is Benitec's share price and volume for the period 16 January 2017 to 15 January 2020:

Figure 3: Benitec's share price movement and volume



Source: CapitalIQ

Benitec Share Price and Volume Commentary		
Event	**Date**	**Commentary**
A	17-Jan-17	Benitec receives Orphan Drug Designation in the European Union for BB-301 for the treatment of OPMD.
B	03-Feb-17	Benitec announces amendment relating to the deferment of investment dates under the Nant Share Subscription Agreement.
C	05-Apr-17	On 4 April 2017, Benitec announces the initial pre-clinical efficacy results of the OPMD program have been published in Nature Communications, an open access scientific journal.
D	18-Oct-17	Benitec announces a new patent relating to the hepatitis B program has been issued in the US.
E	27-Nov-17	Benitec provides update on OPMD orphan disease program - an application was submitted with the US Food and Drug Administration (**FDA)** seeking orphan drug designation for BB-301.
F	16-Jan-18	On 15 January 2018, Benitec announces it had received US Orphan Drug Designation for BB-301.
G	08-May-18	Benitec confirms the Offer Booklet and personalised entitlement and acceptance for in respect of a 1 for 2 pro rata renounceable entitlement offer at the same price as the private placement to Highbridge Capital Management LLC on 30 April 2018.
H	09-Jul-18	Benitec enters trading halt and announces global licensing agreement with Axovant.
I	11-Jul-18	Highbridge Capital Management LLC ceases to be a substantial shareholder, disposing of 8,608,240 shares on 9 July 2018.
J	21-Dec-18	Benitec provides an update on BB-401 Cancer Treatment Program. BB-401 is currently undergoing evaluation in a Phase II clinical trial.
K	06-Jun-19	Benitec enters trading halt and announces the termination of the License and Collaboration Agreement with Axovant.
L	16-Sep-19	Benitec provides an update on BB-301 OPMD Program. Benitec plans to complete three non-clinical studies that will facilitate the filing of an Investigational New Drug application and the formal initiation of a Phase I clinical trial in patients suffering from OPMD.
M	24-Sep-19	Benitec's Chief Executive Officer Jerel A. Banks presents at the Landenburg Thalmann 2019 Healthcare Conference.
N	01-Oct-19	Benitec announces USD$2.25 million Registered Direct Offering.
O	27-Nov-19	Benitec announces its intention to re-domicile from Australia to the United States of America.

For personal use only

4.6.2 Summarised below is Benitec's ADS price and volume for the period 16 January 2017 to 15 January 2020. Benitec announced a 10:1 ratio change of the ADS program (effective 18 November 2019) As a result the number of ADSs on issue reduced to a number equal to 1/10 of the ADSs on issue prior to the change in the ADS ratio, however the total number of Benitec Shares represented by the ADSs remained the same. The ADS prices prior to 18 November 2019 in the figure below have been adjusted to reflect the ratio change:

Figure 4: Benitec's ADS price movement and volume



Source: CapitalIQ

Benitec ADS Price and Volume Commentary		
Event	**Date**	**Commentary**
A	17-Jan-17	Benitec receives Orphan Drug Designation in the European Union for BB-301 for the treatment of OPMD.
B	03-Feb-17	Benitec announces amendment relating to the deferment of investment dates under the Nant Share Subscription Agreement.
C	05-Apr-17	On 4 April 2017, Benitec announces the initial pre-clinical efficacy results of the OPMD program have been published in Nature Communications, an open access scientific journal.
D	18-Oct-17	Benitec announces a new patent relating to the hepatitis B program has been issued in the US.
E	16-Jan-18	On 15 January 2018, Benitec announces it had received US Orphan Drug Designation for BB-301.
F	09-Jul-18	Benitec enters trading halt and announces global licensing agreement with Axovant.
G	21-Dec-18	Benitec provides an update on BB-401 Cancer Treatment Program. BB-401 is currently undergoing evaluation in a Phase II clinical trial.
H	16-Sep-19	Benitec provides an update on BB-301 OPMD Program. Benitec plans to complete three non-clinical studies that will facilitate the filing of an Investigational New Drug application and the formal initiation of a Phase I clinical trial in patients suffering from OPMD.

4.6.3 Set out below is a summary of the volume weighted average prices (**VWAPs**) and volumes traded for Benitec Shares over a range of periods over the last 12 months:

Table 5: Recent share trading history

ASX:BLT - Recent share trading history - lookback as at 15 January 2020								
	Share price ($)				Volume traded (#)			
	Low	Average	High	VWAP	Total	%	Average daily volume (#)	Average daily value ($)
1 day	0.038	0.038	0.038	0.038	666,900	0.23%	666,900	25,342
1 week	0.033	0.037	0.040	0.038	2,558,750	0.87%	639,688	24,612
1 month	0.033	0.035	0.040	0.036	12,806,070	4.34%	640,304	22,863
2 months	0.031	0.039	0.054	0.040	46,420,060	15.73%	1,132,197	44,942
3 months	0.031	0.044	0.056	0.041	53,551,200	18.14%	823,865	34,153
6 months	0.031	0.048	0.070	0.047	94,346,860	34.82%	720,205	33,851
9 months	0.031	0.066	0.145	0.052	123,234,470	47.23%	648,602	33,900
12 months	0.031	0.080	0.160	0.057	131,483,350	51.35%	521,759	29,820

Source: Capital IQ

4.6.4 As set out in the table above:

(a) The price of Benitec Shares declined from a high of $0.160 to $0.031 over the last 12 months.

(b) The VWAP of Benitec Shares also declined over the last 12 months, from a high of $0.057 to $0.038.

(c) Benitec Shares have demonstrated liquidity over the last 6 months, with approximately 34.82% of total shares on issue traded during the respective period. Further, Benitec Shares were traded on 252 of the 253 available ASX trading days.

(d) The average daily volume of Benitec Shares traded over the last 12 months was 521,759 shares and average daily value traded was $29,582.

For personal use only

For personal use only

4.6.5 Set out below is a summary of the VWAPs and volumes traded for Benitec ADSs over a range of periods over the last 12 months:

Table 6: Recent share trading history

NASDAQCM:BNTC - Recent share trading history - lookback as at 15 January 2020							
	Share price ($)				Total volume traded	Average daily volume	Average daily value
	Low	Average	High	VWAP	(#)	(#)	($)
1 day	4.934	4.934	4.934	4.934	6,080	6,080	30,001
1 week	4.830	5.002	5.170	5.028	57,020	11,404	57,340
1 month	4.230	4.731	5.170	4.719	631,720	30,082	141,954
2 months	4.230	5.129	6.300	5.070	1,024,170	25,604	129,821
3 months	4.230	5.562	6.625	5.118	1,060,080	16,827	86,123
6 months	4.230	6.318	9.200	6.062	1,578,140	12,727	77,145
9 months	4.230	8.750	20.000	6.287	1,660,690	9,175	57,685
12 months	4.230	10.922	21.900	6.593	1,703,130	7,217	47,576

Source: Capital IQ

(a) The price of Benitec ADSs declined from a high of USD$21.900 to USD$4.230 over the last 12 months.

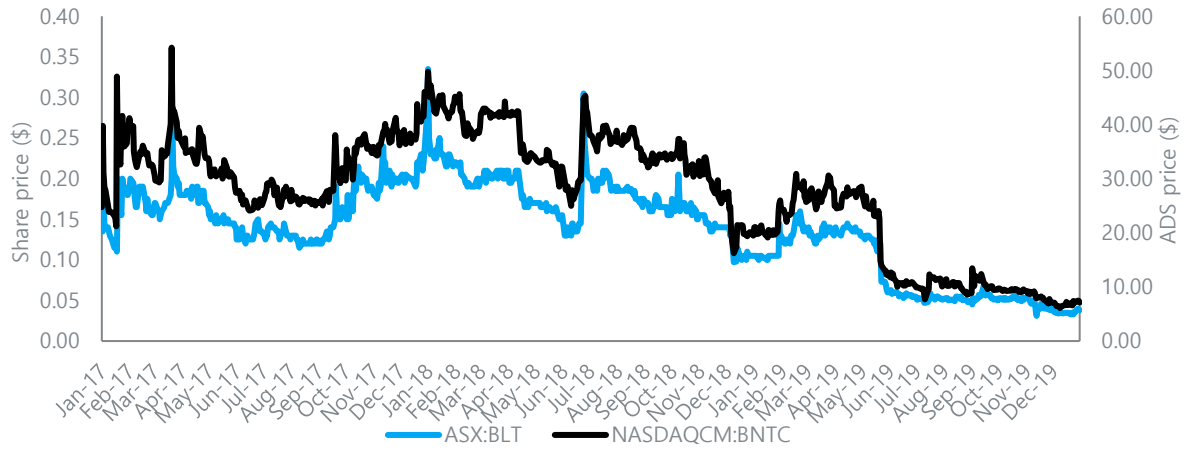
(b) The VWAP of Benitec ADSs also declined over the last 12 months, from a high of USD$6.593 to USD$4.934.

(c) The average daily volume of Benitec ADSs traded over the last 12 months was 7,217 shares and average daily value traded was $47,576.

(d) Benitec ADSs were traded on 236 of the 251 available Nasdaq trading days.

4.6.6 Summarised below is Benitec's share price and the price of Benitec ADSs (converted into AUD at the daily spot exchange rate) for the period 16 January 2017 to 15 January 2020:

Figure 5: Benitec's share and ADS price movement



Source: CapitalIQ

4.6.7 As shown by the figure above, the Benitec Shares and Benitec ADSs have demonstrated relatively consistent price movements.

5 Evaluation of the Proposed Scheme

5.1 Conclusion

5.1.1 In our opinion, the Proposed Scheme is in the best interests of Benitec Shareholders.

5.1.2 In forming our opinion we compared the potential advantages and disadvantages to Benitec Shareholders should the Proposed Scheme proceed. In our opinion, the advantages of the Proposed Scheme outweigh the disadvantages, both of which are summarised below.

5.2 Advantages of the Proposed Scheme

5.2.1 The key advantages to Benitec Shareholders should the Proposed Scheme proceed include:

(a) Companies trading on the Nasdaq generally trade at higher earnings multiples than those trading on the ASX. As at 10 January 2020, the average enterprise value / earnings before interest, tax, depreciation and amortisation (**EBITDA**) multiple (excluding the maximum and minimum) for the last twelve months for those companies trading on the ASX was 18.6 times, compared with 22.6 times for those companies trading on the Nasdaq. Notwithstanding, with the exception of the financial year ending 30 June 2019, Benitec has incurred EBITDA losses (as is common for a biotechnology company with assets in similar development stages to Benitec). It should be noted that a rerating of Holdco shares as a result of the Proposed Scheme is not guaranteed.

(b) Given Benitec's current business and the majority of its employees are currently located in the US, the re-domiciliation is expected to streamline operations, generating estimated cost savings in excess of $750,000 per annum once implemented. The corporate and operating structure is also expected be more easily understandable to potential investors post implementation of the Proposed Scheme.

(c) The re-domiciliation is expected to reduce overhead costs, particularly in respect of compliance, audit and insurance costs associated with its current dual listing on the ASX and Nasdaq. Post Proposed Scheme implementation, Benitec will be delisted from the ASX and Holdco Shares will be listed for trading on the Nasdaq (subject to authorisation for listing being obtained from Nasdaq and official notice of issuance of Holdco Shares from Holdco). As such, Benitec will no longer be dual listed post implementation of the Proposed Scheme.

(d) The re-domiciliation may improve attractiveness of Benitec as a potential acquisition target and create additional opportunities with potential licensing or joint venture partners given the US is considered to be one of the most active markets for transactions in the life sciences sector. The re-domiciliation would allow any potential control, licensing or other transaction to be completed more quickly and potentially with lower transactions costs.

(e) A primary listing in the US will allow Holdco greater access to US capital markets which are substantially larger than in Australia resulting in the potential ability for Holdco to raise equity capital and access a broader range of investors who may only be interested in a direct investment in a US listed company. In addition, the Benitec Board believes the US market is familiar with and has a stronger interest in early to mid-stage biotechnology companies, which may lead to a stronger valuation of Holdco over time and improve liquidity in trading of shares.

(f) The Directors of Benitec unanimously recommend that Benitec Shareholders vote in favour of the Proposed Scheme. The Directors that hold or control Benitec Shares intend to vote in favour of the Proposed Scheme.

5.3 Disadvantages of the Proposed Scheme

5.3.1 The key disadvantages to Benitec Shareholders should the Proposed Scheme proceed include:

(a) Benitec Shareholders may wish to retain their Benitec Shares, which are listed on the ASX. Should the Proposed Scheme be implemented, existing Benitec Shareholders will hold shares in Holdco, which will be listed for trading on the Nasdaq (subject to authorisation for listing being obtained from Nasdaq and official notice of issuance of Holdco Shares from Holdco). Benitec shareholders located outside the US

For personal use only

For personal use only

may not be as familiar with trading practices on the Nasdaq as they might be with trading practices on the ASX.

(b) There will be differences in the rights attaching to the Benitec Shares as compared to the rights attaching to the Holdco Shares due to differences in the laws which govern the Benitec Shares compared to the laws which govern the Holdco Shares. The Benitec Shares are currently governed under the Corporations Act, Benitec Constitution and the ASX Listing Rules. The Holdco Shares will be governed under the Delaware General Corporation Law and Holdco's certificate of incorporation and by-laws. Assuming Holdco shares are approved for trading on the Nasdaq, they will also be subject to the listing rules of Nasdaq. Benitec Shareholders should refer to Section 5.4 of the Scheme Booklet for a full comparison of the rights attaching to the Benitec Shares and Holdco Shares and Section 5.6 for a summary of the differences between the company law regimes.

