



ABN 82 010 975 612

**MEETING DOCUMENTATION
2008 ANNUAL GENERAL MEETING**

at 10.00am Monday, 24 November 2008

Terrace Room

Indooroopilly Golf Club

Meiers Road

Indooroopilly QLD 4068

CHAIRMAN'S LETTER

Dear Shareholder

I am pleased to invite you to Progen's Annual General Meeting (AGM). This is to be held on Monday, 24 November 2008, at the Terrace Room, Indooroopilly Golf Club, Meiers Road, Indooroopilly, QLD, 4068.

At the meeting, our Managing Director, Justus Homburg and I will take the opportunity to update shareholders on progress and outlook. I would encourage you to read Progen's Annual Report for 2008 for information about our objectives and strategies and our achievements and challenges during the past year.

The Annual Report also contains the Company's Financial Statements (and notes) for the year ended 30 June 2008, the Directors' Report and the Audit Report. This will be tabled and considered at the AGM.

The AGM will commence at 10.00am but you will be able to register your attendance from 9.30am.

If you are unable to attend, I would encourage you to participate by completing and returning the enclosed proxy form in the reply-paid envelope.

I look forward to seeing you at this year's AGM.

Yours sincerely

Dr Mal Eutick
Chairman

26 September 2008

DEFINITIONS

The following capitalised terms, which are used in documents forming part of the Meeting Documentation, have the meanings set out below:

'Annual General Meeting' means the proposed meeting of all Shareholders at 10.00am on Monday, 24 November 2008 at the Terrace Room, Indooroopilly Golf Club, Meiers Road, Indooroopilly, QLD 4068 to consider and if thought fit, pass the resolutions set out in the Notice of Annual General Meeting;

'Associates' has the meaning given to it by sections 10 to 17 of the Corporations Act;

'ASX' means the Australian Securities Exchange Limited ABN 98 008 624 691;

'Board' means the Board of Directors of Progen;

'Corporations Act' means the Corporations Act 2001 (Cth);

'Director' means a Director of Progen;

'Explanatory Memorandum' means the document forming part of the Meeting Documentation containing information on the resolutions set out in the Notice of Annual General Meeting;

'Listing Rules' means the Listing Rules of ASX;

'Meeting Documentation' means:

- the letter from the Chairman to Shareholders dated 26 September 2008;
- the Explanatory Memorandum;
- the Notice of Annual General Meeting; and
- the proxy form for the Annual General Meeting;

'Notice of Annual General Meeting' means the Notice dated 26 September 2008 which is enclosed in the Meeting Documentation;

'Progen' or **'Company'** means Progen Pharmaceuticals Limited ABN 82 010 975 612;

'Share' means a fully paid ordinary share issued in the capital of Progen;

'Shareholder' means a holder of Shares.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Progen Pharmaceuticals Limited will be held at the Terrace Room, Indooroopilly Golf Club, Meiers Road, Indooroopilly, QLD 4068 on Monday, 24 November 2008 at 10.00 am.

ORDINARY BUSINESS

CHAIRMAN'S ADDRESS AND PRESENTATION BY MANAGING DIRECTOR

THE FINANCIAL STATEMENTS AND REPORTS

To receive and consider the Directors' Report, Financial Statements, Directors' Declaration and Independent Audit Report for the financial year ended 30 June 2008.

ORDINARY RESOLUTIONS

1 DIRECTORS' REMUNERATION REPORT

To consider and if thought fit, to pass the following resolution in accordance with s250R(2) of the Corporations Act:

"That the section of the Directors Report in the 2008 Annual Report dealing with the remuneration of the Company's Directors, Company Secretary and Senior Executives described as "Remuneration Report" be adopted."

NB: This resolution shall be determined as if it were an ordinary (majority) resolution, but under s250R(3) of the Corporations Act, the vote is advisory only and does not bind the Directors of the Company.

2 RE-ELECTION OF DIRECTOR – DR MALVIN EUTICK

To consider and if thought fit, to pass the following ordinary resolution:

"That Dr Malvin Eutick, who retires by rotation in accordance with the Company's Constitution and being eligible, is re-elected as a director of the Company."

