
PRESS RELEASE

Melbourne, Australia

28 January, 2009

Progen shareholders call meeting to spill Progen board and offer merger or full cash back to shareholders

Cytopia Ltd (ASX:CYT) has joined with other Progen Pharmaceuticals Ltd (ASX:PGL) shareholders to call a Progen general meeting to elect a new board, pursue a merger and enable the first full share buyback offer to Progen shareholders.

Key resolutions being put to Progen shareholders include:

- Offering those shareholders who wish to do so the opportunity of having their shares bought back for \$1.10 per share
- Removal of the current board and replacement with three independent directors who would be elected on a declared platform of exploring a merger between Cytopia and Progen

To minimise cost and inconvenience the meeting notice requests Progen to put the resolutions for consideration at the same time that a general meeting is held to consider the proposed merger between Progen and Avexa Ltd (ASX:AVX). This will give shareholders much greater flexibility of choice and all resolutions can be dealt with in one forum.

A copy of the Requisition of General Meeting notice and a Members' Statement are appended to this announcement. The Members' Statement provides further detail on the calling of the meeting and the proposed resolutions.

The meeting resolutions provide clear choice for Progen shareholders. By not capping the buy-back of shares, every shareholder has the opportunity to either support the further development of Progen under new board and management or, redeem cash of \$1.10 per share, subject to available net cash reserves. This is currently denied to Progen shareholders under the proposed Avexa merger terms where only \$20 million is available for the share buyback.

Cytopia is of the view that the Progen board appears to have lost the confidence of many investors after seemingly few achievements in the past few years.

Three well qualified and experienced directors, Mr Robert Collins, Dr Damian Pethica and Mr Tom Williams, are proposed for appointment to the board of Progen. These candidates bring a strong mix of commercial and scientific skills necessary to drive corporate results for Progen and are strongly supportive of a merger between Progen and Cytopia. Biographies of each candidate are also appended to this announcement.

To avoid any conflict of interest no Cytopia representative has been nominated to the board. The candidates will be obliged to act in the best interests of Progen and the remaining Progen shareholders and their intentions will have been openly communicated to all parties. This will allow for a fully informed decision to be taken by Progen shareholders at the meeting.

"We believe that Cytopia would make an excellent partner for Progen and together we can build a blue-chip oncology drug development company with a broad and advanced portfolio of programs," said Mr Andrew Macdonald, CEO of Cytopia. "For those Progen shareholders who remain committed to this vision our merger proposal is based upon an excellent fit of complementary skills and programs in small molecule biotechnology. There is considerable opportunity to unlock value in both stocks."

"Cytopia is a world class drug development company with drug candidates ranging from the JAK3 program partnered with global pharmaceutical company Novartis through to CYT997, a vascular disrupting agent which is now in Phase II clinical studies. Our business strategy of supporting multiple drug programs and partnering prior to long and expensive Phase III clinical studies is a very commercial strategy."

"Today's actions by the requisitioning Progen shareholders are actually very consistent with the Beerworth and Partners Ltd report recommendations communicated by Progen."

Mr Macdonald said "Progen was once a strong player in the Australian biotech space. The proposal can restore the company to one of Australia's leading cancer drug developers through a merger with Cytopia. The calling of this meeting is a serious turning point for Progen."

Cytopia will provide further commentary once Progen has responded to the requisition notice.

Enquiries:

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Mr Rudi Michelson
Monsoon Communications
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rudim@monsoon.com.au

About Cytopia

Cytopia Ltd is an Australian biotechnology company focused on the discovery and development of new drugs to treat cancer and other diseases. Cytopia conducts its research and drug development through subsidiaries based in Melbourne, Australia and San Francisco, USA and specializes in developing new small molecule compounds with an improved therapeutic profile for the treatment of cancer.

The company's lead drug candidate is CYT997, a vascular disrupting agent (VDA) for the treatment of various cancers, which is currently being trialed in Phase I and Phase II clinical studies. Cytopia is continuing to build on its range of JAK inhibitors and kinase expertise, with CYT387, a novel oral JAK2 inhibitor focused on the treatment of myeloproliferative disorders, expected to enter Phase I clinical studies in early 2009.

Website: www.cytopia.com.au

**Requisition of a General Meeting of Progen Pharmaceuticals Limited
pursuant to section 249D of the Corporations Act 2001 (Cth)**

To: Progen Pharmaceuticals Limited
ACN 010 975 612
16 Benson Street
TOOWONG QLD 4066

The undersigned members (Members), being the registered holders of at least five percent (5%) of the votes that may be cast at a general meeting of Progen Pharmaceuticals Limited ACN 010 975 612 (Company), hereby:

- (a) give notice to the Company under section 203D(2) of the *Corporations Act 2001 (Cth) (Act)* of the intention of the Members to move resolutions to remove each of Dr Malvin Eutick, Mr Patrick Burns, Mr Stephen Chang, Mr Justus Homburg, Mr John Lee and Mr Robert Williamson as directors of the Company; and
- (b) request pursuant to section 249D of the Act that the directors of the Company call and arrange to hold a general meeting of the Company at which all of the following resolutions are to be considered:

RESOLUTION 1 - BUY-BACK OF ORDINARY SHARES BY THE COMPANY PURSUANT TO AN EQUAL ACCESS SCHEME

"That the members approve, in accordance with section 257C(1) of the Corporations Act 2001 (Cth), the buy-back by the Company of up to 100% of the Company's ordinary shares, at a buy back price per share of \$1.10, pursuant to an equal access scheme, but conditional on each of the following:

- (i) *the passage of each of Resolutions 2 to 11;*
- (ii) *[the passage of Resolution 12;][this condition is to be included only if the general meeting at which the other resolutions in this requisition are to be considered is held after the general meeting proposed to be called by the Company to approve a share buy-back by the Company of up to \$20 million and the proposed merger with Avexa Limited]*
- (iii) *the Company having liquid assets (as defined in the Merger Implementation Agreement dated 22 December 2008 between the Company and Avexa Limited (Merger Agreement)) at the date of the buy back of at least \$68 million, provided that if such liquid assets are less than \$68 million or the Company's auditors determine that the Company's net assets would be insufficient following the buy-back for the Company's business to continue as a going concern, the board of directors of the Company may determine that the number of ordinary shares to be bought back will be reduced on a pro rata basis to enable the Company's business to continue as a going concern following the buy-back; and*

- (iv) *the termination of the Merger Agreement or the failure of the Court (as defined in the Merger Agreement) to approve the scheme of arrangement provided for in the Merger Agreement."*

RESOLUTION 2 - REMOVAL OF DR MALVIN EUTICK AS A DIRECTOR

"That Dr Malvin Eutick, pursuant to section 203D of the Corporations Act 2001 (Cth), be and is hereby removed as a director of the Company, effective immediately upon the close of this general meeting."

RESOLUTION 3 - REMOVAL OF MR PATRICK BURNS AS A DIRECTOR

"That Mr Patrick Burns, pursuant to section 203D of the Corporations Act 2001 (Cth), be and is hereby removed as a director of the Company, effective immediately upon the close of this general meeting."

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RESOLUTION 10 - APPOINTMENT OF DR. DAMIAN PETHICA AS A DIRECTOR

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The Members request the Company to include the resolutions set out above in the notice of meeting in respect of the Merger General Meeting, in order to minimise the cost and inconvenience to the Company and its members of holding separate meetings and to ensure all members of the Company will be given the opportunity to determine at a single general meeting whether the Company should proceed with the actions described in this requisition instead of effecting the proposed merger with Avexa Limited. In the event that the meeting to consider the resolutions set out above is held after the Merger General Meeting, the Members request that the following additional resolution be considered at the general meeting to be held pursuant to this requisition:

RESOLUTION 12 - RESCISSION OF PREVIOUS APPROVALS

"That any and all approvals by members of the Company within the past six months to effect any share buy back, capital reduction or other capital transaction by the Company, the proposed merger with Avexa Limited pursuant to the Merger Agreement, and any other action or transaction in connection with that merger, be and hereby are rescinded."

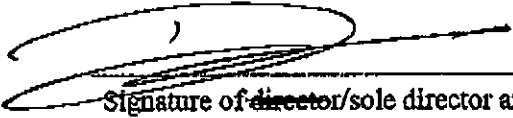
Pursuant to section 249P of the Act, we also request the Company to give all of its members the enclosed Members' statement in relation to the resolutions set out above, to be distributed by the Company with the relevant notice of general meeting.