(c) Should the Proposed Scheme be implemented, Holdco Shareholders will have an increased level of exposure to a litigious environment given Holdco will be a US public company and not an Australian listed company. The US legal environment is generally considered more litigious than the Australian legal environment and there is a risk that any material or costly dispute or litigation could adversely affect Holdco's reputation, financial performance or value.

(d) Although we understand roll-over relief may be available, there may be US federal and Australian taxation consequences for some Benitec Shareholders if the Proposed Scheme is implemented. Benitec Shareholders should refer to Sections 8.2 and 8.3 of the Scheme Booklet for further detail.

(e) The costs associated with the Proposed Scheme have been estimated by the Directors to be approximately $650,000. Notwithstanding, approximately $550,000 of these costs are expected to be incurred regardless of whether the Proposed Scheme is approved by Benitec Shareholders. We note these costs represent one off costs to Benitec.

(f) Benitec Shareholders who are Ineligible Foreign Shareholders will not be issued Holdco Shares. Instead, the Holdco Shares to which Ineligible Foreign Shareholders would otherwise be entitled to under the Proposed Scheme will be sold by an agent via a Share Sale Facility with the proceeds being remitted to those shareholders (less any brokerage fees). Benitec Management has advised that as at the date of this report, the number of shareholders expected to be deemed Ineligible Foreign Shareholders total 32, holding approximately 1,053,371 Benitec Shares in aggregate, representing approximately 0.33% of total Benitec Shares outstanding.

6 Glossary

ADSs	American Depositary Shares
ADS Holders	Holders of Benitec ADSs
AFSL	Australian Financial Services Licence
AFCA	Australian Financial Complaints Authority
APES	Accounting Profession & Ethical Standards
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange
ATO	Australian Taxation Office
AUD	Australian dollar
Axovant	Axovant Sciences Ltd
Benitec	Benitec Biopharma Limited
Benitec Shareholders	Holders of Benitec Shares
Benitec Shares	Ordinary Shares in Benitec
CA ANZ	Chartered Accountants Australia and New Zealand
CAGR	Compound average growth rate
Corporations Act	Corporations Act 2001 (Cth)
ddRNAi	DNA-directed RNA interference
EBIT	Earnings before interest and tax
EBITDA	Earnings before interest, tax, depreciation and amortisation
FDA	Food and Drug Administration
FSG	The Financial Services Guide
FY##	Financial year ended 30 June 20##
Holdco	Benitec Biopharma Inc.
Holdco Share	One new share of ordinary stock
HPV	Hepatitis B
Management	Management of Benitec
McGrathNicol	McGrathNicol Transaction Advisory Pty Ltd
Nasdaq`	Nasdaq Capital Markets
OPMD	oculopharyngeal muscular dystrophy

For personal use only

Proposed Scheme	Incorporation of Holdco as the ultimate holding company of Benitec
R&D	Research and development
RG	ASIC Regulatory Guide
RG 111	ASIC Regulatory Guide 111 "Content of expert's reports"
RG 112	ASIC Regulatory Guide 112 "Independence of Expert's Reports"
US	United States of America
USD	US dollar
VWAP	Volume weighted average price
UK	United Kingdom
YTD	Year to date

For personal use only

7 Qualifications, Declarations and Consents

7.1 Qualifications

7.1.1 McGrathNicol provides transactions advisory services in relation to due diligence, sale assistance, transaction management and valuation services, including the preparation of company and business valuations and the provision of independent advice and expert's reports. Our financial services guide is attached at Appendix A.

7.1.2 Mr. Andrew Fressl, B.Com, CA, F.Fin is jointly responsible for this report. Andrew has over 20 years' experience advising public and private clients on their corporate finance transactions and has specific expertise in relation to acquisition and vendor due diligence, sell-side advisory and valuations. Andrew is also an accredited Business Valuation Specialist with the Chartered Accountants Australia and New Zealand (**CA ANZ**).

7.1.3 Mr. David Barnaby, B.Com, CA, F.Fin is jointly responsible for this report. David has over 20 years' experience in relevant corporate advisory matters, including valuations. David Barnaby is an authorised representative of McGrathNicol Transaction Advisory Pty Ltd pursuant to its Australian Financial Services Licence (under Part 7.6 of the Corporations Act).

7.2 Independence

7.2.1 Prior to accepting this engagement, McGrathNicol considered its independence with reference to the ASIC Regulatory Guide 112 "Independence of Expert's Reports" (**RG 112**). McGrathNicol has no involvement with, or interest in, the outcome of the approval of the Proposed Scheme other than that of an independent expert. McGrathNicol is entitled to receive a fee based on commercial rates and including reimbursement of out-of-pocket expenses for the preparation of this report.

7.2.2 Except for these fees, McGrathNicol will not be entitled to any other pecuniary or other benefit, whether direct or indirect, in connection with the issuing of this report. The payment of this fee is in no way contingent upon the success or failure of the Proposed Scheme.

7.2.3 McGrathNicol has previously performed independent engagements for Benitec. Notwithstanding, McGrathNicol is not aware of any relationship with Benitec that would impact on its independence.

7.3 Consent and other matters

7.3.1 Our report is to be read in conjunction with the Scheme Booklet in which this report is included, and is prepared for the exclusive purpose of assisting Benitec Shareholders. This report should not be used for any other purpose.

7.3.2 McGrathNicol consents to the issue of this report in its form and context and consents to its inclusion in the Scheme Booklet.

7.3.3 This report constitutes general financial product advice only and in undertaking our assessment, we have considered the likely impact of the Proposed Scheme to Benitec Shareholders as a whole. We have not considered the potential impact of the Proposed Scheme on individual Benitec Shareholders. Individual Benitec Shareholders have different financial circumstances and it is neither practicable nor possible to consider the implications of the Proposed Scheme on individual Benitec Shareholders.

7.3.4 The decision of whether or not to approve the Proposed Scheme is a matter for each Benitec Shareholder based on their own views and expectations about future market conditions, risk profile and investment strategy. If Benitec Shareholders are in doubt about the action they should take, they should seek their own professional advice.

For personal use only

7.4 Information relied on and limitations

7.4.1 This report includes all references to information utilised, the valuation approaches and methodologies adopted, assumptions relied upon and conclusions reached.

7.4.2 In preparing this report, we relied on information provided by the Management of Benitec set out at Appendix B.

7.4.3 An important part of the information used in forming an opinion as to fairness and reasonableness is comprised of the opinions and judgement of Benitec Management. This type of information was evaluated through analysis, inquiry and review. However, such information is often not capable of external verification or validation and has not been independently verified.

7.4.4 We did not perform an audit of the information provided, however, evaluated the information through analysis and discussions with Benitec Management. McGrathNicol does not warrant that our evaluation has identified or verified all of the matters that an audit, extensive examination or due diligence investigation may disclose. The information we relied on was not independently verified.

7.4.5 McGrathNicol has no reason to believe any material facts have been withheld. Should we become aware that information we have relied upon is materially misstated or of any factors that alter our assumptions, we reserve the right to alter our valuation and conclusions.

7.4.6 Should circumstances change, or if new information becomes available post the date of this report, we reserve the right to amend our calculations.

7.4.7 To the extent that there are tax and legal issues relating to assets, properties or business interests or issues relating to compliance with applicable laws, regulations, and policies, McGrathNicol:

(a) assumes no responsibility and offers no tax and legal opinion or interpretation on any issue; and

(b) has generally assumed that matters such as title, compliance with laws and regulations and contracts in place are in good standing and will remain so.

7.4.8 This report has been prepared for Benitec Shareholders. It should not be disclosed to any other party without our consent in writing. It may not otherwise be reproduced in whole or in part or supplied to any other party, without our consent in writing. We do not assume any responsibility or liability for any losses suffered by Benitec Shareholders, their advisers or any unauthorised user, as a result of circulation, publication, reproduction or other use of this report contrary to the provisions of this paragraph.

For personal use only

A Financial services guide

A.1 Purpose of this guide

A.1.1 This Financial Services Guide (**FSG**) provides you with important information to assist you in deciding how to use our report. It provides you with information about us, the financial services we offer, our dispute resolution process and how we are remunerated.

A.1.2 We act on behalf of Benitec Biopharma Limited, to whom this report is addressed.; Where you are not the addressee we are required to issue you this FSG under the Corporations Act and the terms of our Australian Financial Services Licence (**AFSL**) as a result of our client providing you with a copy of our report.

A.2 Financial services we are authorised to provide

A.2.1 We are authorised to provide general financial product advice in relation to securities, and to arrange for another person to issue, apply for, acquire, vary or dispose of securities to retail and wholesale clients.

A.3 General financial product advice

A.3.1 Our report provides general financial product advice only. In preparing this Report, we have not taken into account your personal circumstances including financial situation or needs. You should consider whether any advice contained in our report is appropriate for you, having regard to your own personal objectives, financial situation or needs.

A.3.2 We provide no financial services directly to retail clients and receive no remuneration from retail clients for financial services. We do not provide any personal retail financial product advice to retail investors nor do we provide market-related advice to retail investors. You were provided with a copy of our report because of your connection to the matters in respect of which we have been engaged to report.

A.4 Remuneration for our services

A.4.1 Our fees have been agreed with our client on a fixed fee or a time cost basis, and we may also be reimbursed for our out of pocket expenses. Our fees for this engagement are estimated to be $50,000 plus GST. We will not receive any other commission, fee or benefit in connection with the provision of the report.

A.4.2 The remuneration provided to our directors, authorised representatives and the partners, officers and employees of our associated entities is based on their overall performance and contribution over the course of a financial year. No commissions are paid in respect of the provision of financial product advice.

A.5 Associations and relationships

A.5.1 McGrathNicol is a group of independent entities operating in association. We and our associated entities do not have any formal associations or relationships with any entities that are issuers of financial products but may provide professional services to issuers of financial products in the ordinary course of business.

A.6 Complaints process

A.6.1 If you have any concerns regarding our report, please let us know. If you wish to lodge a formal complaint, you may do so in writing to: The Risk and Professional Practice Partner, McGrathNicol, GPO Box 9986, Sydney NSW 2000 or complaint@mcgrathnicol.com. We will respond to your complaint promptly.

A.6.2 If you are not satisfied with our response or the steps we have taken to resolve your complaint, you may contact the Australian Financial Complaints Authority (**AFCA**). AFCA provides free advice and assistance to consumers to assist them to resolve complaints relating to the financial services industry. AFCA can be contacted on 1800 931 678 or GPO Box 3, Melbourne VIC 3001, or info@afca.org.au. Further details may be obtained from www.afca.org.au.

For personal use only

A.7 Compensation arrangements

A.7.1 We hold professional indemnity insurance that covers the services we provide. This insurance as required by section 912B of the Corporations Act.

A.7.2 McGrathNicol Transaction Advisory Pty Ltd, ABN 83 160 621 054, AFSL 436347 of Level 12, 20 Martin Place, Sydney, NSW 2000.

For personal use only

B Information relied upon

B.1 Publicly available information:

B.1.1 Benitec's website: https://benitec.com/

B.1.2 Benitec's annual reports for FY17, FY18 and FY19

B.1.3 Benitec's 30 September 2019 Quarterly Activity Report

B.1.4 Benitec's ASX announcements

B.1.5 Financial information from Capital IQ

B.2 Non-public information:

B.2.1 Advanced draft of the Benitec Scheme Booklet, including the summary taxation and legal implications of the Proposed Scheme

B.2.2 Benitec's shareholder register as at 14 January 2020

B.2.3 Benitec group structure

B.2.4 Discussions with Management of Benitec

For personal use only

Attachment B

Deed Poll

For personal use only

B

For personal use only

Deed Poll

By Benitec Biopharma Inc.

in favour of each Scheme Participant

Jones Day
Riverside Centre, Level 31
123 Eagle Street
Brisbane QLD 4000, Australia
Tel: 61 7 3085 7000
Fax: 61 7 3085 7099
www.jonesday.com

Contents

1. Operative Provisions 1

1.1 Definitions and interpretation Definitions 1

1.2 Interpretation 1

2. Nature of Deed Poll 2

3. Conditions precedent and termination 2

3.1 Conditions precedent 2

3.2 Termination 2

3.3 Consequences of termination 2

4. Provision of scheme consideration 2

5. Representations and warranties 3

6. Continuing obligations 3

7. Notices 3

8. General 4

8.1 Stamp duty 4

8.2 Waiver 4

8.3 Variation 4

8.4 Rights cumulative 5

8.5 Assignment 5

8.6 Further assurances 5

8.7 Governing law and jurisdiction 5

Signing page 6

For personal use only

For personal use only

Deed Poll

Date 3 FEBRUARY 2020

Parties

By:	Benitec Biopharma Inc., a corporation formed under the laws of Delaware, United States of America of Corporation Trust Center, 1209 Orange Street, City of Wilmington, County of New Castle, 19801 (**Holdco**)
in favour of:	Each holder of issued fully paid ordinary shares in Benitec Biopharma Limited (ACN 068 943 662) (**Benitec**) as at the Record Date (**Scheme Participant**)

Recitals

A. Benitec and Holdco are parties to a scheme implementation agreement dated 27 November 2019 (**Scheme Implementation Agreement**).

B. Holdco is entering into this Deed Poll for the purpose of covenanting in favour of Scheme Participants to perform certain of its obligations under the Scheme Implementation Agreement and certain steps attributed to it under the Scheme, including ensuring that the Scheme Consideration is issued to Scheme Participants.

C. The effect of the Scheme will be that the Scheme Shares, together with all rights and entitlements attaching to them, will be transferred to Holdco in consideration for the Scheme Consideration.

1. Operative Provisions

1.1 Definitions and interpretation Definitions

Deed Poll means this deed poll.

