



Benitec in \$31.5m bid to seize on US gains

AUSTRALIAN gene technology company Benitec Biopharma is tapping US institutional investors for up to \$31.5 million in a private placement, in an attempt to capitalise on recent share price wins in the US biotech sector.

Specialist institutional healthcare investor RA Capital Management will take the largest block of shares. Fellow US biotech and healthcare institutional investors Perceptive Advisers, Special Situations Fund and Sabby Management also threw their hats in the ring.

The funds will be used for a hepatitis C trial and the development of lung cancer, age-related macular degeneration and hepatitis B programs. The group's value lies in its patent of the ddRNAi "gene-silencing" technology, which is intended to inactivate disease-inducing genes.

The placement is for up to 29.4 million fully paid ordinary shares at \$1.07 each. Investors

will get free attaching options, with a five-year expiry date, to purchase up to an additional 13.2 million ordinary shares at an exercise price of \$1.26.

A rise in the share price of similar US-based "gene-silencing" companies such as Alnylam, Arrowhead and Dicerna this month had prompted Benitec to tap the market, company chief executive Peter French said. "The appetite for biotechnology investment is very strong at the moment, particularly in the US," Dr French said. He said growing interest from institutional US investors had prompted the steep rise in Benitec's share price in the past fortnight.

Shares closed 16.35 per cent higher at \$1.85 today. The stock's value has more than doubled this month.

The placement was managed by US investment bank Maxim Group and Lodge Corporate in Australia.

AMANDA SAUNDERS