Finally, we enclose one executed consent to act as a director for each person proposed to be appointed as a director of the Company under Resolutions 8 to 10.

Dated: 28 January 2009

Executed by:

EXECUTED by DAVSON INVESTMENTS)
PTY LIMITED ACN 082 614 659 in)
accordance with the *Corporations Act 2001* by)
being signed by the following officers:)
)



Signature of director/sole director and secretary

DAVID CALLUS

Name of director/sole director and secretary
(please print)

Signature of director / company secretary

Name of director / company secretary *(please print)*

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Dated: 28 January 2009

Executed by:

SIGNED SEALED AND DELIVERED by)
BRADLEY NOEL ROSS-SAMPSON in)
the presence of:



Signature of witness



Signature of BRADLEY NOEL ROSS-SAMPSON

DR THOMAS GEORGE DUTWY

Name of witness (please print)

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Finally, we enclose one executed consent to act as a director for each person proposed to be appointed as a director of the Company under Resolutions 8 to 10.

Dated: 28 January 2009

Executed by:

EXECUTED by JOHN JACOBSON LTD)
PTY LTD ACN 123 456 789 as trustee for the)
Powell Provident Fund in accordance with the)
Corporations Act 2001 by being signed by the)
following officers:)

X John Jacobson
Signature of director/sole director and secretary

Name of director/sole director and secretary
(please print)

[Signature]
Signature of director / company secretary

Name of director / company secretary (please print)

EXECUTED by SKIPTON INVESTMENTS)
PTY LTD ACN 001 163 162 as trustee for the)
Powell Provident Fund accum a/c in)
accordance with the Corporations Act 2001 by)
being signed by the following officers:)

X Jaqueline Treloar
Signature of director/sole director and secretary

Name of director/sole director and secretary
(please print)

Jaqueline Treloar
Signature of director / company secretary

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Dated: 28 January 2009

Executed by:

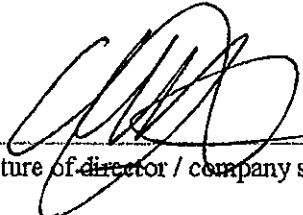
EXECUTED by CYTOPIA LIMITED ACN)
079 253 606 in accordance with the)
Corporations Act 2001 by being signed by the)
following officers:)



Signature of director

ANDREW MACDONALD

Name of director (please print)



Signature of director / company secretary

GAVAN FLOWER

Name of director / company secretary (please print)

**Requisition of a General Meeting of Progen Pharmaceuticals Limited
pursuant to section 249D of the Corporations Act 2001 (Cth)**

To: Progen Pharmaceuticals Limited
ACN 010 975 612
16 Benson Street
TOOWONG QLD 4066

The undersigned members (Members), being the registered holders of at least five percent (5%) of the votes that may be cast at a general meeting of Progen Pharmaceuticals Limited ACN 010 975 612 (Company), hereby:

- (a) give notice to the Company under section 203D(2) of the *Corporations Act 2001* (Cth) (Act) of the intention of the Members to move resolutions to remove each of Dr Malvin Eutick, Mr Patrick Burns, Mr Stephen Chang, Mr Justus Homburg, Mr John Lee and Mr Robert Williamson as directors of the Company; and
- (b) request pursuant to section 249D of the Act that the directors of the Company call and arrange to hold a general meeting of the Company at which all of the following resolutions are to be considered:

RESOLUTION 1 - BUY-BACK OF ORDINARY SHARES BY THE COMPANY PURSUANT TO AN EQUAL ACCESS SCHEME

"That the members approve, in accordance with section 257C(1) of the Corporations Act 2001 (Cth), the buy-back by the Company of up to 100% of the Company's ordinary shares, at a buy back price per share of \$1.10, pursuant to an equal access scheme, but conditional on each of the following:

- (i) *the passage of each of Resolutions 2 to 11;*
- (ii) *[the passage of Resolution 12;][this condition is to be included only if the general meeting at which the other resolutions in this requisition are to be considered is held after the general meeting proposed to be called by the Company to approve a share buy-back by the Company of up to \$20 million and the proposed merger with Avexa Limited]*
- (iii) *the Company having liquid assets (as defined in the Merger Implementation Agreement dated 22 December 2008 between the Company and Avexa Limited (Merger Agreement)) at the date of the buy back of at least \$68 million, provided that if such liquid assets are less than \$68 million or the Company's auditors determine that the Company's net assets would be insufficient following the buy-back for the Company's business to continue as a going concern, the board of directors of the Company may determine that the number of ordinary shares to be bought back will be reduced on a pro rata basis to enable the Company's business to continue as a going concern following the buy-back; and*

- (iv) *the termination of the Merger Agreement or the failure of the Court (as defined in the Merger Agreement) to approve the scheme of arrangement provided for in the Merger Agreement.*

RESOLUTION 2 - REMOVAL OF DR MALVIN EUTICK AS A DIRECTOR

"That Dr Malvin Eutick, pursuant to section 203D of the Corporations Act 2001 (Cth), be and is hereby removed as a director of the Company, effective immediately upon the close of this general meeting."

RESOLUTION 3 - REMOVAL OF MR PATRICK BURNS AS A DIRECTOR

"That Mr Patrick Burns, pursuant to section 203D of the Corporations Act 2001 (Cth), be and is hereby removed as a director of the Company, effective immediately upon the close of this general meeting."

RESOLUTION 4 - REMOVAL OF MR STEPHEN CHANG AS A DIRECTOR

"That Mr Stephen Chang, pursuant to section 203D of the Corporations Act 2001 (Cth), be and is hereby removed as a director of the Company, effective immediately upon the close of this general meeting."

RESOLUTION 5 - REMOVAL OF MR JUSTUS HOMBURG AS A DIRECTOR

"That Mr Justus Homburg, pursuant to section 203D of the Corporations Act 2001 (Cth), be and is hereby removed as a director of the Company, effective immediately upon the close of this general meeting."

RESOLUTION 6 - REMOVAL OF MR JOHN LEE AS A DIRECTOR

"That Mr John Lee, pursuant to section 203D of the Corporations Act 2001 (Cth), be and is hereby removed as a director of the Company, effective immediately upon the close of this general meeting."

RESOLUTION 7 - REMOVAL OF MR ROBERT WILLIAMSON AS A DIRECTOR

"That Mr Robert Williamson, pursuant to section 203D of the Corporations Act 2001 (Cth), be and is hereby removed as a director of the Company, effective immediately upon the close of this general meeting."

RESOLUTION 8 - APPOINTMENT OF MR ROBERT COLLINS AS A DIRECTOR

"That Mr Robert Collins, pursuant to Article 54.1 of the Constitution of the Company, be and is hereby appointed as a director of the Company, effective immediately upon the close of this general meeting."

RESOLUTION 9 - APPOINTMENT OF MR. TOM WILLIAMS AS A DIRECTOR

"That Mr. Tom Williams, pursuant to Article 54.1 of the Constitution of the Company, be and is hereby appointed as a director of the Company, effective immediately upon the close of this general meeting."

RESOLUTION 10 - APPOINTMENT OF DR. DAMIAN PETHICA AS A DIRECTOR

"That Dr. Damian Pethica, pursuant to Article 54.1 of the Constitution of the Company, be and is hereby appointed as a director of the Company, effective immediately upon the close of this general meeting."

The Members note that the Company has announced that it will hold a meeting of Progen shareholders to approve a proposed buy-back of the Company's ordinary shares at a buy-back price of \$1.10 per share, up to a maximum total amount of \$20 million, and the proposed merger with Avexa Limited pursuant to the Merger Agreement (Merger General Meeting).

The Members request the Company to include the resolutions set out above in the notice of meeting in respect of the Merger General Meeting, in order to minimise the cost and inconvenience to the Company and its members of holding separate meetings and to ensure all members of the Company will be given the opportunity to determine at a single general meeting whether the Company should proceed with the actions described in this requisition instead of effecting the proposed merger with Avexa Limited. In the event that the meeting to consider the resolutions set out above is held after the Merger General Meeting, the Members request that the following additional resolution be considered at the general meeting to be held pursuant to this requisition:

RESOLUTION 12 - RESCISSION OF PREVIOUS APPROVALS

"That any and all approvals by members of the Company within the past six months to effect any share buy back, capital reduction or other capital transaction by the Company, the proposed merger with Avexa Limited pursuant to the Merger Agreement, and any other action or transaction in connection with that merger, be and hereby are rescinded."