Information about Dr Malvin Eutick appears in the attached Explanatory Memorandum.

3 ELECTION OF DIRECTOR – MR ROBERT WILLIAMSON

To consider and if thought fit, to pass the following ordinary resolution:

"That Mr Robert Williamson, who was appointed as a director on 4 March 2008 in accordance with the Company's Constitution and the Corporations Act and being eligible, is elected as a director of the Company."

Information about Mr Robert Williamson appears in the attached Explanatory Memorandum.

4 ELECTION OF DIRECTOR – MR JOHN LEE

To consider and if thought fit, to pass the following ordinary resolution:

"That Mr John Lee, who was appointed as a director on 4 March 2008 in accordance with the Company's Constitution and the Corporations Act and being eligible, is elected as a director of the Company."

Information about Mr John Lee appears in the attached Explanatory Memorandum.

SPECIAL BUSINESS

5 RATIFICATION OF PREVIOUS SHARE ISSUE AND ALLOTMENT TO CELLGATE, INC SHAREHOLDERS

To consider and if thought fit, to ratify the following special resolution:

“That for the purposes of Listing Rule 7.4 and for all other purposes, the prior issue and allotment of 604,959 Shares; 201,265 Shares; and 75,620 Shares made on 7 February 2008; 2 April 2008; and 6 August 2008 respectively, to former CellGate, Inc shareholders be ratified.”

BY ORDER OF THE BOARD



Linton Burns
Company Secretary

26 September 2008

GENERAL

The Corporations Act requires the Financial Report, Directors' Report and Independent Audit Report to be received and considered at the meeting.

Neither the Corporations Act nor Progen's constitution requires Shareholders to vote on such reports. However Shareholders will be given ample opportunity to raise questions about the reports at the meeting.

Voting Instructions

Voting at the meeting

1. If you are able to attend the meeting, on a show of hands each Shareholder present may cast one vote. 'Shareholder present' includes a person present as a proxy, attorney or body corporate representative. However, if a Shareholder holds two or more appointments and these appointments direct the proxy to vote in different ways, then the proxy cannot vote on a show of hands.
2. On a poll, Shareholders have one vote for every fully paid Share held.
3. Progen has determined that for the purposes of voting at the meeting or adjourned meeting, Shares will be taken to be held by those persons recorded in the Progen register of Shareholders as at 7pm Brisbane time on 21 November 2008.

Appointment of proxy (Section 249L(d))

4. If you are a Shareholder, and you are unable to attend and vote at the meeting, and wish to appoint a proxy, please complete and return the enclosed proxy form. A proxy need not be a Shareholder of Progen.
5. The attached proxy form must be completed and lodged in accordance with the instructions on the back of the form.

EXPLANATORY MEMORANDUM

The following notes have been prepared to assist Shareholders with their consideration of the resolutions set out in the Notice of Annual General Meeting of Progen Pharmaceuticals Limited ABN 82 010 975 612 (the "Company") to be held at the Terrace Room, Indooroopilly Golf Club, Meiers Road, Indooroopilly QLD, 4068 on Monday, 24 November 2008 at 10.00am.

Resolution 1 – Directors' Remuneration Report

The Corporations Act 2001 requires that the section of the Directors' Report dealing with the remuneration of Directors and other key management personnel ('Remuneration Report') be put to the vote of Shareholders for adoption. The Remuneration Report can be found in the Directors' Report section of Progen's 2008 Annual Report.

Following consideration of the Remuneration Report, the Chairman will give Shareholders a reasonable opportunity to ask questions about or to make comments upon the Remuneration Report.

Resolution 2 – Re-election of Director – Dr Malvin Eutick

Under clause 10.1.3 of the Company's constitution one third, or the number nearest to one third if not divisible by three, of the current directors (excluding the Managing Director) must retire by rotation at each annual general meeting. Accordingly Dr Malvin Eutick, being the longest serving Director since the last election, retires at the end of the meeting and, being eligible, presents himself for re-election.

A summary of Dr Malvin Eutick's experience and qualifications follows:

Dr Eutick joined Progen's board on 10 March 1999. Dr Eutick has 25 years experience in the medical and pharmaceutical industry including with companies such as Pfizer and Pharmacia.