Scheme means the scheme of arrangement between Benitec and the Scheme Participants under which all of the Scheme Shares will be transferred to Holdco under Part 5.1 of the Corporations Act as described in the Scheme, in consideration for the Scheme Consideration, subject to any amendments or conditions made or required by the Court pursuant to section 411(6) of the Corporations Act to the extent they are approved in writing by Benitec and Holdco in accordance with the Scheme.

1.2 Interpretation

(a) Words and phrases defined in the Scheme have the same meanings in this Deed Poll unless the context requires otherwise.

(b) Clause 1.2(a) of the Scheme applies to the interpretation of this Deed Poll except that references to "this document" in that clause are to be read as references to "this Deed Poll".

For personal use only

2. Nature of Deed Poll

Holdco acknowledges that:

(a) this Deed Poll may be relied on and enforced by any Scheme Participant in accordance with its terms, even though the Scheme Participants are not a party to it; and

(b) under the Scheme, each Scheme Participant irrevocably appoints Benitec and each of the directors and officers of Benitec (jointly and severally) as its agent and attorney to enforce this Deed Poll against Holdco.

3. Conditions precedent and termination

3.1 Conditions precedent

Holdco's obligations under clause 4 in relation to the Scheme are subject to the Scheme becoming Effective.

3.2 Termination

Holdco's obligations under this Deed Poll will automatically terminate and the terms of this Deed Poll will have no further force or effect if:

(a) the Scheme Implementation Agreement is terminated in accordance with its terms prior to the occurrence of the Effective Date for the Scheme; or

(b) the Scheme does not become Effective on or before the End Date,

unless Holdco and Benitec otherwise agree in writing.

3.3 Consequences of termination

If this Deed Poll is terminated under clause 3.2, then, in addition and without prejudice to any other rights, powers or remedies available:

(a) Holdco is released from its obligations to further perform this Deed Poll, except for any obligations which by their nature survive termination; and

(b) each Scheme Participant, retains the rights it has against Holdco in respect of any breach of this Deed Poll which occurred before its termination.

4. Provision of Scheme Consideration

Subject to clause 3, Holdco undertakes to each Scheme Participant:

(a) to issue to each Scheme Participant (or, in accordance with the terms of the Scheme, to the Sale Agent where such Scheme Participant is an Ineligible Foreign Shareholder, Selling Shareholder or has an entitlement to receive a Fractional Holdco Share) the Scheme Consideration;

(b) that the Holdco Shares to be issued to Scheme Participants in accordance with the terms of the Scheme rank equally in all respects with all other Holdco voting shares of common stock on issue as at the Implementation Date; and

(c) to undertake all other actions attributed to it under, and otherwise comply with its obligations in, the Scheme as if it were a party to the Scheme,

subject to and in accordance with the provisions of the Scheme.

5. Representations and warranties

Holdco represents and warrants that:

(a) **(status)** it has been incorporated or formed in accordance with the laws of its place of incorporation or formation, is validly existing under those laws and has power and authority to own its assets and carry on its business as it is now being conducted;

(b) **(power)** it has power to enter into this Deed Poll, to comply with its obligations under it and exercise its rights under it;

(c) **(no contravention)** the entry by it into, its compliance with its obligations and the exercise of its rights under, this Deed Poll do not and will not conflict with:

(i) its constituent documents or cause a limitation on its powers or the powers of its directors to be exceeded;

(ii) any law binding on or applicable to it or its assets; or

(iii) any encumbrance or document binding on or applicable to it;

(d) **(authorisations)** it has in full force and effect each authorisation necessary for it to enter into this Deed Poll, to comply with its obligations and exercise its rights under it, and to allow them to be enforced;

(e) **(validity of obligations)** its obligations under this Deed Poll are valid and binding and are enforceable against it in accordance with its terms; and

(f) **(solvency)** it is not insolvent.

6. Continuing obligations

This Deed Poll is irrevocable and, subject to clause 3, remains in full force and effect until the earlier of:

(a) Holdco having fully performed its obligations under this Deed Poll; and

(b) the termination of this Deed Poll under clause 3.2.

7. Notices

(a) Any notice or other communication given to Holdco under or in connection with this Deed Poll must be:

(i) in legible writing and in English;

(ii) addressed to Holdco at the address or email address set out below:

Address:	Level 14, 114 William Street, Melbourne, Victoria 3000
Email:	jbanks@benitec.com
Attention:	Mr Jerel Banks

(iii) signed by the sender or a person duly authorised by the sender; and

(iv) sent to Holdco by hand, prepaid post (airmail if to or from a place outside Australia) or email.

For personal use only

(b) Without limiting any other means by which a party may be able to prove that a notice has been received by Holdco, a notice will be considered to have been received:

(i) if sent by hand, when left at the address of Holdco;

(ii) if sent by pre-paid post, three Business Days (if posted within Australia to an address in Australia) or 10 Business Days (if posted from one country to another) after the date of posting; or

(iii) if sent by email, when the sender receives an automated message confirming delivery or four hours after the time the email is sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not been delivered, whichever occurs first,

(iv) but if a notice is served by hand, or is received by email, on a day that is not a Business Day, or after 5.00 pm (Holdco's local time) on a Business Day, the notice will be considered to have been received by Holdco at 9.00 am (Holdco's local time) on the next Business Day.

8. General

8.1 Stamp duty

Holdco:

(a) must pay all stamp duty (if any) and any related fines, penalties and interest in respect of the Scheme and this Deed Poll, the performance of this Deed Poll and each transaction effected by or made under this Deed Poll; and

(b) indemnifies each Scheme Participant on demand against any liability arising from failure to comply with clause 8.1(a).

8.2 Waiver

(a) Failure to exercise or enforce or a delay in exercising or enforcing or the partial exercise or enforcement of any right, power or remedy provided by law or under this Deed Poll by any party will not in any way preclude, or operate as a waiver of, any exercise or enforcement, or further exercise or enforcement of that or any other right, power or remedy provided by law or under this Deed Poll.

(b) No waiver of a breach of any term of this Deed Poll will operate as a waiver of another breach of that term or of a breach of any other term of this Deed Poll.

(c) Nothing in this Deed Poll obliges a party to exercise a right to waive any conditional term of this Deed Poll that may be in its power.

(d) A provision of or right under this Deed Poll may not be waived except in writing signed by the person granting the waiver.

8.3 Variation

A provision of this Deed Poll may not be varied unless the variation is agreed to in writing by Holdco and Benitec, and the Court indicates that the variation would not of itself preclude approval of the Scheme. A variation which complies with this clause is effective when Holdco enters into a further deed poll in favour of each Scheme Participant giving effect to the amendment.

For personal use only

8.4 Rights cumulative

The rights, powers and remedies of Holdco and of each Scheme Participant under this Deed Poll are cumulative and do not exclude any other rights, powers or remedies provided by law independently of this Deed Poll.

8.5 Assignment

The rights and obligations of Holdco and of each Scheme Participant under this Deed Poll are personal and must not be assigned, encumbered or otherwise dealt with at law or in equity.

8.6 Further assurances

Holdco must, at its own expense, whenever requested by Benitec, promptly do or, to the extent reasonably practicable, arrange for others to do everything, including executing any documents, reasonably necessary to give full effect to this Deed Poll and the transactions contemplated by this Deed Poll.

8.7 Governing law and jurisdiction

This Deed Poll is governed by the laws of Victoria.

Holdco irrevocably and unconditionally submits to the exclusive jurisdiction of the courts of Victoria.

For personal use only

Signing page

Executed as a deed poll.

Signed, sealed and delivered by **Benitec Biopharma Inc.** by authorised officer, in the presence of:

Signature of Witness

KIPLING MILTON

Name of Witness

Signature of Authorised Signatory

Megan Boston

Name of Authorised Signatory

For personal use only

Attachment C

Scheme of Arrangement

For personal use only

C

For personal use only

Scheme of Arrangement

Benitec Biopharma Limited

The holders of fully paid ordinary shares in Benitec Biopharma Limited as at the Record Date

Jones Day
Riverside Centre, Level 31
123 Eagle Street
Brisbane QLD 4000, Australia
Tel: 61 7 3085 7000
Fax: 61 7 3085 7099
www.jonesday.com

AUI-930763294v1

Contents

1. Definitions and interpretation 1

1.1 In this document, unless the context requires otherwise: 1

1.2 Interpretation 3

2. Preliminary 3

2.1 Benitec 3

2.2 Holdco 4

2.3 Effect of Scheme 4

2.4 Scheme Implementation Agreement 4

2.5 Deed Poll 4

3. Conditions precedent 4

3.1 Conditions precedent to Scheme 4

3.2 Certificate in relation to conditions precedent 5

3.3 Effective Date 5

3.4 End Date 5

4. Implementation of Scheme 5

4.1 Lodgement of Court orders with ASIC 5

4.2 Transfer of Scheme Shares 5

5. Scheme Consideration 6

5.1 Provision of Scheme Consideration 6

5.2 Share Sale Facility 6

5.3 Obligations of Scheme Participants 6

5.4 Joint holders 7

6. Dealings in Scheme Shares 7

6.1 Determination of Scheme Participants 7

6.2 Benitec's obligation to register 7

6.3 Transfers after the Record Date 7

6.4 Maintenance of Register 7

6.5 Effect of certificates and holding statements 8

6.6 Information to be made available to Holdco 8

7. Quotation of Benitec Shares 8

8. General Scheme provisions 8

8.1 Appointment of Benitec as agent and attorney 8

8.2 Agreement by Scheme Participants 9

8.3 Warranty by Scheme Participants 9

8.4 Title to Scheme Shares 9

8.5 Appointment of Holdco as sole proxy 9

8.6 Scheme alterations and conditions 10

8.7 Effect of Scheme 10

8.8 No liability when acting in good faith 10

8.9 Notices 10

For personal use only

8.10 Further assurances 10
8.11 Costs and stamp duty 11
8.12 Governing law and jurisdiction 11

For personal use only

For personal use only

Scheme of Arrangement

Details

Parties

Benitec	Benitec Biopharma Limited ACN 068 943 662, an Australian public company incorporated under the laws of Australia of Level 14, 114 William Street, Melbourne, Victoria 3000
Scheme Participants	Each person registered as a holder of fully paid ordinary shares in Benitec as at the Record Date

1. Definitions and interpretation

1.1 In this document, unless the context requires otherwise:

ADS means an American Depository Share representing 200 Benitec Shares, which trade on the Nasdaq under the ticker code "BNTC".

ASIC means the Australian Securities and Investments Commission.

ASPL means ASX Settlement Pty Ltd (ABN 49 008 504 532).

ASX means ASX Limited (ACN 008 624 691) or, where the context requires, the securities market which it operates.

ASX Settlement Rules means the ASX Settlement Operating Rules.

Benitec Share means an issued fully paid ordinary share in Benitec.

Benitec Shareholder means each person who is registered in the Register as a holder of a Benitec Share.

Business Day means a day that is not a Saturday, Sunday, public holiday or bank holiday in Melbourne, Victoria.

CHESS means the Clearing House Electronic Subregister System of share transfers operated by ASPL.

Corporations Act means the *Corporations Act 2001* (Cth).

Court means a court of competent jurisdiction under the Corporations Act as agreed between the parties.

Deed Poll means the deed poll executed by Holdco substantially in the form of Annexure C of the Scheme Implementation Agreement or as otherwise agreed by Benitec and Holdco under which Holdco covenants in favour of each Scheme Participant to perform its obligations under this Scheme.

For personal use only

Effective, when used in relation to a Scheme, means the coming into effect, pursuant to section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) in relation to the Scheme, but in any event at no time before an office copy of the order of the Court is lodged with ASIC.

Effective Date means the date on which the Scheme becomes Effective.

End Date means 5.00 pm on 30 June 2020 or such other date and time agreed in writing between the parties.

Holdco means Benitec Biopharma Inc.

Holdco Share means a share of voting common stock in Holdco.

Fractional Holdco Share has the meaning given to that term in the Scheme Implementation Agreement.

Implementation Date means the fifth Business Day following the Record Date or such other date as is agreed by the parties.

Ineligible Foreign Shareholder a Scheme Participant whose address, as shown in the Register (as at the Record Date), is in a place outside Australia, New Zealand or the United States, unless Holdco is satisfied, acting reasonably, that the laws of that place permit the offer and issue of Holdco Shares to that Scheme Participant and, in Holdco's sole discretion, is not unduly onerous or impracticable for Holdco.

Nasdaq means Nasdaq, Inc. or the Nasdaq Capital Market, as the context requires.

Sale Agent has the meaning given to that term in the Scheme Implementation Agreement.

Selling Shareholder has the meaning given to that term in the Scheme Implementation Agreement.

Share Sale Facility has the meaning given to that term in the Scheme Implementation Agreement.

Share Sale Facility Proceeds has the meaning given to that term in the Scheme Implementation Agreement.

Record Date means 7.00 pm on the fifth Business Day after the Effective Date.

Register means the register of shareholders of Benitec.

Scheme means this scheme of arrangement between Benitec and the Scheme Participants under which all of the Scheme Shares will be transferred to Holdco under Part 5.1 of the Corporations Act as described in this Scheme, in consideration for the Scheme Consideration, subject to any amendments or conditions made or required by the Court pursuant to section 411(6) of the Corporations Act to the extent they are approved in writing by Benitec and Holdco in accordance with clause 8.6.

Scheme Consideration means the consideration payable by Holdco for the transfer of Scheme Shares to Holdco under the terms of this Scheme, being, one Holdco Share for every 300 Scheme Shares held by the Scheme Participant.

Scheme Implementation Agreement means the scheme implementation agreement dated 27 November 2019 between Benitec and Holdco.

Scheme Meeting means the meeting of Benitec Shareholders ordered by the Court to be convened under section 411(1) of the Corporations Act in relation to the Scheme.

Scheme Share means a Benitec Share held by a Scheme Participant as at the Record Date.