Pursuant to section 249P of the Act, we also request the Company to give all of its members the enclosed Members' statement in relation to the resolutions set out above, to be distributed by the Company with the relevant notice of general meeting.

Finally, we enclose one executed consent to act as a director for each person proposed to be appointed as a director of the Company under Resolutions 8 to 10.

Dated: 28 January 2009

Executed by:

EXECUTED by JP MORGAN NOMINEES
AUSTRALIA LIMITED ACN 002 899 961
in accordance with the Corporations Act 2001
by being signed by the following officers:

Signed by J.P. Morgan Nominees Australia Limited ABN 75 002 899 961,
acting as nominee for J.P. Morgan Chase Bank ABN 43 074 112 011 in its
capacity as custodian for

ACC in respect of 964,897 shares
by its undersigned attorneys who have not received any notice of
revocation of the Power of Attorney dated *28th August 07*
(Registered Book *9526 No 22*)

Signature of Attorney

BRANDON SPENCER

Name (print)

Dated: *23/01/09*

Signature of Attorney

JANA NIST

Name (print)

~~Signature of director/sole director and secretary~~

~~Signature of director / company secretary~~

~~Name of director/sole director and secretary
(please print)~~

~~Name of director / company secretary (please print)~~

**Requisition of a General Meeting of Progen Pharmaceuticals Limited
pursuant to section 249D of the Corporations Act 2001 (Cth)**

To: Progen Pharmaceuticals Limited
ACN 010 975 612
16 Benson Street
TOOWONG QLD 4066

The undersigned members (Members), being the registered holders of at least five percent (5%) of the votes that may be cast at a general meeting of Progen Pharmaceuticals Limited ACN 010 975 612 (Company), hereby:

- (a) give notice to the Company under section 203D(2) of the *Corporations Act 2001* (Cth) (Act) of the intention of the Members to move resolutions to remove each of Dr Malvin Eutick, Mr Patrick Burns, Mr Stephen Chang, Mr Justus Homburg, Mr John Lee and Mr Robert Williamson as directors of the Company, and
- (b) request pursuant to section 249D of the Act that the directors of the Company call and arrange to hold a general meeting of the Company at which all of the following resolutions are to be considered:

RESOLUTION 1 - BUY-BACK OF ORDINARY SHARES BY THE COMPANY PURSUANT TO AN EQUAL ACCESS SCHEME

"That the members approve, in accordance with section 257C(1) of the Corporations Act 2001 (Cth), the buy-back by the Company of up to 100% of the Company's ordinary shares, at a buy back price per share of \$1.10, pursuant to an equal access scheme, but conditional on each of the following:

- (i) *the passage of each of Resolutions 2 to 11;*
- (ii) *[the passage of Resolution 12;][this condition is to be included only if the general meeting at which the other resolutions in this requisition are to be considered is held after the general meeting proposed to be called by the Company to approve a share buy-back by the Company of up to \$20 million and the proposed merger with Avexa Limited]*
- (iii) *the Company having liquid assets (as defined in the Merger Implementation Agreement dated 22 December 2008 between the Company and Avexa Limited (Merger Agreement)) at the date of the buy back of at least \$68 million, provided that if such liquid assets are less than \$68 million or the Company's auditors determine that the Company's net assets would be insufficient following the buy-back for the Company's business to continue as a going concern, the board of directors of the Company may determine that the number of ordinary shares to be bought back will be reduced on a pro rata basis to enable the Company's business to continue as a going concern following the buy-back; and*

- (iv) *the termination of the Merger Agreement or the failure of the Court (as defined in the Merger Agreement) to approve the scheme of arrangement provided for in the Merger Agreement.*"

RESOLUTION 2 - REMOVAL OF DR MALVIN EUTICK AS A DIRECTOR

"That Dr Malvin Eutick, pursuant to section 203D of the Corporations Act 2001 (Cth), be and is hereby removed as a director of the Company, effective immediately upon the close of this general meeting."

RESOLUTION 3 - REMOVAL OF MR PATRICK BURNS AS A DIRECTOR

"That Mr Patrick Burns, pursuant to section 203D of the Corporations Act 2001 (Cth), be and is hereby removed as a director of the Company, effective immediately upon the close of this general meeting."

RESOLUTION 4 - REMOVAL OF MR STEPHEN CHANG AS A DIRECTOR

"That Mr Stephen Chang, pursuant to section 203D of the Corporations Act 2001 (Cth), be and is hereby removed as a director of the Company, effective immediately upon the close of this general meeting."

RESOLUTION 5 - REMOVAL OF MR JUSTUS HOMBURG AS A DIRECTOR

"That Mr Justus Homburg, pursuant to section 203D of the Corporations Act 2001 (Cth), be and is hereby removed as a director of the Company, effective immediately upon the close of this general meeting."

RESOLUTION 6 - REMOVAL OF MR JOHN LEE AS A DIRECTOR

"That Mr John Lee, pursuant to section 203D of the Corporations Act 2001 (Cth), be and is hereby removed as a director of the Company, effective immediately upon the close of this general meeting."

RESOLUTION 7 - REMOVAL OF MR ROBERT WILLIAMSON AS A DIRECTOR

"That Mr Robert Williamson, pursuant to section 203D of the Corporations Act 2001 (Cth), be and is hereby removed as a director of the Company, effective immediately upon the close of this general meeting."

RESOLUTION 8 - APPOINTMENT OF MR ROBERT COLLINS AS A DIRECTOR

"That Mr Robert Collins, pursuant to Article 54.1 of the Constitution of the Company, be and is hereby appointed as a director of the Company, effective immediately upon the close of this general meeting."

RESOLUTION 9 - APPOINTMENT OF MR. TOM WILLIAMS AS A DIRECTOR

"That Mr. Tom Williams, pursuant to Article 54.1 of the Constitution of the Company, be and is hereby appointed as a director of the Company, effective immediately upon the close of this general meeting."

RESOLUTION 10 - APPOINTMENT OF DR. DAMIAN PETHICA AS A DIRECTOR

"That Dr. Damian Pethica, pursuant to Article 54.1 of the Constitution of the Company, be and is hereby appointed as a director of the Company, effective immediately upon the close of this general meeting."

The Members note that the Company has announced that it will hold a meeting of Progen shareholders to approve a proposed buy-back of the Company's ordinary shares at a buy-back price of \$1.10 per share, up to a maximum total amount of \$20 million, and the proposed merger with Avexa Limited pursuant to the Merger Agreement (Merger General Meeting).

The Members request the Company to include the resolutions set out above in the notice of meeting in respect of the Merger General Meeting, in order to minimise the cost and inconvenience to the Company and its members of holding separate meetings and to ensure all members of the Company will be given the opportunity to determine at a single general meeting whether the Company should proceed with the actions described in this requisition instead of effecting the proposed merger with Avexa Limited. In the event that the meeting to consider the resolutions set out above is held after the Merger General Meeting, the Members request that the following additional resolution be considered at the general meeting to be held pursuant to this requisition:

RESOLUTION 12 - RESCISSION OF PREVIOUS APPROVALS

"That any and all approvals by members of the Company within the past six months to effect any share buy back, capital reduction or other capital transaction by the Company, the proposed merger with Avexa Limited pursuant to the Merger Agreement, and any other action or transaction in connection with that merger, be and hereby are rescinded."

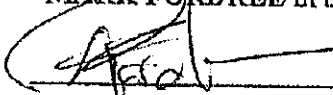
Pursuant to section 249P of the Act, we also request the Company to give all of its members the enclosed Members' statement in relation to the resolutions set out above, to be distributed by the Company with the relevant notice of general meeting.

Finally, we enclose one executed consent to act as a director for each person proposed to be appointed as a director of the Company under Resolutions 8 to 10.

