

Directors' Report

- \$15,748,255 representing 14,717,995 ordinary shares, with 6,623,099 options. The placement was made without shareholder approval on 28 February 2014; and was ratified by shareholders' at a general meeting on 10 April 2014; and
- \$15,748,259 representing 14,717,999 ordinary shares, with 6,623,105 options. The placement was made after receiving shareholder approval at a general meeting on 10 April 2014.

Ordinary Shares

67,867,428 ordinary shares were issued during the year through private placements at prices ranging from \$0.275 to \$1.07 per share. In addition, 955,002 ordinary shares were released from escrow to the Tacere vendors during the year at \$0.375 per share.

Options

At the date of this Directors' Report, the Company has a total of 23,320,173 options to acquire ordinary shares in the Company. Unless otherwise noted, all options are unlisted, restricted and are categorised as follows:

Employee Share Option Plan	5,288,000
Directors' Options	3,320,000
Warrants	245,078
Unlisted Options	14,467,095
Total	23,320,173

Further details of the unissued shares under option are provided in Note 16(b)

Employees Share Option Plan (ESOP)

Options issued to employees are made through the Employee Share Option Plan (ESOP). The expiry dates for options granted under the ESOP are set out below. The expiry date for options held by any employee who has resigned will be determined by the Board or will expire within twelve months of resignation. The Board has the power to adjust, amend and cancel the ESOP. Non-Executive Directors are excluded from the ESOP.

Options on issue under the Employees Share Option Plan are:

Grant Date	Expiry Date	Exercise Price	Number
13 July 2010	19 August 2014	\$0.510	260,000
17 November 2011	17 November 2016	\$1.250	1,800,000
7 February 2012	7 February 2017	\$1.250	168,000
18 July 2012	18 July 2017	\$1.250	400,000
16 November 2012	16 November 2017	\$1.250	400,000
22 August 2013	22 August 2018	\$1.250	2,080,000
15 May 14	15 May 19	\$1.500	180,000
Total			5,288,000

There were no ESOP options which lapsed during the financial year.

Non-Executive Director Options on issue were:

Grant Date	Expiry Date	Exercise Price	Number
13 July 2010	19 August 2014	\$0.5700	120,000
26 September 2011	26 September 2016	\$1.2500	1,600,000
26 September 2011	26 September 2016	\$1.2500	1,200,000
10 November 2013	18 May 2018	\$0.6250	400,000
Total			3,320,000

Summary of Shares, Options and Warrants on Issue – 30 June 2014

The Company had 114,898,992 listed ordinary shares and no listed options on issue at reporting date. There are 14,467,095 unlisted options and 245,078 warrants on issue, details of which are included in note 16 (b) to the financial statements.

Unissued Shares

As at the date of this report, there were 23,320,173 options over unissued ordinary shares, details of which are included in note 16 (b) to the financial statements. Option holders do not have the right, by virtue of the option, to participate in any share issue of the Company or any related body corporate or in the interest issue of any other registered scheme related to the Company.

Shares issued as a result of the exercise of Options

During the year 547,088 shares were issued on the exercise of options issued by the Company (2013: nil).

Significant changes in the state of affairs

During the year the Company commenced a US based Phase I/IIa clinical trial in Hepatitis C and arranged net equity funding of \$39.6 million. These and other important events in the year are considered in the 'Operation of Operations' section of this Directors Report. Other than this, there were no significant changes in the Company's state of affairs.

Significant events after the reporting date

No other matters or circumstances have arisen since 30 June 2014 which have significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group, in subsequent financial years.

Likely developments and expected results

Benitec will continue to progress programs through the clinic, seek commercialisation opportunities with big Pharma and others for the Company's unique Intellectual Property; develop its therapeutic pipeline and pre-clinical programs, protect and build the Company's IP estate and secure adequate funding.

Benitec Biopharma Limited is listed on the Australian Securities Exchange (ASX) and is subject to the continuous disclosure requirements of the ASX Listing Rules which require timely disclosure of information which may affect security values or influence investment decisions, and information in which security holders, investors and ASX have a legitimate interest.