Second Court Date means the first day on which the Court hears the application for the order pursuant to section 411(4)(b) of the Corporations Act approving the Scheme, or if the application is adjourned or subject to appeal for any reason, the first day on which the adjourned or appealed application is heard.

1.2 Interpretation

In this document:

(a) unless the context requires otherwise, a reference:

(i) to the singular includes the plural and vice versa;

(ii) to a gender includes all genders;

(iii) to a document or instrument is a reference to that document or instrument as amended, consolidated, supplemented, novated or replaced;

(iv) to a clause, paragraph, Schedule or Annexure is to a clause, paragraph, Schedule or Annexure of or to this document;

(v) to a law includes any legislation, judgment, rule of common law or equity or rule of any applicable stock exchange, and is a reference to that law as amended, consolidated, supplemented or replaced and includes a reference to any regulation, by-law or other subordinate legislation;

(vi) to any time is to Melbourne, Australia time;

(vii) to "$" is to the lawful currency of Australia;

(b) the words "including" or "includes" means "including, but not limited to", or "includes, without limitation" respectively;

(c) where a word or phrase is defined, its other grammatical forms have a corresponding meaning;

(d) headings are for convenience only and do not affect interpretation of this document;

(e) if a payment or other act must (but for this clause) be made or done on a day that is not a Business Day, then it must be made or done on the next Business Day; and

(f) if a period must be calculated from, after or before a day or the day of an act or event, it must be calculated excluding that day.

2. Preliminary

2.1 Benitec

(a) Benitec is:

(i) a public company limited by shares;

(ii) incorporated in Australia and taken to be registered in Western Australia;

(iii) admitted to the official list of ASX and Benitec Shares are quoted on ASX; and

For personal use only

(iv) admitted to Nasdaq and ADSs and certain warrants issued by Benitec are quoted on Nasdaq.

(b) As at the date of the Scheme Implementation Agreement, there are 321,287,026 Benitec Shares on issue.

2.2 Holdco

Holdco is a corporation formed under the laws of Delaware, United States of America. Its principal executive office is at Corporation Trust Center, 1209 Orange Street, City of Wilmington, County of New Castle, Delaware 19801.

2.3 Effect of Scheme

If the Scheme becomes Effective:

(a) Benitec will procure the issue of the Scheme Consideration to Scheme Participants in accordance with the terms of the Scheme; and

(b) subject to provision of the Scheme Consideration, all of the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares at the Implementation Date, will be transferred to Holdco and Benitec will enter Holdco in the Register as the holder of the Scheme Shares.

2.4 Scheme Implementation Agreement

Benitec and Holdco have entered into the Scheme Implementation Agreement which sets out the terms on which Benitec and Holdco have agreed to implement this Scheme.

2.5 Deed Poll

Holdco has executed the Deed Poll for the purpose of covenanting in favour of the Scheme Participants to perform Holdco's obligations as contemplated by this Scheme, including to provide the Scheme Consideration.

3. Conditions precedent

3.1 Conditions precedent to Scheme

The Scheme is conditional on, and will have no force or effect until, the satisfaction of each of the following conditions precedent:

(a) as at 8.00am on the Second Court Date, neither the Scheme Implementation Agreement nor the Deed Poll having been terminated in accordance with their terms;

(b) all of the conditions precedent in clause 3.1 of the Scheme Implementation Agreement (other than the condition precedent in clause 3.1(c) of the Scheme Implementation Agreement) having been satisfied or (other than the condition precedent in clause 3.1(b) of the Scheme Implementation Agreement, which cannot be waived) waived in accordance with the terms of the Scheme Implementation Agreement;

(c) the Court having approved this Scheme, with or without any modification or condition, pursuant to section 411(4)(b) of the Corporations Act, and if applicable, Benitec and Holdco having accepted in writing any modification or condition made or required by the Court under section 411(6) of the Corporations Act; and

For personal use only

(d) the coming into effect, pursuant to section 411(10) of the Corporations Act, of the orders of the Court made under section 411(4)(b) of the Corporations Act (and, if applicable, section 411(6) of the Corporations Act) in relation to this Scheme,

and clauses 4, 5, 6 and 7 will not come into effect unless and until each of these conditions precedent has been satisfied.

3.2 Certificate in relation to conditions precedent

(a) Benitec and Holdco must provide to the Court on the Second Court Date a certificate confirming (in respect of matters within their knowledge) whether or not all of the conditions precedent set out in clause 3.1 (other than the conditions precedent in clauses 3.1(c) and 3.1(d)) have been satisfied or waived as at 8.00am on the Second Court Date.

(b) The certificate referred to in this clause 3.2 will constitute conclusive evidence of whether the conditions precedent referred to in clause 3.1 (other than the conditions precedent in clauses 3.1(c) and 3.1(d)) have been satisfied or waived as at 8.00am on the Second Court Date.

3.3 Effective Date

Subject to clause 3.4, this Scheme will come into effect pursuant to section 411(10) of the Corporations Act on and from the Effective Date.

3.4 End Date

The Scheme will lapse and have no further force or effect if the Effective Date has not occurred on or before the End Date.

4. Implementation of Scheme

4.1 Lodgement of Court orders with ASIC

If the conditions precedent set out in clause 3.1 (other than the condition precedent in clause 3.1(d)) are satisfied, Benitec must lodge with ASIC in accordance with section 411(10) of the Corporations Act an office copy of the Court order approving this Scheme as soon as possible, and in any event by no later than 5.00pm on the first Business Day after the day on which the Court approves this Scheme or such later time as Benitec and Holdco agree in writing.

4.2 Transfer of Scheme Shares

(a) Subject to the Scheme becoming Effective and the provision of the Scheme Consideration in accordance with clause 5.1, on the Implementation Date the Scheme Shares, together with all rights and entitlements attaching to them as at the Implementation Date, will be transferred to Holdco without the need for any further act by any Scheme Participant by:

(i) Benitec delivering to Holdco a duly completed share transfer form executed on behalf of the Scheme Participants (which may be a master share transfer form) to transfer all the Scheme Shares to Holdco;

(ii) Holdco duly executing this transfer form and delivering this transfer form to Benitec for registration; and

(iii) the extent applicable, Benitec effecting a valid transfer of Scheme Shares under section 1074D of the Corporations Act.

For personal use only

(b) As soon as practicable after receipt of the transfer form or completion of the transfer procedure, Benitec must enter the name and address of Holdco in the Register as the holder of the Scheme Shares.

(c) To the extent permitted by law, the Scheme Shares will be transferred to Holdco free from all mortgages, charges, liens, encumbrances, pledges, security interests and other interests of third parties of any kind.

5. Scheme Consideration

5.1 Provision of Scheme Consideration

(a) Benitec must use its best endeavours to procure that, in consideration for the transfer to Holdco of the Scheme Shares held by each Scheme Participant under the terms of this Scheme, Holdco issues to each Scheme Participant (other than an Ineligible Foreign Shareholder, a Selling Shareholder or a Scheme Participant in respect of their entitlement to a Fractional Holdco Share) the Scheme Consideration.

(b) Subject to clauses 5.2, 5.3 and 5.4, the transactions which form part of this Scheme will be implemented in the following sequence on the Implementation Date:

(i) each Scheme Participant will receive the Scheme Consideration for the Scheme Shares held by that Scheme Participant on the Record Date; and

(ii) in exchange, all Scheme Shares will be transferred to Holdco.

5.2 Share Sale Facility

(a) Where a Scheme Participant is an Ineligible Foreign Shareholder, a Selling Shareholder or is entitled to a Fractional Holdco Share, the number of Holdco Shares or Fractional Holdco Shares to which that Scheme Participant would otherwise have been entitled to under this Scheme will be issued to the Sale Agent and sold under the Share Sale Facility. If the number of Fractional Holdco Shares is, in aggregate, not a whole number, then the nearest whole number of aggregate Fractional Holdco Shares will be issued to the Sale Agent.

(b) Benitec will procure that, after the Implementation Date, the Sale Agent:

(i) sells on Nasdaq all of the Holdco Shares issued to the Sale Agent in accordance with clause 5.2(a) in such manner, at such price and on such other terms as the Sale Agent determines in good faith, and at the risk of the Ineligible Foreign Shareholders, Selling Shareholders or the Scheme Participants who are otherwise entitled to Fractional Holdco Shares (as applicable); and

(ii) remits the Share Sale Facility Proceeds to each Ineligible Foreign Shareholder, Selling Shareholder or Scheme Participant who is otherwise entitled to a Fractional Holdco Share (as applicable) in the amount to which they are entitled, calculated on a volume weighted average basis so that all Ineligible Foreign Shareholders, Selling Shareholders and Scheme Participants who are entitled to Fractional Holdco Shares receive the same price (or part thereof) for each whole Holdco Share sold.

5.3 Obligations of Scheme Participants

Each Scheme Participant who will be issued Holdco Shares under the Scheme agrees:

(a) to become a stockholder of Holdco;

For personal use only

(b) to have their name and address entered into the register of stockholders maintained by or on behalf of Holdco; and

(c) to be bound by the certificate of incorporation and by-laws of Holdco in force from time to time in respect of the Holdco Shares.

5.4 Joint holders

In the case of Scheme Shares held in joint names, any Scheme Consideration will be issued to and registered in the names of the joint holders and holding statements or notices confirming the issue of the Scheme Consideration will be forwarded to the holder whose name appears first in the Register as at the Record Date.

6. Dealings in Scheme Shares

6.1 Determination of Scheme Participants

(a) Each Scheme Participant will be entitled to participate in the Scheme.

(b) For the purpose of determining who is a Scheme Participant, dealings in Benitec Shares will only be recognised if:

(i) in the case of dealings of the type to be effected by CHESS, the transferee is registered in the Register as the holder of the relevant Benitec Shares by the Record Date; and

(ii) in all other cases, share transfer forms in registrable form or transmission applications in respect of those dealings are received by the Benitec or its share registry by the Record Date.

6.2 Benitec's obligation to register

Benitec must register any registrable transfers or transmission applications of the kind referred to in clause 6.1(b) by the Record Date.

6.3 Transfers after the Record Date

(a) If the Scheme becomes Effective, a Benitec Shareholder (and any person claiming through that holder) must not dispose of, or purport or agree to dispose of, any Benitec Shares or any interest in them after the Record Date (other than a transfer to Holdco in accordance with the Scheme and any subsequent transfers by Holdco or its successors in title).

(b) Benitec will not accept for registration, nor recognise for any purpose, any transfer or transmission application in respect of Benitec Shares received after the Record Date (other than a transfer to Holdco in accordance with the Scheme and any subsequent transfers by Holdco or its successors in title).

6.4 Maintenance of Register

For the purpose of determining entitlements to the Scheme Consideration, Benitec will, until the Scheme Consideration has been issued to Scheme Participants, maintain or procure the maintenance of the Register in accordance with this clause 6. The Register in this form will solely determine entitlements to the Scheme Consideration.

For personal use only

6.5 Effect of certificates and holding statements

(a) Any statements of holding in respect of Scheme Shares will cease to have effect after the Record Date as documents of title in respect of those shares (other than statements of holding in favour of Holdco and its successors in title).

(b) After the Record Date, each entry current on the Register as at the Record Date (other than entries in respect of Holdco or its successors in title) will cease to have effect except as evidence of entitlement to the Scheme Consideration.

6.6 Information to be made available to Holdco

As soon as reasonably practicable after the Record Date and in any event at least two Business Days before the Implementation Date, Benitec will give to Holdco or as it directs or procure that Holdco be given or as it directs, details of the name, address and number of Scheme Shares held by each Scheme Participant as shown in the Register at the Record Date in the form Holdco reasonably requires.

7. Quotation of Benitec Shares

(a) Benitec will apply to ASX for suspension of trading of Benitec Shares on ASX with effect from the close of trading on the Effective Date.

(b) Benitec will apply to Nasdaq for suspension of trading of ADS on Nasdaq with effect from the close of trading on the Effective Date.

(c) If the Scheme has been fully implemented in accordance with its terms, on the date determined by Holdco, Benitec will:

(i) apply to ASX for the termination of the official quotation of Benitec Shares on ASX and to have Benitec removed from the official list of ASX; and

(ii) apply to Nasdaq for the termination of the quotation of ADS on Nasdaq.

8. General Scheme provisions

8.1 Appointment of Benitec as agent and attorney

(a) Each Scheme Participant, without the need for any further act, irrevocably appoints Benitec and each of the directors and officers of Benitec (jointly and severally) as its agent and attorney for the purpose of doing all things and executing all deeds, instruments, transfers and other documents that may be necessary or desirable to give full effect to the Scheme and the transactions contemplated by it, including but not limited to:

(i) enforcing the Deed Poll against Holdco;

(ii) in the case of Scheme Shares in a CHESS holding:

(A) causing a message to be transmitted to ASPL in accordance with the ASX Settlement Rules to transfer the Scheme Shares held by the Scheme Participant from the CHESS subregister of Benitec to the issuer sponsored subregister operated by Benitec or its share registry at any time after Holdco has issued the Scheme Consideration which is due under this Scheme to Scheme Participants; and

(B) completing and signing on behalf of Scheme Participants any required form of transfer of Scheme Shares;

For personal use only

(iii) in the case of Scheme Shares registered in the issuer sponsored subregister operated by Benitec or its share registry, completing and signing on behalf of Scheme Participants any required form of transfer; and

(iv) in all cases, executing any document or doing any other act necessary or desirable to give full effect to this Scheme and the transactions contemplated by it, including executing a proper instrument of transfer of Scheme Shares for the purposes of section 1071B of the Corporations Act (which may be a master transfer).

(b) Benitec may sub-delegate its functions, authorities or powers under clause 8.1(a) as agent and attorney of each Scheme Participant to any or all of its directors or officers.