Dated: 28 January 2009

Executed by:

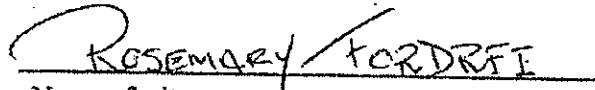
SIGNED SEALED AND DELIVERED by)
MARK FORDREE in the presence of:)



Signature of witness



Signature of MARK FORDREE



Name of witness (please print)

**Requisition of a General Meeting of Progen Pharmaceuticals Limited
pursuant to section 249D of the Corporations Act 2001 (Cth)**

To: Progen Pharmaceuticals Limited
ACN 010 975 612
16 Benson Street
TOOWONG QLD 4066

The undersigned members (Members), being the registered holders of at least five percent (5%) of the votes that may be cast at a general meeting of Progen Pharmaceuticals Limited ACN 010 975 612 (Company), hereby:

- (a) give notice to the Company under section 203D(2) of the *Corporations Act 2001* (Cth) (Act) of the intention of the Members to move resolutions to remove each of Dr Malvin Eutick, Mr Patrick Burns, Mr Stephen Chang, Mr Justus Homburg, Mr John Lee and Mr Robert Williamson as directors of the Company; and
- (b) request pursuant to section 249D of the Act that the directors of the Company call and arrange to hold a general meeting of the Company at which all of the following resolutions are to be considered:

**RESOLUTION 1 - BUY-BACK OF ORDINARY SHARES BY THE COMPANY PURSUANT
TO AN EQUAL ACCESS SCHEME**

"That the members approve, in accordance with section 257C(1) of the Corporations Act 2001 (Cth), the buy-back by the Company of up to 100% of the Company's ordinary shares, at a buy back price per share of \$1.10, pursuant to an equal access scheme, but conditional on each of the following:

- (i) *the passage of each of Resolutions 2 to 11;*
- (ii) *[the passage of Resolution 12;] [this condition is to be included only if the general meeting at which the other resolutions in this requisition are to be considered is held after the general meeting proposed to be called by the Company to approve a share buy-back by the Company of up to \$20 million and the proposed merger with Aveva Limited]*
- (iii) *the Company having liquid assets (as defined in the Merger Implementation Agreement dated 22 December 2008 between the Company and Aveva Limited (Merger Agreement)) at the date of the buy back of at least \$68 million, provided that if such liquid assets are less than \$68 million or the Company's auditors determine that the Company's net assets would be insufficient following the buy-back for the Company's business to continue as a going concern, the board of directors of the Company may determine that the number of ordinary shares to be bought back will be reduced on a pro rata basis to enable the Company's business to continue as a going concern following the buy-back; and*

- (iv) *the termination of the Merger Agreement or the failure of the Court (as defined in the Merger Agreement) to approve the scheme of arrangement provided for in the Merger Agreement."*

RESOLUTION 2 - REMOVAL OF DR MALVIN EUTICK AS A DIRECTOR

"That Dr Malvin Eutick, pursuant to section 203D of the Corporations Act 2001 (Cth), be and is hereby removed as a director of the Company, effective immediately upon the close of this general meeting."

RESOLUTION 3 - REMOVAL OF MR PATRICK BURNS AS A DIRECTOR

"That Mr Patrick Burns, pursuant to section 203D of the Corporations Act 2001 (Cth), be and is hereby removed as a director of the Company, effective immediately upon the close of this general meeting."

RESOLUTION 4 - REMOVAL OF MR STEPHEN CHANG AS A DIRECTOR

"That Mr Stephen Chang, pursuant to section 203D of the Corporations Act 2001 (Cth), be and is hereby removed as a director of the Company, effective immediately upon the close of this general meeting."

RESOLUTION 5 - REMOVAL OF MR JUSTUS HOMBURG AS A DIRECTOR

"That Mr Justus Homburg, pursuant to section 203D of the Corporations Act 2001 (Cth), be and is hereby removed as a director of the Company, effective immediately upon the close of this general meeting."

RESOLUTION 6 - REMOVAL OF MR JOHN LEE AS A DIRECTOR

"That Mr John Lee, pursuant to section 203D of the Corporations Act 2001 (Cth), be and is hereby removed as a director of the Company, effective immediately upon the close of this general meeting."

RESOLUTION 7 - REMOVAL OF MR ROBERT WILLIAMSON AS A DIRECTOR

"That Mr Robert Williamson, pursuant to section 203D of the Corporations Act 2001 (Cth), be and is hereby removed as a director of the Company, effective immediately upon the close of this general meeting."

RESOLUTION 8 - APPOINTMENT OF MR ROBERT COLLINS AS A DIRECTOR

"That Mr Robert Collins, pursuant to Article 54.1 of the Constitution of the Company, be and is hereby appointed as a director of the Company, effective immediately upon the close of this general meeting."

RESOLUTION 9 - APPOINTMENT OF MR. TOM WILLIAMS AS A DIRECTOR

"That Mr. Tom Williams, pursuant to Article 54.1 of the Constitution of the Company, be and is hereby appointed as a director of the Company, effective immediately upon the close of this general meeting."

RESOLUTION 10 - APPOINTMENT OF DR. DAMIAN PETHICA AS A DIRECTOR

"That Dr. Damian Pethica, pursuant to Article 54.1 of the Constitution of the Company, be and is hereby appointed as a director of the Company, effective immediately upon the close of this general meeting."

The Members note that the Company has announced that it will hold a meeting of Progen shareholders to approve a proposed buy-back of the Company's ordinary shares at a buy-back price of \$1.10 per share, up to a maximum total amount of \$20 million, and the proposed merger with Avexa Limited pursuant to the Merger Agreement (**Merger General Meeting**).

The Members request the Company to include the resolutions set out above in the notice of meeting in respect of the Merger General Meeting, in order to minimise the cost and inconvenience to the Company and its members of holding separate meetings and to ensure all members of the Company will be given the opportunity to determine at a single general meeting whether the Company should proceed with the actions described in this requisition instead of effecting the proposed merger with Avexa Limited. In the event that the meeting to consider the resolutions set out above is held after the Merger General Meeting, the Members request that the following additional resolution be considered at the general meeting to be held pursuant to this requisition:

RESOLUTION 12 - RESCISSION OF PREVIOUS APPROVALS

"That any and all approvals by members of the Company within the past six months to effect any share buy back, capital reduction or other capital transaction by the Company, the proposed merger with Avexa Limited pursuant to the Merger Agreement, and any other action or transaction in connection with that merger, be and hereby are rescinded."


Pursuant to section 249P of the Act, we also request the Company to give all of its members the enclosed Members' statement in relation to the resolutions set out above, to be distributed by the Company with the relevant notice of general meeting.

Finally, we enclose one executed consent to act as a director for each person proposed to be appointed as a director of the Company under Resolutions 8 to 10.

Dated: 28 January 2009

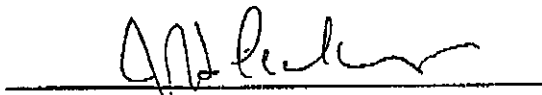
Executed by:

EXECUTED by OAKMAGIC PTY LTD
ACN 058 795 618 in accordance with the
Corporations Act 2001 by being signed by the
following officers:



Signature of director/~~sole~~ director and secretary
JOSEPH CALLUS

Name of director/~~sole~~ director and secretary
(please print)

)
)
)
)


Signature of director / ~~company~~ secretary
JOSEPHINE CALLUS

Name of director / ~~company secretary~~ (please print)

**Requisition of a General Meeting of Progen Pharmaceuticals Limited
pursuant to section 249D of the Corporations Act 2001 (Cth)**

To: Progen Pharmaceuticals Limited
ACN 010 975 612
16 Benson Street
TOOWONG QLD 4066

The undersigned members (Members), being the registered holders of at least five percent (5%) of the votes that may be cast at a general meeting of Progen Pharmaceuticals Limited ACN 010 975 612 (Company), hereby:

- (a) give notice to the Company under section 203D(2) of the *Corporations Act 2001 (Cth) (Act)* of the intention of the Members to move resolutions to remove each of Dr Malvin Eutick, Mr Patrick Burns, Mr Stephen Chang, Mr Justus Homburg, Mr John Lee and Mr Robert Williamson as directors of the Company, and
- (b) request pursuant to section 249D of the Act that the directors of the Company call and arrange to hold a general meeting of the Company at which all of the following resolutions are to be considered:

RESOLUTION 1 - BUY-BACK OF ORDINARY SHARES BY THE COMPANY PURSUANT TO AN EQUAL ACCESS SCHEME

"That the members approve, in accordance with section 257C(1) of the Corporations Act 2001 (Cth), the buy-back by the Company of up to 100% of the Company's ordinary shares, at a buy back price per share of \$1.10, pursuant to an equal access scheme, but conditional on each of the following:

- (i) *the passage of each of Resolutions 2 to 11;*
- (ii) *[the passage of Resolution 12;] [this condition is to be included only if the general meeting at which the other resolutions in this requisition are to be considered is held after the general meeting proposed to be called by the Company to approve a share buy-back by the Company of up to \$20 million and the proposed merger with Avexa Limited]*
- (iii) *the Company having liquid assets (as defined in the Merger Implementation Agreement dated 22 December 2008 between the Company and Avexa Limited (Merger Agreement)) at the date of the buy back of at least \$68 million, provided that if such liquid assets are less than \$68 million or the Company's auditors determine that the Company's net assets would be insufficient following the buy-back for the Company's business to continue as a going concern, the board of directors of the Company may determine that the number of ordinary shares to be bought back will be reduced on a pro rata basis to enable the Company's business to continue as a going concern following the buy-back; and*

- (iv) *the termination of the Merger Agreement or the failure of the Court (as defined in the Merger Agreement) to approve the scheme of arrangement provided for in the Merger Agreement."*

RESOLUTION 2 - REMOVAL OF DR MALVIN EUTICK AS A DIRECTOR

"That Dr Malvin Eutick, pursuant to section 203D of the Corporations Act 2001 (Cth), be and is hereby removed as a director of the Company, effective immediately upon the close of this general meeting."

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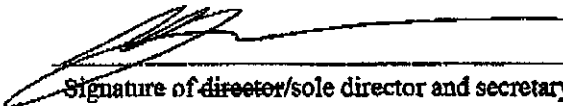
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Finally, we enclose one executed consent to act as a director for each person proposed to be appointed as a director of the Company under Resolutions 8 to 10.

Dated: 28 January 2009

Executed by:

EXECUTED by MARCAL INVESTMENTS)
PTY LTD ACN 082 617 365 in accordance)
with the Corporations Act 2001 by being)
signed by the following officers:)
)



Signature of director/sole director and secretary

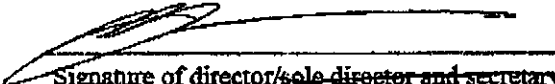
MARTIN CALLUS

Name of director/sole director and secretary
(please print)

Signature of director / company secretary

Name of director / company secretary (please print)

EXECUTED by JIC INVESTMENTS PTY)
LTD ACN 082 614 631 as in accordance with)
the Corporations Act 2001 by being signed by)
the following officers:)
)



Signature of director/sole director and secretary

MARTIN CALLUS

Name of director/sole director and secretary
(please print)

Signature of director / company secretary

JOSEPH CALLUS

Name of director / company secretary (please print)

**Requisition of a General Meeting of Progen Pharmaceuticals Limited
pursuant to section 249D of the Corporations Act 2001 (Cth)**

To: Progen Pharmaceuticals Limited
ACN 010 975 612
16 Benson Street
TOOWONG QLD 4066

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- (b) request pursuant to section 249D of the Act that the directors of the Company call and arrange to hold a general meeting of the Company at which all of the following resolutions are to be considered:

RESOLUTION 1 - BUY-BACK OF ORDINARY SHARES BY THE COMPANY PURSUANT TO AN EQUAL ACCESS SCHEME

"That the members approve, in accordance with section 257C(1) of the Corporations Act 2001 (Cth), the buy-back by the Company of up to 100% of the Company's ordinary shares, at a buy back price per share of \$1.10, pursuant to an equal access scheme, but conditional on each of the following:

- (i) *the passage of each of Resolutions 2 to 11*
- (ii) *[the passage of Resolution 12;] [this condition is to be included only if the general meeting at which the other resolutions in this requisition are to be considered is held after the general meeting proposed to be called by the Company to approve a share buy-back by the Company of up to \$20 million and the proposed merger with Avexa Limited]*
- (iii) *the Company having liquid assets (as defined in the Merger Implementation Agreement dated 22 December 2008 between the Company and Avexa Limited (Merger Agreement)) at the date of the buy back of at least \$68 million, provided that if such liquid assets are less than \$68 million or the Company's auditors determine that the Company's net assets would be insufficient following the buy-back for the Company's business to continue as a going concern, the board of directors of the Company may determine that the number of ordinary shares to be bought back will be reduced on a pro rata basis to enable the Company's business to continue as a going concern following the buy-back; and*

- (iv) *the termination of the Merger Agreement or the failure of the Court (as defined in the Merger Agreement) to approve the scheme of arrangement provided for in the Merger Agreement."*

RESOLUTION 2 - REMOVAL OF DR MALVIN EUTICK AS A DIRECTOR

"That Dr Malvin Eutick, pursuant to section 203D of the Corporations Act 2001 (Cth), be and is hereby removed as a director of the Company, effective immediately upon the close of this general meeting."

RESOLUTION 3 - REMOVAL OF MR PATRICK BURNS AS A DIRECTOR

"That Mr Patrick Burns, pursuant to section 203D of the Corporations Act 2001 (Cth), be and is hereby removed as a director of the Company, effective immediately upon the close of this general meeting."

RESOLUTION 4 - REMOVAL OF MR STEPHEN CHANG AS A DIRECTOR

"That Mr Stephen Chang, pursuant to section 203D of the Corporations Act 2001 (Cth), be and is hereby removed as a director of the Company, effective immediately upon the close of this general meeting."

RESOLUTION 5 - REMOVAL OF MR JUSTUS HOMBURG AS A DIRECTOR

"That Mr Justus Homburg, pursuant to section 203D of the Corporations Act 2001 (Cth), be and is hereby removed as a director of the Company, effective immediately upon the close of this general meeting."

RESOLUTION 6 - REMOVAL OF MR JOHN LEE AS A DIRECTOR

"That Mr John Lee, pursuant to section 203D of the Corporations Act 2001 (Cth), be and is hereby removed as a director of the Company, effective immediately upon the close of this general meeting."

RESOLUTION 7 - REMOVAL OF MR ROBERT WILLIAMSON AS A DIRECTOR

"That Mr Robert Williamson, pursuant to section 203D of the Corporations Act 2001 (Cth), be and is hereby removed as a director of the Company, effective immediately upon the close of this general meeting."

RESOLUTION 8 - APPOINTMENT OF MR ROBERT COLLINS AS A DIRECTOR

"That Mr Robert Collins, pursuant to Article 54.1 of the Constitution of the Company, be and is hereby appointed as a director of the Company, effective immediately upon the close of this general meeting."

RESOLUTION 9 - APPOINTMENT OF MR. TOM WILLIAMS AS A DIRECTOR

"That Mr. Tom Williams, pursuant to Article 54.1 of the Constitution of the Company, be and is hereby appointed as a director of the Company, effective immediately upon the close of this general meeting."

RESOLUTION 10 - APPOINTMENT OF DR. DAMIAN PETHICA AS A DIRECTOR

"That Dr. Damian Pethica, pursuant to Article 54.1 of the Constitution of the Company, be and is hereby appointed as a director of the Company, effective immediately upon the close of this general meeting."

The Members note that the Company has announced that it will hold a meeting of Progen shareholders to approve a proposed buy-back of the Company's ordinary shares at a buy-back price of \$1.10 per share, up to a maximum total amount of \$20 million, and the proposed merger with Avexa Limited pursuant to the Merger Agreement (**Merger General Meeting**).

The Members request the Company to include the resolutions set out above in the notice of meeting in respect of the Merger General Meeting, in order to minimise the cost and inconvenience to the Company and its members of holding separate meetings and to ensure all members of the Company will be given the opportunity to determine at a single general meeting whether the Company should proceed with the actions described in this requisition instead of effecting the proposed merger with Avexa Limited. In the event that the meeting to consider the resolutions set out above is held after the Merger General Meeting, the Members request that the following additional resolution be considered at the general meeting to be held pursuant to this requisition:

RESOLUTION 12 - RESCISSION OF PREVIOUS APPROVALS

"That any and all approvals by members of the Company within the past six months to effect any share buy back, capital reduction or other capital transaction by the Company, the proposed merger with Avexa Limited pursuant to the Merger Agreement, and any other action or transaction in connection with that merger, be and hereby are rescinded."