In 1993, Dr Eutick founded and developed the pharmaceutical company, Phebra (formerly Pharmed Pty Ltd), which supplies primarily hospitals in Australia and worldwide with critical drugs used in accident and emergency situations and the ICU. In 2000, he acquired the sterile medical device company TUTA Laboratories Pty Ltd, from a Japanese multinational and recently coordinated its sale to the safety medical and collections solutions company BMDI International (ASX:BMI).

Dr Eutick was awarded the Medal of the Order of Australia for services to biotechnology in 1995. He previously served as Chairman of the Australian biotechnology company, BioQuest Ltd and was Deputy Chairman of the Australian Museum Trust.

Dr Eutick is also currently a Director of BMDi-TUTA Ltd (ASX:BMI) and a number of private companies involved with drug innovation and development.

Resolution 3 – Election of Director – Mr Robert Williamson

Under clause 10.3.2 of the Company's Constitution, any director appointed under Rule 10.3.1 of the Company's Constitution, other than the Managing Director, holds office until the next AGM of the Company and is then eligible for re-election but is not to be taken into account in determining the directors who are to retire by rotation at that meeting. Accordingly Mr Robert Williamson, having been appointed on 4 March 2008, retires at the end of the meeting and, being eligible, presents himself for re-election.

A summary of Mr Robert Williamson's experience and qualifications follows:

Mr Williamson joined Progen's board as a non-executive director in March 2008. Mr Williamson is the founder of LaSalle Venture Advisors, a consultancy serving venture-backed and public life science companies and their investors on strategic and operational issues. He currently serves as a non-executive director of Pharmasset Inc. (NASDAQ:VRUS), an anti-viral therapeutics company.

Prior to founding LaSalle Venture Advisors, Mr Williamson served as President and CEO of Arriva Pharmaceuticals, Inc., and helped the company raise \$27 million in venture capital. Previously, Mr Williamson was President and Chief Operating Officer of EOS Biotechnology, Inc., (purchased by PDL BioPharma (NASDAQ:PDLI)). Prior to this, Mr Williamson was President and Chief Operating Officer of DoubleTwist, Inc. (formerly Pangea Systems), a genomics start-up. Mr Williamson began his career at The Boston Consulting Group, Inc., a global business consulting firm, where he was named a Partner, and led the firm's west coast health care practice.

Mr Williamson received a MBA from the Stanford Graduate School of Business in Stanford, CA. He obtained a B.A. in Economics from Pomona College in Claremont, CA.

Resolution 4 – Election of Director – Mr John Lee

Under clause 10.3.2 of the Company's Constitution, any director appointed under Rule 10.3.1 of the Company's Constitution, other than the Managing Director, holds office until the next AGM of the Company and is then eligible for re-election but is not to be taken into account in determining the directors who are to retire by rotation at that meeting. Accordingly Mr John Lee, having been appointed on 4 March 2008, retires at the end of the meeting and, being eligible, presents himself for re-election.

A summary of Mr John Lee's experience and qualifications follows:

Mr Lee joined Progen as a non-executive director in March 2008. In 1987, Mr Lee founded Stockholder Relations, an Australian-based management consultancy specializing in corporate advisory, investor relations and corporate governance. Currently, Mr Lee is non-executive chairman of Portland Orthopaedics Limited (ASX:PLD), executive chairman of Milvella Limited and a non-executive director of Savine Therapeutics Pty Ltd.

Prior to founding Stockholder Relations, Mr Lee served Woolworths Limited (ASX:WOW), as Chief General Manager Corporate Services and was a member of Woolworth's executive committee.

Mr Lee received his MBA from the University of Melbourne, in addition to a B Comm. and post-graduate degree in Education. He is a Senior Associate of the Financial Services Institute of Australia (FINSIA) and a Foundation Fellow of the Australian Institute of Company Directors.