8.2 Agreement by Scheme Participants

Subject to provision of the Scheme Consideration contemplated in clause 5.1, each Scheme Participant agrees to:

(a) the transfer of its Scheme Shares together with all rights and entitlements attaching to those Scheme Shares to Holdco in accordance with the terms of the Scheme; and

(b) the variation, cancellation or modification (if any) of the rights attached to its Benitec Shares constituted by or resulting from the Scheme.

8.3 Warranty by Scheme Participants

Each Scheme Participant is deemed to have warranted to Benitec, and is deemed to have authorised Benitec to warrant to Holdco as agent and attorney for the Scheme Participant, that:

(a) all of its Scheme Shares (including all rights and entitlements attaching to them) transferred to Holdco under the Scheme will, on the date of the transfer, be fully paid and free from all mortgages, charges, liens, encumbrances, pledges, security interests and other interests of third parties of any kind; and

(b) it has full power and capacity to sell and transfer its Scheme Shares (including all rights and entitlements attaching to them) to Holdco.

8.4 Title to Scheme Shares

On and from the Implementation Date, subject to provision of the Scheme Consideration contemplated in clause 5.1, pending registration by Benitec of Holdco in the Register as the holder of the Scheme Shares, Holdco will be beneficially entitled to the Scheme Shares.

8.5 Appointment of Holdco as sole proxy

(a) On and from the Implementation Date and subject to provision of the Scheme Consideration contemplated in clause 5.1, until registration by Benitec of Holdco in the Register as the holder of the Scheme Shares, each Scheme Participant:

(i) without the need for any further act irrevocably appoints Benitec and each of its directors, officers and secretaries (jointly and each of them separately) as its agent and attorney to appoint an officer or agent nominated by Holdco as its sole proxy and where applicable, corporate representative to:

(A) attend shareholders' meetings of Benitec;

(B) exercise the votes attached to the Scheme Shares registered in the name of the Scheme Participant; and

For personal use only

(C) sign any shareholders' resolution of Benitec;

(ii) undertakes not to attend or vote at any such meetings or sign any such resolutions, whether in person, by proxy or by corporate representative other than under this clause 8.5;

(iii) must take all other actions in the capacity of a registered holder of Scheme Shares as Holdco reasonably directs; and

(iv) acknowledges and agrees that in exercising the powers referred to in this clause 8.5, Holdco and each of the directors, officers and secretaries of Holdco may act in the best interests of Holdco as the intended registered holder of the Scheme Shares.

(b) Benitec undertakes in favour of each Scheme Participant that it will appoint the officer or agent nominated by Holdco as that Scheme Participant's proxy or, where applicable, corporate representative in accordance with clause 8.5(a).

8.6 Scheme alterations and conditions

If the Court proposes to approve the Scheme subject to any alterations or conditions under section 411(6) of the Corporations Act, Benitec may, by its counsel or solicitors, and with the consent of Holdco, consent to those alterations or conditions on behalf of all persons concerned, including, for the avoidance of doubt, all Scheme Participants.

8.7 Effect of Scheme

The Scheme binds Benitec and all Scheme Participants (including those who do not attend the Scheme Meeting, do not vote at the meeting or vote against the Scheme) and, to the extent of any inconsistency and to the extent permitted by law, overrides the constitution of Benitec.

8.8 No liability when acting in good faith

Neither Benitec nor Holdco, nor any of their respective officers or agents, will be liable to a Benitec Shareholder for anything done or omitted to be done in the performance of the Scheme in good faith.

8.9 Notices

(a) Where a notice, transfer, transmission application, direction or other communication referred to in the Scheme is sent by post to Benitec, it will not be deemed to be received in the ordinary course of post or on a date other than the date (if any) on which it is actually received at Benitec's registered office or the address of its share registry.

(b) The accidental omission to give notice of the Scheme Meeting or the non-receipt of such a notice by any Benitec Shareholder will not, unless so ordered by the Court, invalidate the Scheme Meeting or the proceedings of the Scheme Meeting.

8.10 Further assurances

Each party must, at its own expense, whenever requested by the other party, promptly do or, to the extent reasonably practicable, arrange for others to do everything, including executing any documents, reasonably necessary to give full effect to this Scheme and the transactions contemplated by this Scheme.

For personal use only

8.11 Costs and stamp duty

Holdco will pay all stamp duty (if any) and any related fines, penalties and interest payable on the transfer by Scheme Participants of the Scheme Shares to Holdco.

8.12 Governing law and jurisdiction

This Scheme is governed by the laws of Victoria. Each party irrevocably and unconditionally:

(a) submits to the exclusive jurisdiction of the courts of Victoria; and

(b) waives, without limitation, any claim or objection based on absence of jurisdiction or inconvenient forum.

For personal use only

Attachment D

Notice of Scheme Meeting

For personal use only

D

NOTICE OF COURT-ORDERED MEETING OF BENITEC SHAREHOLDERS

For personal use only

Benitec Biopharma Limited ACN 068 943 662 **(Benitec)**

Notice is hereby given that, by an order of the Supreme Court of Queensland made on 7 February 2020, pursuant to subsection 411(1) of the Corporations Act a meeting of Benitec Shareholders will be held at Grant Thornton, Collins Square, Tower 5, 727 Collins Street, Melbourne, Victoria 3008 at 10.00am (AEST) on Thursday, 26 March 2020 (**Scheme Meeting**).

Purpose of the meeting

The purpose of the Scheme Meeting is to consider and, if thought fit, to agree to a scheme of arrangement (with or without amendment or any alterations or conditions required by the Court to which Benitec and the Holdco agree) proposed to be made between Benitec and Benitec Shareholders (the **Scheme**).

A copy of the Scheme and a copy of the explanatory statement required by section 412 of the Corporations Act in relation to the Scheme are contained in the Scheme Booklet, of which this notice forms part.

Scheme Resolution

The meeting will be asked to consider and, if thought fit, pass (with or without amendment) the following resolution (the **Scheme Resolution**):

> 'That, pursuant to and in accordance with the provisions of section 411 of the Corporations Act 2001 (Cth), the scheme of arrangement proposed between Benitec Biopharma Limited and the holders of its ordinary shares, as contained in and more particularly described in the Scheme Booklet of which the notice convening this meeting forms part, is agreed to, with or without alterations or conditions as approved by the Supreme Court of Queensland to which Benitec Biopharma Limited and Holdco agree.'

Chair

The Court has directed that Dr Jerel Banks is to act as chair of the meeting (and that, if Dr Banks is unable or unwilling to attend, Ms Megan Boston is to act as chair of the meeting) and has directed the chair to report the result of the Scheme Resolution to the Court.

Dated 10 February 2020

By order of the Court and the Benitec Board



Oliver Kidd
Company Secretary

Explanatory notes

For personal use only

1 General

This notice of meeting relates to the Scheme and should be read in conjunction with Benitec's Scheme Booklet dated 10 February 2020 (the **Scheme Booklet**) of which this notice forms part. The Scheme Booklet contains important information to assist you in determining how to vote on the Scheme Resolution.

A copy of the Scheme is set out in Attachment C of the Scheme Booklet.

Capitalised terms used but not defined in this notice have the defined meanings set out in section 9 of the Scheme Booklet, unless the context otherwise requires.

2 Benitec Board's recommendation and voting intentions

As noted in the Scheme Booklet, the Benitec Board unanimously recommends that Benitec Shareholders vote in favour of the Scheme Resolution and each member of the Benitec Board intends to vote in favour of the Scheme Resolution, in the absence of a superior proposal and subject to the Independent Expert continuing to consider the Scheme to be in the best interests of Benitec Shareholders.

3 Shareholder approval

For the proposed Scheme to be binding in accordance with section 411 of the Corporations Act, the Scheme Resolution must be agreed to by:

- unless the Court orders otherwise, a majority in number of Benitec Shareholders present and voting (either in person or by proxy, attorney or, in the case of corporate Benitec Shareholders, body corporate representative) at the Scheme Meeting; and
- at least 75% of the votes cast on the Scheme Resolution (either in person or by proxy, attorney or, in the case of corporate Benitec Shareholders, body corporate representative) at the Scheme Meeting.

4 Court approval

Under paragraph 411(4)(b) of the Corporations Act, the Scheme (with or without amendment or any alteration or condition required by the Court) is subject to the approval of the Court. If the Scheme Resolution is agreed to by the Requisite Majority and the Conditions Precedent to the Scheme (other than approval by the Court) are satisfied or waived (if applicable) by the time required under the Scheme, Benitec intends to apply to the Court for the necessary orders to give effect to the Scheme.

In order for the Scheme to become Effective, it must be approved by the Court and an office copy of the orders of the Court approving the Scheme must be lodged with ASIC.

For personal use only

5 Entitlement to vote

The time for determining eligibility to vote at the Scheme Meeting is 7.00pm (AEDT) on Tuesday, 24 March 2020. Only those Benitec Shareholders entered on the Share Register at that time will be entitled to attend and vote at the meeting, either in person, by proxy or attorney, or in the case of a corporate shareholder, by a body corporate representative.

ADS Holders will be entitled to vote on the Scheme Resolution through the ADS Depositary, Bank of New York Mellon. ADS Holders may not vote in person at the Scheme Meeting or by proxy other than through the ADS Depositary unless they surrender their ADS and become holders of the underlying Benitec Shares prior to the date for determining entitlement to vote.

6 How to vote

Voting will be conducted by poll. If you are a Benitec Shareholder, you may vote by:

- attending and voting in person;
- appointing one or two proxies to attend and vote on your behalf, using the Proxy Form that accompanied the Scheme Booklet (which may be lodged by post, online or by fax);
- appointing an attorney to attend and vote on your behalf, using a power of attorney; or
- in the case of a body corporate, appointing a body corporate representative to attend the meeting and vote on your behalf, using a certificate of appointment of body corporate representative.

Details about your entitlement to vote, how to vote and how to appoint a proxy, attorney or corporate representative (as relevant) are set out in the Scheme Booklet in the Section "Overview of this Scheme Booklet" (commencing on page 3) and in Section 1 "Frequently asked questions" (commencing on page 9).

7 Attendance

If you or your proxies, attorneys or representative(s) plan to attend the meeting, please arrive at the venue at least 30 minutes before the scheduled time for commencement of the meeting, so that your shareholding can be checked against the Share Register, any power of attorney or certificate of appointment of body corporate representative verified, and your attendance noted.

8 Jointly held securities

If you hold Benitec Shares jointly with one or more other persons, only one of you may vote. If more than one of you attempts to vote in person at the meeting, only the vote of the holder whose name appears first on the Share Register will be counted.

See also the comments in paragraphs below regarding the appointment of a proxy by persons who jointly hold Benitec Shares.

9 Advertisement

Where this notice of meeting is advertised unaccompanied by the Scheme Booklet, a copy of the Scheme Booklet can be obtained by anyone entitled to attend the meeting from the ASX website (www.asx.com.au) or by contacting the Share Registry.

Attachment E

Amended and Restated Scheme Implementation Agreement

For personal use only



For personal use only

Execution version

Amended and Restated Scheme Implementation Agreement

Benitec Biopharma Limited ACN 068 943 662

Benitec Biopharma Inc.

Jones Day
Riverside Centre, Level 31
123 Eagle Street
Brisbane QLD 4000, Australia
Tel: 61 7 3085 7000
Fax: 61 7 3085 7099
www.jonesday.com

AUI-930763234v4

Contents

1. Definitions and interpretation 1
1.1 Definitions 1
1.2 Interpretation 5
2. Agreement to propose and implement Scheme 6
2.1 Benitec to propose Scheme 6
2.2 Agreement to implement Scheme 6
3. Conditions Precedent 6
3.1 Conditions Precedent to the Scheme 6
3.2 Reasonable endeavours 7
3.3 Waiver of Condition Precedent 8
3.4 Notices in relation to Conditions Precedent 8
3.5 Consultation on failure of Condition Precedent 8
3.6 Failure to agree 9
4. Outline of Scheme 9
4.1 Scheme 9
4.2 Scheme Consideration 9
4.3 Provision of Scheme Consideration 9
4.4 Share Sale Facility 10
5. Implementation of the Scheme 10
5.1 General obligations 10
5.2 Benitec's obligations 10
5.3 Holdco's obligations 12
5.4 Scheme Booklet responsibility statement 13
5.5 Verification 13
6. Conduct of business 13
6.1 Specified obligations of Benitec 13
6.2 Change of control 13
7. Warranties 14
7.1 Benitec warranties 14
7.2 Holdco Warranties 14
7.3 Nature of warranties 15
7.4 No other warranties or reliance 15
7.5 Release 15
7.6 Directors' and officers' insurance 16
7.7 Period of undertaking 16
7.8 Benefit of undertaking for Benitec Group 16
8. Termination 16
8.1 Termination for breach 16
8.2 Mutual termination 16
8.3 Effect of termination 16

For personal use only

9. Costs and stamp duty 17
9.1 Costs 17
9.2 Stamp duty 17
10. GST 17
10.1 Definitions and interpretation 17
10.2 GST exclusive 17
10.3 Payment of GST 17
10.4 Adjustment events 17
10.5 Reimbursements 18
11. Notices 18
11.1 How to give a Notice 18
11.2 When effective 18
12. General 19
12.1 Amendment 19
12.2 Assignment 19
12.3 Further assurances 19
12.4 Waivers, rights and remedies 19
12.5 Severability 19
12.6 Entire agreement 19
12.7 No merger 20
12.8 Indemnities 20
12.9 No representation or reliance 20
12.10 Governing law 20
12.11 Counterparts 20
Signing page 21
Annexure A – Scheme of Arrangement 22
Annexure B – Deed Poll 23

For personal use only

For personal use only

Amended and Restated Scheme Implementation Agreement

Date 30 January 2020

Parties

Benitec	Benitec Biopharma Limited ACN 068 943 662, an Australian public company incorporated under the laws of Australia of Level 14, 114 William Street, Melbourne, Victoria 3000
Holdco	Benitec Biopharma Inc., a corporation formed under the laws of Delaware, United States of America of Corporation Trust Center, 1209 Orange Street, City of Wilmington, County of New Castle, 19801

Recitals

A. Benitec is an Australian public company and the current holding company of the Benitec Group.

B. Holdco is a special purpose vehicle incorporated in Delaware, United States, for the purpose of effecting the re-domiciliation.