Pursuant to section 249P of the Act, we also request the Company to give all of its members the enclosed Members' statement in relation to the resolutions set out above, to be distributed by the Company with the relevant notice of general meeting.

Finally, we enclose one executed consent to act as a director for each person proposed to be appointed as a director of the Company under Resolutions 8 to 10.

Dated: 28 January 2009

Executed by:

EXECUTED by ROMAF PTY LTD ACN
081 097 289 in accordance with the
Corporations Act 2001 by being signed by the
following officers:

Paul Sactore

Signature of director/sole director and secretary

PAUL SACTORE

Name of director/sole director and secretary
(please print)

C. Neil

Signature of ~~director~~ / company secretary

CAROL NEIL

Name of director / company secretary *(please print)*

EXECUTED by PASAGEAN PTY LTD
ACN 002 957 682 as in accordance with the
Corporations Act 2001 by being signed by the
following officers:

Paul Sactore

Signature of director/sole director and secretary

PAUL SACTORE

Name of director/sole director and secretary
(please print)

C. Neil

Signature of ~~director~~ / company secretary

CAROL NEIL

Name of director / company secretary *(please print)*

EXECUTED by SAMBOLD PTY LTD ACN
055 686 498 as in accordance with the
Corporations Act 2001 by being signed by the
following officers:

Paul Sactore

Signature of director/sole director and secretary

PAUL SACTORE

Name of director/sole director and secretary
(please print)

C. Neil

Signature of ~~director~~ / company secretary

CAROL NEIL

Name of director / company secretary *(please print)*

**Requisition of a General Meeting of Progen Pharmaceuticals Limited
pursuant to section 249D of the Corporations Act 2001 (Cth)**

To: Progen Pharmaceuticals Limited
ACN 010 975 612
16 Benson Street
TOOWONG QLD 4066

The undersigned members (Members), being the registered holders of at least five percent (5%) of the votes that may be cast at a general meeting of Progen Pharmaceuticals Limited ACN 010 975 612 (Company), hereby:

- (a) give notice to the Company under section 203D(2) of the *Corporations Act 2001* (Cth) (Act) of the intention of the Members to move resolutions to remove each of Dr Malvin Eutick, Mr Patrick Burns, Mr Stephen Chang, Mr Justus Homburg, Mr John Lee and Mr Robert Williamson as directors of the Company; and
- (b) request pursuant to section 249D of the Act that the directors of the Company call and arrange to hold a general meeting of the Company at which all of the following resolutions are to be considered:

**RESOLUTION 1 - BUY-BACK OF ORDINARY SHARES BY THE COMPANY PURSUANT
TO AN EQUAL ACCESS SCHEME**

"That the members approve, in accordance with section 257C(1) of the Corporations Act 2001 (Cth), the buy-back by the Company of up to 100% of the Company's ordinary shares, at a buy back price per share of \$1.10, pursuant to an equal access scheme, but conditional on each of the following:

- (i) *the passage of each of Resolutions 2 to 11;*
- (ii) *[the passage of Resolution 12;][this condition is to be included only if the general meeting at which the other resolutions in this requisition are to be considered is held after the general meeting proposed to be called by the Company to approve a share buy-back by the Company of up to \$20 million and the proposed merger with Avexa Limited]*
- (iii) *the Company having liquid assets (as defined in the Merger Implementation Agreement dated 23 December 2008 between the Company and Avexa Limited (Merger Agreement)) at the date of the buy back of at least \$68 million, provided that if such liquid assets are less than \$68 million or the Company's auditors determine that the Company's net assets would be insufficient following the buy-back for the Company's business to continue as a going concern, the board of directors of the Company may determine that the number of ordinary shares to be bought back will be reduced on a pro rata basis to enable the Company's business to continue as a going concern following the buy-back; and*

- (iv) *the termination of the Merger Agreement or the failure of the Court (as defined in the Merger Agreement) to approve the scheme of arrangement provided for in the Merger Agreement."*

RESOLUTION 2 - REMOVAL OF DR MALVIN EUTICK AS A DIRECTOR

"That Dr Malvin Eutick, pursuant to section 203D of the Corporations Act 2001 (Cth), be and is hereby removed as a director of the Company, effective immediately upon the close of this general meeting."

RESOLUTION 3 - REMOVAL OF MR PATRICK BURNS AS A DIRECTOR

"That Mr Patrick Burns, pursuant to section 203D of the Corporations Act 2001 (Cth), be and is hereby removed as a director of the Company, effective immediately upon the close of this general meeting."

RESOLUTION 4 - REMOVAL OF MR STEPHEN CHANG AS A DIRECTOR

"That Mr Stephen Chang, pursuant to section 203D of the Corporations Act 2001 (Cth), be and is hereby removed as a director of the Company, effective immediately upon the close of this general meeting."

RESOLUTION 5 - REMOVAL OF MR JUSTUS HOMBURG AS A DIRECTOR

"That Mr Justus Homburg, pursuant to section 203D of the Corporations Act 2001 (Cth), be and is hereby removed as a director of the Company, effective immediately upon the close of this general meeting."

RESOLUTION 6 - REMOVAL OF MR JOHN LEE AS A DIRECTOR

"That Mr John Lee, pursuant to section 203D of the Corporations Act 2001 (Cth), be and is hereby removed as a director of the Company, effective immediately upon the close of this general meeting."

RESOLUTION 7 - REMOVAL OF MR ROBERT WILLIAMSON AS A DIRECTOR

"That Mr Robert Williamson, pursuant to section 203D of the Corporations Act 2001 (Cth), be and is hereby removed as a director of the Company, effective immediately upon the close of this general meeting."

RESOLUTION 8 - APPOINTMENT OF MR ROBERT COLLINS AS A DIRECTOR

"That Mr Robert Collins, pursuant to Article 54.1 of the Constitution of the Company, be and is hereby appointed as a director of the Company, effective immediately upon the close of this general meeting."

RESOLUTION 9 - APPOINTMENT OF MR. TOM WILLIAMS AS A DIRECTOR

"That Mr. Tom Williams, pursuant to Article 54.1 of the Constitution of the Company, be and is hereby appointed as a director of the Company, effective immediately upon the close of this general meeting."

RESOLUTION 10 - APPOINTMENT OF DR. DAMIAN PETHICA AS A DIRECTOR

"That Dr. Damian Pethica, pursuant to Article 54.1 of the Constitution of the Company, be and is hereby appointed as a director of the Company, effective immediately upon the close of this general meeting."

The Members note that the Company has announced that it will hold a meeting of Progen shareholders to approve a proposed buy-back of the Company's ordinary shares at a buy-back price of \$1.10 per share, up to a maximum total amount of \$20 million, and the proposed merger with Avexa Limited pursuant to the Merger Agreement (Merger General Meeting).

The Members request the Company to include the resolutions set out above in the notice of meeting in respect of the Merger General Meeting, in order to minimise the cost and inconvenience to the Company and its members of holding separate meetings and to ensure all members of the Company will be given the opportunity to determine at a single general meeting whether the Company should proceed with the actions described in this requisition instead of effecting the proposed merger with Avexa Limited. In the event that the meeting to consider the resolutions set out above is held after the Merger General Meeting, the Members request that the following additional resolution be considered at the general meeting to be held pursuant to this requisition:

RESOLUTION 12 - RESCISSION OF PREVIOUS APPROVALS

"That any and all approvals by members of the Company within the past six months to effect any share buy back, capital reduction or other capital transaction by the Company, the proposed merger with Avexa Limited pursuant to the Merger Agreement, and any other action or transaction in connection with that merger, be and hereby are rescinded."

Pursuant to section 249P of the Act, we also request the Company to give all of its members the enclosed Members' statement in relation to the resolutions set out above, to be distributed by the Company with the relevant notice of general meeting.

Finally, we enclose one executed consent to act as a director for each person proposed to be appointed as a director of the Company under Resolutions 8 to 10.