Resolution 5 – Ratification of Previous Share Issue and Allotment to CellGate, Inc

Background

On 4 February 2008 Progen announced that it had entered into a Definitive Agreement (the Agreement) to acquire privately-held U.S. oncology company CellGate, Inc. The CellGate acquisition expanded Progen's product candidate portfolio through the addition of multiple pre-clinical and clinical oncology compounds focused on polyamine and epigenetic targets. CellGate's assets include a lead product candidate in Phase 1 and multiple pre-clinical compounds.

Under the terms of the Agreement, the up-front purchase price comprised the issue of 756,199 Progen shares having a value of approximately \$US1.5 million on the assumption by Progen of CellGate net liabilities up to \$US1.0 million. The shares will be issued as follows: 604,959 Progen shares issued on closing (issued on or about 6 February 2008), 75,620 Progen shares issued on 6 August 2008 and 75,620 Progen shares to be issued on 6 February 2009. The issue of the 6 August 2008 and 6 February 2009 deferred shares is subject to there having been no material breaches of warranties and representations given by CellGate, Inc.

In the event CellGate's net liabilities at closing are less than \$US1.0 million Progen will issue additional shares for the difference but the total number of shares to be issued will in no event exceed 957,464 Progen shares. As CellGate's net liabilities at closing were substantially below \$US1.0 million, Progen issued CellGate shareholders 201,265 shares on 2 April 2008.

Listing Rule 7.4

Listing Rule 7.4 permits the ratification of previous issues of shares made without prior shareholder approval, provided the issue did not breach the 15% threshold set by Listing Rule 7.1. The effect of such ratification is to restore the Company's maximum discretionary power to issue further shares up to 15% of the issued capital of the Company without requiring shareholder approval.

Information for Shareholders

Resolution 5 has been included so that Shareholders may approve and ratify pursuant to Listing Rule 7.4 the issue of the prior issue and allotment of 604,959 Shares; 201,265 Shares; and 75,620 Shares made on 7 February 2008; 2 April 2008; and 6 August 2008 respectively, to former CellGate, Inc shareholders as part consideration for the acquisition of CellGate, Inc by the Company.

The Company will disregard any votes cast on this Resolution 5, by any person/entity who participated in the issue or any associate of that person/entity. However, the Company will not disregard a vote if:


- It is cast by a person as proxy for a person/entity who is entitled to vote, in accordance with the directions on the proxy form; or
- It is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

END

000001 000 PGL
 MR SAM SAMPLE
 FLAT 123
 123 SAMPLE STREET
 THE SAMPLE HILL
 SAMPLE ESTATE
 SAMPLEVILLE VIC 3030

Lodge your vote:



 **Online:**
 www.investorvote.com.au

 **By Mail:**
 Computershare Investor Services Pty Limited
 GPO Box 242 Melbourne
 Victoria 3001 Australia

Alternatively you can fax your form to
 (within Australia) 1800 783 447
 (outside Australia) +61 3 9473 2555

For all enquiries call:
 (within Australia) 1300 552 270
 (outside Australia) +61 3 9415 4000

Proxy Form

	<p>Vote online or view the annual report, 24 hours a day, 7 days a week: www.investorvote.com.au</p>
<p><input checked="" type="checkbox"/> Cast your proxy vote</p> <p><input checked="" type="checkbox"/> Access the annual report</p> <p><input checked="" type="checkbox"/> Review and update your securityholding</p>	<p>Your secure access information is: Control Number: 183386 SRN/HIN: I9999999999</p> <p> PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.</p>

 **For your vote to be effective it must be received by 10.00am Saturday 22 November 2008**

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.computershare.com.

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
 or turn over to complete the form →**

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

IND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Progen Pharmaceuticals Limited hereby appoint

the Chairman of the meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Progen Pharmaceuticals Limited to be held at the Terrace Room, Indooroopilly Golf Club, Meiers Road, Indooroopilly, QLD 4068 on Monday, 24 November 2008 at 10.00am and at any adjournment of that meeting.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

ORDINARY BUSINESS

		For	Against	Abstain
1	Directors' Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	Re-election of Director - Dr Malvin Eutick	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	Election of Director - Mr Robert Williamson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	Election of Director - Mr John Lee	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SPECIAL BUSINESS

5	Ratification of previous share issue and allotment to CellGate, Inc shareholders	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____

Date ____/____/____