C. Benitec wishes to effect a re-domiciliation from Australia to the United States by Holdco acquiring all of the Benitec Shares by scheme of arrangement under Part 5.1 of the Corporations Act (**Scheme**), following which Benitec will become a wholly owned subsidiary of Holdco.

D. Benitec and Holdco propose to implement the Scheme on the terms and conditions of this document.

It is **agreed** as follows.

1. Definitions and interpretation

1.1 Definitions

The following definitions apply unless the context requires otherwise.

Adviser means, in relation to an entity, its legal, financial and other professional advisers, but excluding the Independent Expert.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or, where the context requires, the securities market which it operates.

For personal use only

Benitec Group means Benitec and each of its Subsidiaries.

Benitec Released Party means each member of the Benitec Group and their respective Representatives.

Benitec Share means a fully paid ordinary share issued in the capital of Benitec.

Benitec Shareholder means each person who is registered in the Register as a holder of Benitec Shares.

Business Day means a day that is not a Saturday, Sunday, public holiday or bank holiday in Melbourne, Victoria.

Change of Control Requirements has the meaning given to that term in clause 6.2(a).

Claim means a demand, claim, action or proceeding, however arising and whether present, unascertained, immediate, future or contingent, including any claim for specific performance.

Completion means completion of the implementation of the Scheme on the Implementation Date.

Conditions Precedent means the conditions precedent set out in clause 3.1.

Corporations Act means the *Corporations Act 2001* (Cth).

Court means a court of competent jurisdiction under the Corporations Act as agreed between the parties.

Deed Poll means the Scheme Deed Poll.

Effective, when used in relation to a Scheme, means the coming into effect, pursuant to section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) in relation to the Scheme, but in any event at no time before an office copy of the order of the Court is lodged with ASIC.

Effective Date means, when used in relation to a Scheme, the date on which the Scheme becomes Effective.

End Date means 5.00 pm on 30 June 2020 or such other date and time agreed in writing between the parties.

First Court Date means the date of the hearing by the Court of the application to order the convening of the Scheme Meeting under section 411(1) of the Corporations Act.

Fractional Holdco Share has the meaning given in clause 4.3(b).

Holdco Information means the information regarding Holdco as is required to be included in the Scheme Booklet under all applicable laws, including the Corporations Act, applicable ASIC guidance and policies and the Listing Rules. Holdco Information does not include information about the Benitec Group (except to the extent it relates to any statement of intention relating to the Benitec Group following the Effective Date).

Holdco Released Party means Holdco and its Representatives.

Holdco Share means a share of voting common stock in Holdco.

For personal use only

Implementation Date means the fifth Business Day following the Record Date or such other date as is agreed by the parties.

Independent Expert means the independent expert appointed by Benitec under clause 5.2(b).

Independent Expert's Report means the report from the Independent Expert for inclusion in the Scheme Booklet, including any update or supplementary report, stating whether or not in the Independent Expert's opinion the Scheme is in the best interests of Benitec Shareholders.

Ineligible Foreign Shareholder means a Scheme Participant whose address, as shown in the Register (as at the Record Date), is in a place outside Australia, Hong Kong, New Zealand, Singapore or the United States, unless Holdco is satisfied, acting reasonably, that the laws of that place permit the offer and issue of Holdco Shares to that Scheme Participant and, in Holdco's sole discretion, is not unduly onerous or impracticable for Holdco.

A person is **Insolvent** if:

(a) it is (or states that it is) an insolvent under administration or insolvent (each as defined in the Corporations Act); or

(b) it is in liquidation, in provisional liquidation, under administration or wound up or has had a Controller appointed to any part of its property; or

(c) it is subject to any arrangement, assignment, moratorium or composition, protected from creditors under any statute or dissolved (in each case, other than to carry out a reconstruction or amalgamation while solvent on terms approved by the other parties to this document); or

(d) an application or order has been made (and in the case of an application, it is not stayed, withdrawn or dismissed within 14 days), resolution passed or any other action taken, in each case in connection with that person, in respect of any of the things described in paragraphs (a), (b) or (c);

(e) it is taken (under section 459F(1) of the Corporations Act) to have failed to comply with a statutory demand; or

(f) it is the subject of an event described in section 459C(2)(b) or section 585 of the Corporations Act (or it makes a statement from which another party to this document reasonably deduces it is so subject); or

(g) it is otherwise unable to pay its debts when they fall due; or

(h) something having a substantially similar effect to (a) to (g) happens in connection with that person under the law of any jurisdiction.

Listing Rules means the listing rules of ASX as amended from time to time.

Nasdaq means Nasdaq, Inc. or the Nasdaq Capital Market, as the context requires.

Officer means, in relation to an entity, its directors, officers and employees.

Record Date means 7.00 pm on the fifth Business Day after the Effective Date.

Register means the register of shareholders of Benitec maintained by or on behalf of Benitec.

Regulatory Authority includes, in any jurisdiction:

(a) a government or governmental, semi-governmental or judicial entity or authority;

(b) a minister, department, office, commission, delegate, instrumentality, agency, board, authority or organisation of any government; and

(c) any regulatory organisation established under statute,

and includes ASX, ASIC, Nasdaq and the Takeovers Panel.

Related Body Corporate has the meaning given in section 50 of the Corporations Act.

Representative means, in relation to an entity:

(a) each of the entity's Related Bodies Corporate; and

(b) each of the Officers and Advisers of the entity or any of its Related Bodies Corporate.

Sale Agent means the person appointed by Benitec to sell the Holdco Shares that are attributable to Ineligible Foreign Shareholders, Selling Shareholders and Scheme Participants who are entitled to Fractional Holdco Shares as part of their Scheme Consideration under the terms of the Scheme.

Sale Election means an election by a Selling Shareholder who holds less than 50,000 Benitec Shares to have all (but not some) of the Holdco Shares to which the Selling Shareholder is entitled to under the Scheme sold by the Sale Agent through the Share Sale Facility by lodging a "Sale Election Form" in accordance with the instructions on that form so that it is received by Benitec before 5.00pm (Melbourne time) on the Record Date.

Scheme means the scheme of arrangement under part 5.1 of the Corporations Act under which all Benitec Shares held by the Scheme Participants will be transferred to Holdco substantially in the form of Annexure A together with any amendment or modification made pursuant to section 411(6) of the Corporations Act.

Scheme Booklet means, in respect of the Scheme, the information booklet to be approved by the Court and despatched to Benitec Shareholders which includes the Scheme, an explanatory statement complying with the requirements of the Corporations Act and notice of meeting and proxy forms.

Scheme Consideration means the consideration payable by Holdco for the transfer of Scheme Shares to Holdco, being, being, one Holdco Share for every 300 Scheme Shares held by the Scheme Participant.

Scheme Meeting means the meeting to be convened by the Court at which Benitec Shareholders will vote on the Scheme.

Scheme Participant means each person who is a Benitec Shareholder as at the Record Date.

Scheme Share means a Benitec Share as at the Record Date.

Second Court Date means the day on which the Court makes an order pursuant to section 411(4)(b) of the Corporations Act approving the Scheme.

Selling Shareholder means a Benitec Shareholder who makes a valid Sale Election.

Share Sale Facility means the facility to be established by Benitec and managed by the Sale Agent under which:

(a) the Holdco Shares which otherwise would be received by Ineligible Foreign Shareholders and Selling Shareholders; and

For personal use only

(b) the aggregate Fractional Holdco Shares,

will be sold in accordance with the Scheme and the agreement to be entered into between Benitec and the Sale Agent in relation to the Share Sale Facility.

Share Sale Facility Proceeds means the net cash proceeds from the sale of Holdco Shares sold through the Share Sale Facility, after deducting brokerage and other costs of sale and any taxes which may be required to be withheld under applicable laws.

Subsidiary has the meaning given to that term in the Corporations Act.

United States means the United States of America.

1.2 Interpretation

In this document, the following rules of interpretation apply unless the context requires otherwise:

(a) headings are for convenience only and do not affect interpretation;

(b) the singular includes the plural and vice versa;

(c) a gender includes other genders;

(d) another grammatical form of a defined word or expression has a corresponding meaning;

(e) a reference to a person includes a natural person, a body corporate, a corporation, a trust, a partnership, an unincorporated association or any other entity;

(f) a reference to a person includes a reference to the person's successors, administrators, executors, and permitted assigns and substitutes;

(g) a reference to legislation includes regulations and other instruments issued under it and consolidations, amendments, modifications, re-enactments or replacements of any of them;

(h) a reference to a clause, schedule or annexure is to a clause of, or schedule or annexure to, this document;

(i) a reference to a document (including this document) includes any amendment, variation, replacement or novation of it;

(j) the meaning of general words is not limited by using the words "including", "for example" or similar expressions;

(k) a reference to dollars, AUD, $ or A$ is a reference to the lawful currency of Australia;

(l) a reference to time is a reference to time in Melbourne, Australia;

(m) nothing in this document is to be construed to the disadvantage of a party because that party prepared it or any part of it;

(n) a reference to a day (including a Business Day) means a period of time commencing at midnight and ending 24 hours later;

(o) if a day on or by which an obligation must be performed or an event must occur is not a Business Day, the obligation must be performed or the event must occur on or by the next Business Day; and

For personal use only

(p) a reference to a party using or obligation on a party to use its best endeavours or reasonable endeavours does not oblige that party to:

(i) pay money:

(A) in the form of an inducement or consideration to a third party to procure something (other than the payment of immaterial expenses or costs, including costs of advisers, to procure the relevant thing); or

(B) in circumstances that are commercially onerous or unreasonable in the context of this document;

(ii) provide other valuable consideration to or for the benefit of any person; or

(iii) agree to commercially onerous or unreasonable conditions.

2. Agreement to propose and implement Scheme

2.1 Benitec to propose Scheme

Benitec agrees to propose the Scheme on and subject to the terms and conditions of this document.

2.2 Agreement to implement Scheme

The parties agree to implement the Scheme on the terms and conditions of this document.

3. Conditions Precedent

3.1 Conditions Precedent to the Scheme

Subject to this clause, the Scheme will not become Effective, and the obligations of Holdco under clause 4.3 are not binding, until each of the following Conditions Precedent are satisfied or waived to the extent and in the manner set out in this clause.

Condition Precedent		Party entitled to benefit	Party responsible
(a)	**(ASIC and ASX)** before 8.00am on the Second Court Date, ASIC and ASX issue or provide all reliefs, waivers, confirmations, exemptions, consents or approvals, and have done all other acts, necessary, or which Benitec and Holdco agree are desirable, to implement the Scheme and such reliefs, waivers, confirmations, exemptions, consents, approvals or other acts (as the case may be) have not been withdrawn, suspended or revoked at 8.00am on the Second Court Date.	Both	Both
(b)	**(Shareholder approval)** Benitec Shareholders approve the Scheme by the requisite majorities required under section 411(4)(a)(ii) in accordance with the Corporations Act.	Cannot be waived	Benitec

For personal use only

Condition Precedent		Party entitled to benefit	Party responsible
(c)	**(Court approval)** the Court approves the Scheme in accordance with section 411(4)(b) of the Corporations Act.	Cannot be waived	Benitec
(d)	**(Regulatory Authority)** before 8.00am on the Second Court Date, the approvals of each Regulatory Authority which Benitec and Holdco agree (acting reasonably) are necessary to implement the Scheme or conduct the Benitec Group's business on and from Completion, lawfully and in a manner consistent with its conduct prior to the Implementation Date.	Both	Both
(e)	**(Independent Expert)** the Independent Expert issues a report which concludes that the Scheme is in the best interests of Benitec Shareholders on or before the date on which the Scheme Booklet is lodged with ASIC.	Benitec	Benitec
(f)	**(Nasdaq approval)** Prior to 8.00 am on the Second Court Date, the Holdco Shares have been authorised for listing on Nasdaq, subject to official notice of issuance following the implementation of the Scheme and any customary conditions.	Both	Both
(g)	**(Regulatory intervention)** no Court or Regulatory Authority has issued or taken steps to issue an order, temporary restraining order, preliminary or permanent injunction, decree or ruling or taken any action enjoining, restraining or otherwise imposing a legal restraint or prohibition preventing the Scheme and no such order, decree, ruling, other action or refusal is in effect as at 8.00am on the Second Court Date.	Both	Both

3.2 Reasonable endeavours

Each party agrees to use reasonable endeavours to procure that:

(a) each of the Conditions Precedent for which it is a party responsible (as noted in clause 3.1):

(i) is satisfied as soon as practicable after the date of this document; and

(ii) continues to be satisfied at all times until the last time it is to be satisfied (as the case may require); and

(b) there is no occurrence that would prevent the Condition Precedent for which it is a party responsible being satisfied.

For personal use only

3.3 Waiver of Condition Precedent

(a) A Condition Precedent may only be waived in writing by the party or parties entitled to the benefit of that Condition Precedent as noted in clause 3.1 (except conditions which cannot be waived) and will be effective only to the extent specifically set out in that waiver.

(b) To be effective any waiver of the breach or non-fulfilment of any condition in clause 3.1 (except conditions which cannot be waived) must be in writing and a copy of the waiver must be provided to the other parts prior to 8.00 am on the Second Court Date.