Dated: 28 January 2009

Executed by:

EXECUTED by POWELL PROVIDENT)
PTY LTD ACN 091 567 850 as trustee for the)
Powell Provident Fund in accordance with the)
Corporations Act 2001 by being signed by the)
following officers:)

[Handwritten signature]

Signature of director/sole director and secretary

THOMAS CLIVE POWELL

Name of director/sole director and secretary
(please print)

[Handwritten signature]

Signature of director / company secretary

MICHAEL GLEN COWEN

Name of director / company secretary (please print)

EXECUTED by POWELL PROVIDENT)
PTY LTD ACN 091 567 850 as trustee for the)
Powell Provident Fund accum a/c in)
accordance with the Corporations Act 2001 by)
being signed by the following officers:)

[Handwritten signature]

Signature of director/sole director and secretary

THOMAS CLIVE POWELL

Name of director/sole director and secretary
(please print)

[Handwritten signature]

Signature of director / company secretary

MICHAEL GLEN COWEN

Name of director / company secretary (please print)

FORM OF CONSENT TO BE A DIRECTOR AND OTHER PARTICULARS

Board of Directors of:
Progen Pharmaceuticals Limited
16 Benson St, Toowong
Queensland 4066, Australia

**PROGEN PHARMACEUTICALS LIMITED
(ABN 82 010 975 612)**

Dear Sirs

CONSENT TO ACT AS A DIRECTOR

In accordance with Section 201D of the Corporations Act 2001 I advise that I hereby consent to act as a Director of the abovementioned Company.

PERSONAL DETAILS

In accordance with Section 205B of the Corporations Act 2001, I advise as follows:

My full name is: Brian Damian Pethica
My usual residential address is: 2 Arney Crescent, Remuera, Auckland, New Zealand, 1050
My business occupation is: Company Director
I was born on: 8 September 1954
My place of birth was: Birmingham, UK
(State Country, if not Australia)

DIRECTORSHIPS

The names of public companies, or companies which are subsidiaries of public companies, incorporated in Australia, of which I am a Director are:

Brainz Instruments Ltd (ASX:BZI) Chairman _____

DIRECTOR'S DUTY TO DISCLOSE

Directors have a statutory duty to disclose:

- Interests in contracts with the company;
- Conflicts of interest;
- Interests in shares, debentures and prescribed interests; and
- Interests in shares sought in a takeover.

Please complete the following sections with respect to the above requirements:

Interests in Contracts with the company

I advise that I am directly or indirectly interested in the following contracts or proposed contracts with the company:

OTHER PARTY	NATURE & EXTENT OF INTEREST
Nil	

Conflicts of Interest

Please advise of any conflicts of interests you may be aware of:

OTHER PARTY	CONFLICT
Cytopia Limited	Interest in holding of 44,000 shares in company which has expressed interest in exploring a merger with PGL.

Interests in Shares, Debentures and Prescribed Interests

Please list out interests you have in shares, debentures or prescribed interests in the company or any related bodies corporate.

COMPANY	NAME OF HOLDER	UNITS
Nil		

Interests in Shares sought in a Takeover

If applicable, I will give written notice to the Company of such matters and events affecting or relating to myself as are necessary to comply with the takeover provisions in Chapter 6 of the Corporations Law.

For example: a target company must prepare and submit a Part B statement which includes not only particulars of Directors' holdings but whether each Director intends to accept or has decided not to accept the takeover offer.

Notice of such matters will be given immediately upon my becoming aware that the Company requires or will require the information.

BDP
23 Jan 2009

GENERAL

(a) I am/am not * an undischarged/insolvent bankrupt?

If yes, please give details:

(b) I ~~am~~/am not * prohibited, in any other way, of being appointed a Director by reason of any order made under the Corporations Act 2001.

If yes, please give details:

* strike out whichever does not apply.

DATED THIS 23 DAY OF JANUARY 2009

SIGNED:

B. Pethica

FULL NAME:

BRIAN DAMIAN PETHICA
(Please Print)

FORM OF CONSENT TO BE A DIRECTOR AND OTHER PARTICULARS

Board of Directors of:
Progen Pharmaceuticals Limited
16 Benson St, Toowong
Queensland 4066, Australia

**PROGEN PHARMACEUTICALS LIMITED
(ABN 82 010 975 612)**

Dear Sirs

CONSENT TO ACT AS A DIRECTOR

In accordance with Section 201D of the Corporations Act 2001 I advise that I hereby consent to act as a Director of the abovementioned Company.

PERSONAL DETAILS

In accordance with Section 205B of the Corporations Act 2001, I advise as follows:

My full name is: Mr Robert James Collins
My usual residential address is: 30 Mangarra Road, Canterbury, Victoria, 3126
My business occupation is: Private Company Director
I was born on: 19 October 1956
My place of birth was: Melbourne, Victoria
(State Country, if not Australia)

DIRECTORSHIPS

The names of public companies, or companies which are subsidiaries of public companies, incorporated in Australia, of which I am a Director are:

Nil

DIRECTOR'S DUTY TO DISCLOSE

Directors have a statutory duty to disclose:

- Interests in contracts with the company;
- Conflicts of interest;
- Interests in shares, debentures and prescribed interests; and
- Interests in shares sought in a takeover.

Please complete the following sections with respect to the above requirements:

Interests in Contracts with the company

I advise that I am directly or indirectly interested in the following contracts or proposed contracts with the company:

<i>OTHER PARTY</i>	<i>NATURE & EXTENT OF INTEREST</i>
Nil	

Conflicts of Interest

Please advise of any conflicts of interests you may be aware of:

<i>OTHER PARTY</i>	<i>CONFLICT</i>
Cytopia Limited	Interest in holding of 137,298 shares in company which has expressed interest in exploring a merger with PGL.

Interests in Shares, Debentures and Prescribed Interests

Please list out interests you have in shares, debentures or prescribed interests in the company or any related bodies corporate.

<i>COMPANY</i>	<i>NAME OF HOLDER</i>	<i>UNITS</i>
Nil		

Interests in Shares sought in a Takeover

If applicable, I will give written notice to the Company of such matters and events affecting or relating to myself as are necessary to comply with the takeover provisions in Chapter 6 of the Corporations Law.

For example: a target company must prepare and submit a Part B statement which includes not only particulars of Directors' holdings but whether each Director intends to accept or has decided not to accept the takeover offer.

Notice of such matters will be given immediately upon my becoming aware that the Company requires or will require the information.

GENERAL

(a) I am/am not * an undischarged/insolvent bankrupt?

If yes, please give details:

(b) I am/am not * prohibited, in any other way, of being appointed a Director by reason of any order made under the Corporations Act 2001.

If yes, please give details:

** strike out whichever does not apply.*

DATED THIS 26th DAY OF January 2009

SIGNED: _____

FULL NAME: ROBERT JAMES COLLINS
(Please Print)

FORM OF CONSENT TO BE A DIRECTOR AND OTHER PARTICULARS

Board of Directors of:
Progen Pharmaceuticals Limited
16 Benson St, Toowong
Queensland 4066, Australia

**PROGEN PHARMACEUTICALS LIMITED
(ABN 82 010 975 612)**

Dear Sirs

CONSENT TO ACT AS A DIRECTOR

In accordance with Section 201D of the Corporations Act 2001 I advise that I hereby consent to act as a Director of the abovementioned Company.

PERSONAL DETAILS

In accordance with Section 205B of the Corporations Act 2001, I advise as follows:

My full name is:	Thomas Graham Williams
My usual residential address is:	1A College Place, Albert Park, Victoria, 3206
My business occupation is:	Biotech Business Consultant
I was born on:	29 June 1948
My place of birth was:	Adelaide, South Australia <i>(State Country, if not Australia)</i>

DIRECTORSHIPS

The names of public companies, or companies which are subsidiaries of public companies, incorporated in Australia, of which I am a Director are:

Nil

DIRECTOR'S DUTY TO DISCLOSE

Directors have a statutory duty to disclose:

- Interests in contracts with the company;
- Conflicts of interest;
- Interests in shares, debentures and prescribed interests; and
- Interests in shares sought in a takeover.

