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Cytopia commences court proceedings to prevent the 11 March meeting

Brisbane, Australia, 4 March 2009: Progen Pharmaceuticals Limited ("Progen", ASX:PGL; NASDAQ:PGLA) has received notice of proceedings in the Federal Court of Australia involving an application by Cytopia Limited ("Cytopia").

Cytopia's application principally seeks an injunction to prevent Progen from holding the general meeting called for 11 March 2009 ("Merger Meeting") and to require Progen to include the resolutions which were to be considered at the Merger Meeting on the agenda for the requisitioned general meeting to be held on 27 March 2009.

Progen intends to oppose the application.

Until Progen makes a further announcement, shareholders should assume that the Merger Meeting will proceed on 11 March 2009. If shareholders intend to appoint a proxy to vote at the Merger Meeting, proxy forms need to be received by Computershare Investor Services Pty Limited by 10.00am Brisbane time, Monday 9 March 2009.

The board, which unanimously supports the merger between Progen and Avexa, recommends that shareholders vote **FOR** the resolutions associated with the 11 March 2009 meeting of shareholders.

For more information:

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This press release contains forward-looking statements that are based on current management expectations. These statements may differ materially from actual future events or results due to certain risks and uncertainties, including without limitation, risks associated with drug development and manufacture, risks inherent in the extensive regulatory approval process mandated by the United States Food and Drug Administration and the Australian Therapeutic Goods Administration, delays in obtaining the necessary approvals for clinical testing, patient recruitment, delays in the conduct of clinical trials, market acceptance of ATC, PI-88, PI-166, PG545, PG11047 and other drugs, future capital needs, general economic conditions, and other risks and uncertainties detailed from time to time in the Company's filings with the Australian Securities Exchange and the United States Securities and Exchange Commission. Moreover, there can be no assurance that others will not independently develop similar products or processes or design around patents owned or licensed by the Company, or that patents owned or licensed by the Company will provide meaningful protection or competitive advantages.