(c) A waiver of a breach or non-fulfilment in respect of a Condition Precedent does not constitute:

(i) a waiver of a breach or non-fulfilment of any other Condition Precedent arising from the same event; or

(ii) a waiver of a breach or non-fulfilment of that Condition Precedent resulting from any other event.

(d) A waiver of any condition in clause 3.1 precludes the party who has the benefit of the condition from suing the other party for any breach of this document that resulted from any breach or non-fulfilment of the condition.

3.4 Notices in relation to Conditions Precedent

Each party must:

(a) **(notice of satisfaction)** promptly notify the other of satisfaction of a Condition Precedent and must keep the other informed of any material development of which it becomes aware that may lead to the breach or non-fulfilment of a Condition Precedent;

(b) **(notice of failure)** immediately give written notice to the other of a breach or non-fulfilment of a Condition Precedent, or of any event which will prevent a Condition Precedent being satisfied; and

(c) **(notice of waiver)** upon receipt of a notice given under clause 3.4(b), give written notice to the other party as soon as possible (and in any event before 5.00pm on the day before the Second Court Date) as to whether or not it waives the breach or non-fulfilment of any Condition Precedent resulting from the occurrence of that event, specifying the Condition Precedent in question.

3.5 Consultation on failure of Condition Precedent

If:

(a) there is a breach or non-fulfilment of a Condition Precedent which is not waived in accordance with this document by the time or date specified in this document for the satisfaction of the Condition Precedent;

(b) there is an act, failure to act or occurrence which will prevent a Condition Precedent being satisfied by the time or date specified in this document for the satisfaction of the Condition Precedent (and the breach or non-fulfilment which would otherwise occur has not already been waived in accordance with this document); or

(c) the Scheme has not become Effective by the End Date,

For personal use only

the parties must consult in good faith with a view to determine whether:

(d) the Scheme may proceed by way of alternative means or methods;

(e) to extend the relevant time for satisfaction of the Condition Precedent or to adjourn or change the date of an application to the Court; or

(f) to extend the End Date.

3.6 Failure to agree

(a) If the parties are unable to reach agreement under clause 3.5 within two Business Days (or any shorter period ending at 5.00pm on the day before the Second Court Date):

(i) subject to clause 3.6(a)(ii), either party may terminate this document (and that termination will be in accordance with clause 8.3); or

(ii) if the relevant Condition Precedent may be waived and exists for the benefit of one party only, that party only may terminate this document (and that termination will be in accordance with clause 8.3),

in each case before 8.00am on the Second Court Date.

(b) A party will not be entitled to exercise the rights under this clause 3.6 if the relevant Condition Precedent has not been satisfied as a result of a breach of this document by that party.

4. Outline of Scheme

4.1 Scheme

Benitec must propose a scheme of arrangement under which:

(a) all of the Benitec Shares held by Scheme Participants at the Record Date will be transferred to Holdco; and

(b) each Scheme Participant will be entitled to receive the Scheme Consideration.

4.2 Scheme Consideration

Subject to and in accordance with this document and the Scheme, each Scheme Participant is entitled to receive the Scheme Consideration in respect of each Benitec Share held by that Scheme Participant.

4.3 Provision of Scheme Consideration

(a) Subject to this document and the Scheme, Holdco undertakes to Benitec that, in consideration of the transfer to Holdco of each Benitec Share held by a Scheme Participant, Holdco will, on the Implementation Date:

(i) accept that transfer; and

(ii) provide the Scheme Consideration in accordance with the Scheme.

(b) Where a Scheme Participant would otherwise be entitled to a fraction of a Holdco Share as part of its Scheme Consideration (**Fractional Holdco Share**) the entitlement will be aggregated with all other Fractional Holdco Shares and issued to the Sale Agent and sold in accordance with clause 4.4.

For personal use only

4.4 Share Sale Facility

(a) Where a Scheme Participant is an Ineligible Foreign Shareholder, a Selling Shareholder or is entitled to a Fractional Holdco Share, the number of Holdco Shares or Fractional Holdco Shares to which that Scheme Participant would otherwise have been entitled to under the Scheme will be issued to the Sale Agent and sold under the Share Sale Facility. If the number of Fractional Holdco Shares is, in aggregate, not a whole number, then the nearest whole number of aggregate Fractional Holdco Shares will be issued to the Sale Agent.

(b) Benitec will procure that, after the Implementation Date, the Sale Agent:

(i) sells on Nasdaq all of the Holdco Shares issued to the Sale Agent in accordance with clause 4.4(a) in such manner, at such price and on such other terms as the Sale Agent determines in good faith, and at the risk of the Ineligible Foreign Shareholders, Selling Shareholders or the Scheme Participants who are otherwise entitled to Fractional Holdco Shares (as applicable); and

(ii) remits the Share Sale Facility Proceeds to each Ineligible Foreign Shareholder, Selling Shareholder or Scheme Participant who is otherwise entitled to a Fractional Holdco Share (as applicable) in the amount to which they are entitled, calculated on a volume weighted average basis so that all Ineligible Foreign Shareholders, Selling Shareholders and Scheme Participants who are entitled to Fractional Holdco Shares receive the same price (or part thereof) for each whole Holdco Share sold.

5. Implementation of the Scheme

5.1 General obligations

Benitec and Holdco must each:

(a) use all reasonable endeavours and commit necessary resources (including management and corporate relations resources and the resources of external advisers); and

(b) procure that its officers and advisers work in good faith and in a timely and co-operative fashion with the other party (including by attending meetings and by providing information),

to produce the Scheme Booklet and implement the Scheme as soon as reasonably practicable and in accordance with the timetable agreed between the parties.

5.2 Benitec's obligations

Benitec must take all reasonable steps to implement the Scheme on a basis consistent with this document and as soon as reasonably practicable, and in particular must:

(a) **(Scheme Booklet)** prepare and despatch to Benitec Shareholders a Scheme Booklet which complies with all applicable laws, including the Corporations Act, applicable ASIC guidance and policies and the Listing Rules;

(b) **(Independent Expert)** promptly appoint the Independent Expert and provide any assistance and information reasonably requested by the Independent Expert to enable the Independent Expert to prepare the Independent Expert's Report;

(c) **(section 411(17)(b) statement)** apply to ASIC for the production of:

For personal use only

(i) a letter stating that it does not intend to appear at the First Court Date; and

(ii) a statement pursuant to section 411(17)(b) of the Corporations Act stating that ASIC has no objection to the Scheme;

(d) **(Consult with Holdco)** provide Holdco with drafts of the Scheme Booklet, consult with Holdco in relation to the content and presentation of the Scheme Booklet and give Holdco and its Representatives a reasonable opportunity to provide input about the content and presentation of the Scheme Booklet, and obtain Holdco's consent to include the Holdco Information in the form and context in which it appears;

(e) **(Court application)** apply to the Court for an order under section 411(1) of the Corporations Act directing Benitec to convene the Scheme Meeting;

(f) **(Court approval)** subject to all Conditions Precedent in clause 3.1 (other than paragraph (c)) being satisfied or waived in accordance with this document, apply to the Court for an order approving the Scheme in accordance with sections 411(4)(b) and 411(6) of the Corporations Act;

(g) **(Registration)** request ASIC to register the explanatory statement included in the Scheme Booklet in relation to the Scheme in accordance with section 412(6) of the Corporations Act;

(h) **(Benitec new information)** provide to Benitec Shareholders any further or new information which arises after the despatch of the Scheme Booklet and prior to the Scheme Meeting which is necessary to ensure that the information contained in the Scheme Booklet is not false, misleading or deceptive in any material respect (whether by omission or otherwise);

(i) **(Scheme Meeting)** convene the Scheme Meeting to approve the Scheme in accordance with any orders made by the Court pursuant to section 411(1) of the Corporations Act;

(j) **(Conditions Precedent certificate)** at the hearing on the Second Court Date, provide to the Court (through its counsel):

(i) a certificate confirming (in respect of matters within Benitec's knowledge) whether or not the Conditions Precedent for which it is responsible, as noted in clause 3.1 (other than paragraph (c)), have been satisfied or waived in accordance with clause 3; and

(ii) any certificate provided to it by Holdco under clause 5.3(f);

(k) **(Register)** close the Register as at the Record Date to determine the identity of Scheme Participant and their entitlements to Scheme Consideration;

(l) **(instruments of transfer)** subject to Holdco satisfying its obligations under clause 4.3, on the Implementation Date:

(i) execute proper instruments of transfer and effect the transfer of all Scheme Shares to Holdco in accordance with the Scheme; and

(ii) register all transfers of Scheme Shares to Holdco;

(m) **(lodge copy of Court orders)** lodge with ASIC an office copy of the Court order approving the Scheme in accordance with section 411(10) of the Corporations Act on the day after that office copy is received (or any later date agreed in writing by Holdco);

For personal use only

(n) **(suspension of trading)** apply to ASX to suspend trading in Benitec Shares with effect from the close of trading on the Effective Date;

(o) **(listing)** take all reasonable steps to maintain Benitec's listing on ASX, notwithstanding any suspension of the quotation of Benitec Shares, up to and including the Implementation Date, including making appropriate applications to ASX and ASIC; and

(p) **(other steps)** do all other things necessary to give effect to the Scheme and the orders of the Court approving the Scheme.

5.3 Holdco's obligations

Holdco must take all reasonable steps to assist Benitec to implement the Scheme on a basis consistent with this document and as soon as reasonably practicable, and in particular must:

(a) **(Holdco Information):**

(i) prepare and promptly provide to Benitec for inclusion in the Scheme Booklet the Holdco Information (in accordance with all applicable laws, including the Corporations Act, applicable ASIC guidance and policies and the Listing Rules) and consent to the inclusion of that information in the Scheme Booklet; and

(ii) provide Benitec with drafts of the Holdco Information in a timely manner and, acting reasonably in good faith and take into account all reasonable comments from Benitec and its Representatives on those drafts;

(b) **(Accuracy of Holdco Information)** before the despatch of the Scheme Booklet to Benitec Shareholders, verify to Benitec the accuracy of the Holdco Information contained in the Scheme Booklet, and consent to the inclusion of that information in the form and context in which it appears in the Scheme Booklet, in each ease subject to Holdco being reasonably satisfied as to those matters;

(c) **(Holdco new information)** provide to Benitec further or new information about Holdco which arises after the despatch of the Scheme Booklet to Benitec Shareholders and prior to the Scheme Meeting which is necessary or reasonably required by Benitec to ensure that the Holdco Information disclosed to Benitc Shareholders is not false, misleading or deceptive in any material respect (whether by omission or otherwise);

(d) **(Independent Expert information)** provide any assistance or information reasonably requested by the Independent Expert in connection with the preparation of the Independent Expert's Report;

(e) **(Deed Polls)** prior to the Scheme Booklet being sent, sign and deliver to Benitec the Deed Polls;

(f) **(Conditions Precedent certificate)** before 8.00am on the Second Court Date, provide to Benitec for provision to the Court at the hearing on that date a certificate confirming (in respect of matters within Holdco's knowledge) whether or not the Conditions Precedent for which Holdco is responsible, as noted in clause 3.1 (other than paragraph (c)), have been satisfied or waived in accordance with clause 3;

(g) **(Share transfer)** if the Scheme becomes Effective, accept a transfer of the Scheme Shares as contemplated by clause 4.3(a)(i) and execute (or procure the execution of) proper instruments of transfer of the Scheme Shares to Holdco in accordance with the Scheme;

For personal use only

(h) **(Scheme Consideration)** if the Scheme becomes Effective, provide or procure the provision of the Scheme Consideration in the manner contemplated by the terms of the Scheme; and

(i) **(other steps)** do all other things reasonably necessary to ensure that the Scheme is effected in accordance with all applicable laws, regulations and policy.

5.4 Scheme Booklet responsibility statement

The responsibility statement to appear in the Scheme Booklet, in a form to be agreed by the parties, will contain words to the effect of:

(a) Benitec has prepared, and is responsible for, the content of the Scheme Booklet other than, to the maximum extent permitted by law, the Holdco Information, the Independent Expert's Report or any other report or letter issued to Benitec by a third party; and

(b) Holdco has prepared, and is responsible for, the Holdco Information in the Scheme Booklet (and no other part of the Scheme Booklet).

5.5 Verification

Each party must undertake appropriate verification processes for the information supplied by that party in the Scheme Booklet.

6. Conduct of business

6.1 Specified obligations of Benitec

(a) During the period between the date of this document and the earliest of:

(i) the Implementation Date;

(ii) the date this document is terminated in accordance with its terms; and

(iii) the End Date,

Benitec must, and must ensure that its Subsidiaries, conduct their businesses in the ordinary and proper course of business.

(b) Any restriction on conduct which is imposed in clause 6 does not apply to the extent that:

(i) the conduct is required to be undertaken by Benitec or its Subsidiary (as the case may be) in connection with the Scheme or this document; or

(ii) the conduct is approved by Holdco.

6.2 Change of control

As soon as practicable after the date of this document, the parties must:

(a) seek to identify any change of control or similar provisions in material contracts, joint venture documentation and leases to which a member of the Benitec Group is a party which may be triggered by the implementation of the Scheme ("**Change of Control Requirements**"); and

(b) unless otherwise agreed between Benitec and Holdco, use all reasonable endeavours to obtain any material consents required in accordance with the terms of

For personal use only

any identified Change of Control Requirements as soon as practicable and in any event before 8.00am on the Second Court Date.