Please complete the following sections with respect to the above requirements:

Interests in Contracts with the company

I advise that I am directly or indirectly interested in the following contracts or proposed contracts with the company:

<i>OTHER PARTY</i>	<i>NATURE & EXTENT OF INTEREST</i>
Nil	

Conflicts of Interest

Please advise of any conflicts of interests you may be aware of:

<i>OTHER PARTY</i>	<i>CONFLICT</i>
Cytopia Limited	Interest in holding of 13,600 shares in company which has expressed interest in exploring a merger with PGL.

Interests in Shares, Debentures and Prescribed Interests

Please list out interests you have in shares, debentures or prescribed interests in the company or any related bodies corporate.

<i>COMPANY</i>	<i>NAME OF HOLDER</i>	<i>UNITS</i>
Nil		

Interests in Shares sought in a Takeover

If applicable, I will give written notice to the Company of such matters and events affecting or relating to myself as are necessary to comply with the takeover provisions in Chapter 6 of the Corporations Law.

For example: a target company must prepare and submit a Part B statement which includes not only particulars of Directors' holdings but whether each Director intends to accept or has decided not to accept the takeover offer.

Notice of such matters will be given immediately upon my becoming aware that the Company requires or will require the information.

GENERAL

(a) I ~~am~~/am not * an undischarged/insolvent bankrupt?

If yes, please give details:

(b) I ~~am~~/am not * prohibited, in any other way, of being appointed a Director by reason of any order made under the Corporations Act 2001.

If yes, please give details:

** strike out whichever does not apply.*

DATED THIS 23rd DAY OF January 2009

SIGNED: *T. Williams*

FULL NAME: THOMAS GRAHAM WILLIAMS
(Please Print)

Calling of General Meeting

Pursuant to Section 249P of the Corporations Act 2001, shareholders holding more than 5% of the shares in Progen Pharmaceuticals Limited (“Progen”, “Company”) have requested the calling of a general meeting of the Company to consider a number of resolutions.

Why has a General Meeting been called?

Access to a full share buy-back at \$1.10 per share

The meeting has been called to allow Progen shareholders to decide whether to remain as shareholders in the Company or have all of their shares bought by the Company for \$1.10 per share. This opportunity is not currently available to shareholders.

In recent weeks, Progen announced that a Merger Implementation Agreement (MIA) has been entered into between the Company and Avexa Limited, an anti-infectives company. The MIA contemplates, amongst other things, that Progen shares will be bought back at \$1.10 per share, but limits the buy-back to \$20 million.

The remaining \$50m of Company funds would fund Phase III trials by the merged company of the Avexa HIV compound apricitabine, although these funds may not be sufficient to fully conclude the extensive clinical studies necessary for registration of this drug candidate.

In the likely event of substantial participation by Progen shareholders in the \$20m share buy-back, it will be scaled back and shareholders will not be able to sell 100% of their shares. The buy-back cap also contrasts unfavourably with one of the outcomes of the Beerworth & Partners Limited strategic review (as reported by Progen on 13 November 2008), where a capital return of approximately \$30m was recommended to recognise the “legitimate” concerns of shareholders.

- *Under the share buy-back resolution proposed by Progen members, the only restriction that would be placed on the maximum number of shares to be purchased by the company is that the company must be able to continue as a going concern after the buy-back. As a result, participating shareholders are much more likely to be able to sell **all** their shares for \$1.10 per share.*

Elect a new board

Since the termination of the Phase III clinical trial, the board has had ample time to consider its options. It has been aware from that time of the broad division of shareholder interests into two main groups – those who wish to support ongoing drug development by the company and those who wish to dispose of their interests in the company at a price reflecting the available cash reserves.

The Company considered a range of solutions in the second half of last year, some of which would undoubtedly have allowed the board to deliver an acceptable outcome to both groups of shareholders in a reasonable time frame. The delays in arriving at an outcome have had a severe impact on the company, including placing uncertainty over the progress of existing programs and contributing to a loss of staff at senior and other levels. As a result, a number of shareholders have voiced their deep dissatisfaction with the actions of the board.

- *Under the resolution regarding the removal of directors, the existing board will be replaced with new independent directors who will promptly implement the buy-back and be more receptive to representing the interests of remaining shareholders.*

- *These new independent directors will have the credentials and requisite skills to carry out the appropriate recommendations of the Beerworth report. Detailed resumes of each candidate will be provided separately to the Company to accompany the Notice of Meeting.*

1. *Mr. Robert Collins*
2. *Mr. Tom Williams*
3. *Dr. Damian Pethica*

Assess oncology merger

The Beerworth recommendations, as described by the Progen Chairman, contained a number of key elements which are unlikely to be delivered in the proposed merger with Avexa. These included:

- (a) the consideration of a merger with an oncology biotechnology company;
- (b) the adoption of a business model where compounds are licensed out prior to embarking on long and expensive Phase III clinical trials; and
- (c) a move away from a focus on single compound registration and commercialisation.

Many Progen shareholders have been seeking the broad business outcomes that would flow from the recommendations. If a full share buy-back is approved by shareholders, the company will then need decisive strategies to deliver the upside potential being sought by the shareholders who wish to continue their investment in biotech. The Beerworth merger recommendation recognised the need to expand the drug development possibilities for the company. The proposed merger with Avexa (to which the current board is committed) is not seen as the best way to achieve this goal.

During the second half of 2008, the Company advised of numerous approaches from interested companies and further discussions being held with those proposing terms of potentially significant value. Cytopia Limited, a listed oncology-focused drug development company, has very complementary scientific and operational assets and fully meets the selection criteria recommended in the strategic analysis. It is proposed for consideration as a preferable merger alternative.

- *The new directors, while independent of Cytopia, will explore a merger with Cytopia that will aim to achieve the best interests of Progen shareholders.*
- *The new directors will be able to terminate the MIA. This may result in the payment of a break fee negotiated by the existing board of \$0.5m.*

Consideration of other Issues

- The company has repeatedly estimated that cash reserves will be approximately \$70m by the end of February 2009, sufficient to fully fund the share buyback. Other than for the MIA, there have not been any other material events notified to shareholders that would reduce this balance.

- The amount of capital left to the company following the share buy-back will turn on the number of shareholders who do not participate in the buy-back.
- A merger with Cytopia cannot be guaranteed. The director candidates currently support a merger with Cytopia, but any merger terms must be in the best interests of Progen shareholders.

Recommendation

It is recommended that shareholders vote in favour of all the resolutions proposed by the members.

Director Candidate Biographies

Mr Robert J Collins

Mr Robert Collins has over 30 years experience in senior positions of both listed and unlisted companies in Australia and overseas. He was the the Managing Director of the ASX listed company Candle Australia Limited from 2001 to 2007 and was also on the Board of the Health Insurance Commission (now Medicare Australia) which administers programs including Medicare and the PBS System. During his tenure from 2000 to 2005, he was also Chair of the Audit Committee and served on the Fraud and Audit Service Committee. Mr Collins has a Bachelor of Science degree from Monash with majors in Genetics and Immunology, and is also a Fellow of the Australian Institute of Company Directors.

Dr Damian Pethica

Dr Damian Pethica worked for Ciba-Geigy in Basel, as a group head in the medical department, pharmaceutical division, and then as Medical Director of Ciba-Geigy New Zealand. Following the merger of Ciba-Geigy and Sandoz, he became Medical Director of Novartis New Zealand. He subsequently joined Flemings in London as a biotechnology equities research analyst. After the acquisition of Flemings he became Vice President, Biotechnology Equity Research for Europe for JPMorgan Chase. Dr Pethica was educated at Oxford University (Mathematics) and London University (Medicine), and was in general medical practice for about seven years. He is a Fellow of the Faculty of Pharmaceutical Physicians, Royal College of Physicians, London, and a current authorised representative of JT Campbell & Co, Melbourne. He is a current member of the Medicines Assessment Advisory Committee, New Zealand, and Chairman of BrainZ Instruments Ltd (ASX: BZI).

Mr Thomas Williams, BSc (Hons)

Tom Williams, BSc (Hons), has had extensive experience in pharmaceutical and biotech companies beginning with Glaxo Australia where he was responsible for new drug applications and introducing new media-based marketing methods. He recently retired as CEO of listed biotech BioDiem Ltd where he negotiated deals with big pharma for their novel flu vaccine and directed the development of other compounds into the clinic. He also has a broad business background as a marketing consultant and as a fund manager with a merchant bank.