7. Warranties

7.1 Benitec warranties

Benitec represents and warrants to Holdco at the date of this document and on each subsequent day until and including 8:00 am on the Second Court Date (except that where any statement is expressed to be made only at a particular date it is given only at that date) that:

(a) **(status)** it has been incorporated or formed in accordance with the laws of its place of incorporation;

(b) **(power)** it has power to enter into this document, to comply with its obligations under it and exercise its rights under it;

(c) **(no contravention)** the entry by it into, its compliance with its obligations and the exercise of its rights under, this document do not and will not conflict with:

(i) its constituent documents or cause a limitation on its powers or the powers of its directors to be exceeded; or

(ii) any law binding on or applicable to it or its assets;

(d) **(authorisations)** other than any:

(i) regulatory approval required in connection with the Scheme or any aspect of it;

(ii) matter which is the subject of a Condition Precedent; or

(iii) Change of Control Requirements,

it has in full force and effect each authorisation necessary for it to enter into this document, to comply with its obligations and exercise its rights under it, and to allow them to be enforced;

(e) **(validity of obligations)** its obligations under this document are valid and binding and are enforceable against it in accordance with its terms; and

(f) **(insolvency)** no member of the Benitec Group is Insolvent.

7.2 Holdco Warranties

Holdco represents and warrants to Benitec at the date of this document and on each subsequent day until and including 8:00 am on the Second Court Date (except that where any statement is expressed to be made only at a particular date it is given only at that date) that:

(a) **(status)** it has been incorporated or formed in accordance with the laws of its place of incorporation;

(b) **(power)** it has power to enter into this document, to comply with its obligations under it and exercise its rights under it;

(c) **(no contravention)** the entry by it into, its compliance with its obligations and the exercise of its rights under, this document do not and will not conflict with:

For personal use only

(i) its constituent documents or cause a limitation on its powers or the powers of its directors to be exceeded; or

(ii) any law binding on or applicable to it or its assets;

(d) **(authorisations)** it has in full force and effect each authorisation necessary for it to enter into this document, to comply with its obligations and exercise its rights under it, and to allow them to be enforced;

(e) **(validity of obligations)** its obligations under this document are valid and binding and are enforceable against it in accordance with its terms; and

(f) **(insolvency)** Holdco is not Insolvent.

7.3 Nature of warranties

Each representation and warranty in clauses 7.1 and 7.2:

(a) is severable;

(b) will survive termination of this document; and

(c) is given with the intent that liability under it is not confined to breaches which are discovered before the date of termination of this document.

7.4 No other warranties or reliance

(a) Each party acknowledges that no other party (nor any person acting on that other party's behalf) has made any warranty, representation or other inducement to it to enter into this document, except for the representations and warranties expressly set out in this document.

(b) Each party acknowledges and confirms that it does not enter into this document in reliance on any warranty, representation or other inducement by or on behalf of any other party, except for any warranty or representation expressly set out in this document.

7.5 Release

(a) Each party:

(i) releases its rights against, and will not make any Claim against, any past or present Representative of any other party in relation to anything done or purported to be done in connection with the Scheme, any transaction contemplated by or warranty given in this document, any information provided to it by another party or in relation to its execution or delivery of this document to the extent that the past or present Representative has acted in good faith and has not engaged in any wilful misconduct; and

(ii) holds the releases in clause 7.5(a)(i) in respect of its past and present Representatives as trustee for those Representatives.

(b) Nothing in clause 7.5(a)(i) excludes any liability that may arise from wilful misconduct or bad faith on the part of any person.

For personal use only

7.6 Directors' and officers' insurance

Subject to the Scheme becoming Effective and subject to the Corporations Act, Holdco undertakes in favour of Benitec and each other person who is an Officer of a member of the Benitec Group that it will:

(a) for a period of 7 years from the Implementation Date, ensure that the constitutions of Benitec and each other member of the Benitec Group are on materially no less favourable terms overall as are contained in those constitutions as at the date of this document that provide for each company to indemnify each of its Officers against any liability incurred by that person in his or her capacity as an Officer of the company to any person other than a member of the Benitec Group; and

(b) procure that Benitec and each other member of the Benitec Group complies with any deeds of indemnity, access and insurance made by them in favour of their respective Officers from time to time and without limiting the foregoing, ensure that the directors' and officers' run-off insurance cover for those Officers is maintained, for a period of 7 years from the retirement date of each Officer.

7.7 Period of undertaking

The undertakings contained in clause 7.6 are given until the earlier of the end of the relevant period specified in that clause or the relevant member of the Benitec Group ceasing to be a Subsidiary of Holdco.

7.8 Benefit of undertaking for Benitec Group

Benitec acknowledges that it receives and holds the benefit of clause 7.6 to the extent it relates to each Officer of a member of the Benitec Group on behalf of each of them.

8. Termination

8.1 Termination for breach

Without prejudice to any other rights of termination under this document, either party may terminate this document by giving the other party written notice at any time before 8.00 am on the Second Court Date if:

(a) the other party is in material breach of any term of this document, or there has been a material breach of a representation or warranty given by the other party under clauses 7.1 or 7.2 (as applicable) on or before the Second Court Date;

(b) the party wishing to terminate this document has given the other party a written notice setting out details of the breach and stating its intention to terminate this document; and

(c) the breach is not capable of remedy or has not been remedied 10 Business Days (or any shorter period ending immediately before 8.00 am on the Second Court Date) from the date the notice under clause 8.1(b) is given.

8.2 Mutual termination

This document is terminable if agreed to in writing by Holdco and Benitec.

8.3 Effect of termination

(a) if either Benitec or Holdco terminates this document under clauses 3.6, 8.1 or 8.2, this document and the parties' obligations under it cease, other than obligations under

For personal use only

this clause and clauses 1, 7.1, 7.2, 7.3, 7.4, 7.5, 9, 10 and 12 which will survive termination.

(b) Termination of this document under clauses 3.6, 8.1 or 8.2 does not affect any accrued rights of a party in respect of a breach of this document prior to termination.

9. Costs and stamp duty

9.1 Costs

Subject to clause 9.2, each party must bear its own costs and expenses (including professional fees and stamp duty) incurred by it in connection with the negotiation, preparation and execution of this document and the implementation or attempted implementation of the Scheme.

9.2 Stamp duty

Holdco must pay all stamp duty and any related fines or penalties in respect of this document, the Deed Poll and the acquisition of the Scheme Shares in accordance with the Scheme and indemnify Benitec against any liability arising from failure to comply with this clause 9.2.

10. GST

10.1 Definitions and interpretation

For the purposes of this clause:

(a) **GST Act** means the A New Tax System (Goods and Services Tax) Act 1999 (Cth);

(b) a term which has a defined meaning in the GST Act has the same meaning when used in this clause, unless the contrary intention appears; and

(c) each periodic or progressive component of a supply to which section 156-5(1) of the GST Act applies will be treated as if it were a separate supply.

10.2 GST exclusive

Unless this document expressly states otherwise, all consideration to be provided under this document is exclusive of GST.

10.3 Payment of GST

(a) If GST is payable, or notionally payable, on a supply in connection with this document, the party providing the consideration for the supply agrees to pay to the supplier an additional amount equal to the amount of GST payable on that supply (**"GST Amount"**).

(b) Subject to the prior receipt of a tax invoice, the GST Amount is payable at the same time as the GST-exclusive consideration for the supply, or the first part of the GST-exclusive consideration for the supply (as the case may be), is payable or is to be provided.

(c) This clause does not apply to the extent that the consideration for the supply is expressly stated to include GST or the supply is subject to a reverse-charge.

10.4 Adjustment events

If an adjustment event arises for a supply made in connection with this document, the GST Amount must be recalculated to reflect that adjustment. The supplier or the recipient (as the

For personal use only

case may be) agrees to make any payments necessary to reflect the adjustment and the supplier agrees to issue an adjustment note.

10.5 Reimbursements

Any payment, indemnity, reimbursement or similar obligation that is required to be made in connection with this document which is calculated by reference to an amount paid by another party must be reduced by the amount of any input tax credits which the other party (or the representative member of any GST group of which the other party is a member) is entitled. If the reduced payment is consideration for a taxable supply, clause 10.3 will apply to the reduced payment.

11. Notices

11.1 How to give a Notice

Any notice, demand, consent, waiver, approval or other communication (a **Notice**) given or made under or in connection with this document:

(a) must be in legible writing and in English;

(b) must be signed by the sender or a person duly authorised by the sender; and

(c) must be delivered to the intended recipient by hand, email or prepaid post (airmail if applicable) to the address or email address below or the address or email address last notified in writing by the intended recipient to the sender:

Benitec	Address:	Level 14, 114 William Street, Melbourne, Victoria 3000
	Email:	mboston@benitec.com
	Attention:	Mrs Megan Boston
Holdco	Address:	Level 14, 114 William Street, Melbourne, Victoria 3000
	Email:	jbanks@benitec.com
	Attention:	Mr Jerel Banks

11.2 When effective

A Notice will be effective upon receipt and will be taken to be received:

(a) in the case of delivery by hand, when delivered;

(b) in the case of delivery by post, two Business Days after the date of posting (or seven Business Days after the date of posting if sent from one country to another); and

(c) in the case of email, the earlier of:

(i) at the time the sender receives an automated message confirming delivery;

(ii) at the time the intended recipient confirms delivery by reply email; and

(iii) one hour after the time the email is sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated delivery failure notification indicating that the email has not been delivered,

but if the result is that a Notice is received or taken to be received outside the period between 9.00am and 5.00pm on a Business Day in the place of the addressee's postal address for

For personal use only

Notices, then the Notice will be taken to be received at 9.00am on the following Business Day in that place.

12. General

12.1 Amendment

This document can only be amended or replaced by another document signed by or on behalf of each of the parties.

12.2 Assignment

A party may not assign, encumber, declare a trust over or otherwise deal with its rights or obligations under this document, or attempt or purport to do so, without the prior written consent of each other party.

12.3 Further assurances

Each party must do, and procure that its employees and agents promptly do, all things necessary, including executing agreements and documents, to give full effect to this document and the transactions contemplated by it.

12.4 Waivers, rights and remedies

(a) No failure to exercise or a delay in exercising any right, power or remedy under this document fully or at a particular time will affect that right, power or remedy or operate as a waiver.

(b) The single or partial exercise or waiver of the exercise of any right, power or remedy does not preclude any other or further exercise of that or any other right, power or remedy.

(c) A waiver is not valid or binding on a party granting a waiver unless it is made in writing and signed by the party giving it.

(d) A party may exercise right, power or remedy or give or refuse to its consent, waiver or approval in its absolute discretion (including by imposing conditions), unless this document specifies otherwise.

(e) Except as provided in this document and permitted by law or equity, the rights, powers and remedies provided in this document are cumulative with and not exclusive to the rights, powers and remedies provided by law or equity independently of this document.

12.5 Severability

Any provision of this document which is prohibited or unenforceable in any jurisdiction is ineffective as to that jurisdiction to the extent of the prohibition or unenforceability. That does not invalidate the remaining provisions of this document nor affect the validity or enforceability of that provision in any other jurisdiction.

12.6 Entire agreement

To the extent permitted by law, in relation to the subject matter of this document, this document:

(a) embodies the entire understanding of the parties and constitutes the entire terms agreed on between the parties; and

For personal use only

(b) supersedes any prior agreement (whether or not in writing) between the parties.

12.7 No merger

The rights and obligations of the parties do not merge on Completion of any transaction contemplated under this document. They survive the execution and delivery of any assignment or other document entered into to implement any transaction contemplated under this document.

12.8 Indemnities

The indemnities in this document are continuing obligations, independent from the other obligations of the parties under this document and continue after this document ends. It is not necessary for a party to incur expense or make payment before enforcing a right of indemnity under this document.

12.9 No representation or reliance

(a) Each party acknowledges that no party (nor any person acting on its behalf) has made any representation or other inducement to it to enter into this document, except for representations or inducements expressly set out in this document.

(b) Each party acknowledges and confirms that it does not enter into this document in reliance on any representation or other inducement by or on behalf of any other party, except for any representation or inducement expressly set out in this document.

12.10 Governing law and jurisdiction

(a) This document is governed by the laws of Victoria.

(b) Each party irrevocably and unconditionally:

(i) submits to the exclusive jurisdiction of the courts of Victoria; and

(ii) waives, without limitation, any claim or objection based on absence of jurisdiction or inconvenient forum.

12.11 Counterparts

This document may be executed in any number of counterparts including by email or facsimile. All counterparts together will be taken to constitute one instrument.

For personal use only

Signing page

Executed as an agreement.

Executed by **Benitec Biopharma Limited ACN 068 943 662** in accordance with section 127 of the *Corporations Act 2001* (Cth):



Signature of Director



Signature of Director/Secretary

Megan Boston

Name of Director

Oliver Kidd

Name of ~~Director~~/Secretary

Executed by **Benitec Biopharma Inc.** by an authorised officer:



Signature

Megan Boston

Name

Director

Position

For personal use only

Corporate Directory

For personal use only

Benitec Biopharma Limited

Level 14, 114 William Street
Melbourne, VIC 3000, Australia

Share register

Computershare Investor Services Pty Limited
GPO Box 1282
Melbourne, VIC 3001, Australia

Directors

Jerel A. Banks, M.D., Ph.D.
Executive Chairman and CEO

Mr Peter Francis
Non-Executive Director

Mr Kevin Buchi
Non-Executive Director

Ms Megan Boston
Executive Director

Company Secretary

Mr Oliver Kidd

Legal Adviser

Jones Day
Level 31, Riverside Centre
123 Eagle Street
Brisbane, QLD 4000, Australia

Listings

ASX: BLT; Nasdaq: BNTC and BNTCW

Website

benitec.com

For personal use only

BENITEC BIOPHARMA
silencing genes for life®

For personal use only

Benitec Biopharma Limited
Level 14, 114 William Street
Melbourne VIC 3000
Australia

Tel: +61 (03) 8692-7222
Fax: +61 (03) 9966-9923
Email: info@benitec.com

ABN: 64 068 943 662

www.benitec.com