

Annual General Meeting 2007



ASX:PGL, NASDAQ:PGLA

Safe Harbor Statement

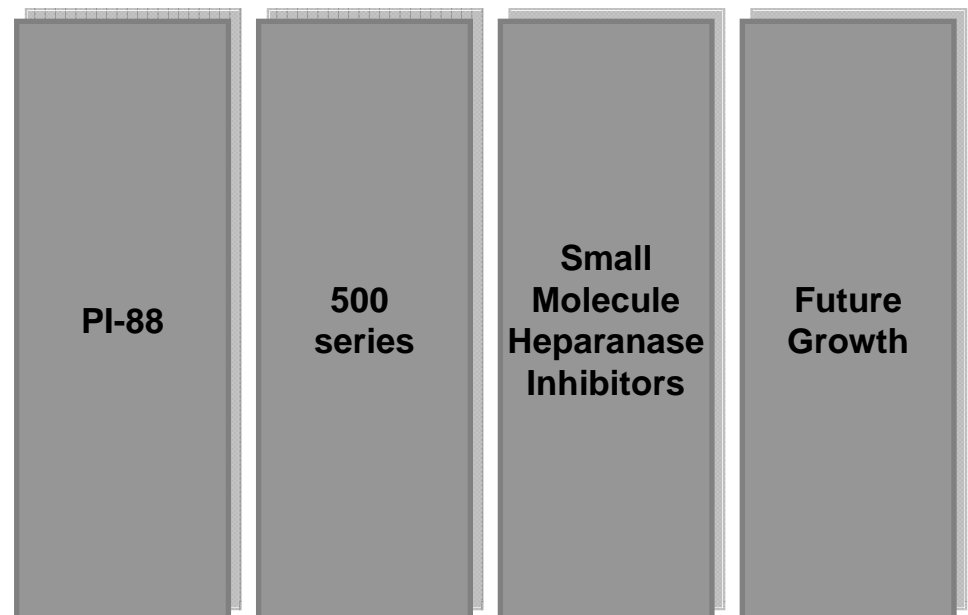
This presentation contains forward-looking statements that are based on current management expectations. These statements may differ materially from actual future events or results due to certain risks and uncertainties, including without limitation, risks inherent in the extensive regulatory approval process mandated by the United States Food and Drug Administration and the Australian Therapeutic Goods Administration prior to the commercialization of any of our product candidates, including PI-88, the risk that the Phase 2 study results described herein are not predictive of the Phase 3 studies which we intend to initiate, risks attendant to delays in obtaining the necessary approvals for clinical testing of our product candidates, risks associated with delays in patient recruitment for our planned Phase 3 clinical and other trials, delays in the conduct and completion of our clinical trials, in particular our planned phase 3 clinical trials for PI-88, risks associated with our failure to demonstrate adequate efficacy and safety data in our planned phase 3 clinical trials to advance the development of PI-88, risks associated with our inability or failure to meet applicable regulatory standards and receive regulatory approval for commercialization of PI-88, risks associated with the market acceptance of PI-88, PI-166 and any of our other product candidates, if approved for commercialization, risks associated with our inability to manufacture or otherwise obtain adequate supplies of PI-88, our future capitals needs, general economic conditions, and other risks and uncertainties detailed from time to time in our filings with the Australian Stock 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.

Welcome AGM 2007

Agenda:

- Year in review
- PI-88
 - HCC Market
 - Clinical Development
 - Registration
 - Manufacturing
 - Commercialization
- Key Progen 2008 Milestones

Progen Focus Areas:



Investment Highlights

- Late stage clinical product
 - Unmet need
 - First to market
 - US Fast Track Status
 - EU Orphan Drug Status

- Expanding pipeline
 - PG500 Series
 - Heparanase inhibition program
 - Actively scanning market for other growth opportunities
 - In-licensing and M&A

- Cash
 - Strongest financial position ever
 - Fully funded PI-88 through Phase 3 plus PG500, Small Molecule Heparanase Inhibition Programs

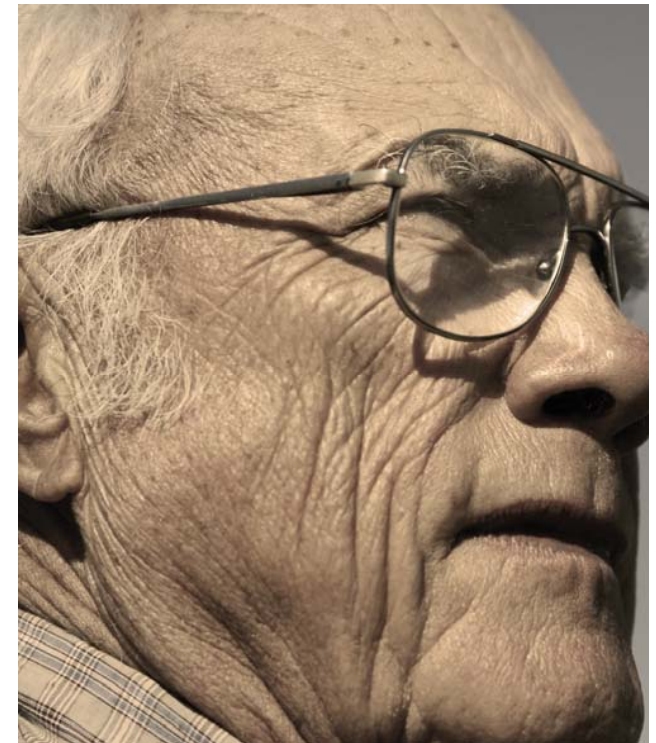


Company Strategy



To better cancer patients' lives by providing improved oncology solutions

Create long term shareholder value through the discovery and development of novel cancer therapeutics



Key 2007 Achievements

Strong results Phase 2 trial

Medigen royalty buyback

Capital raising AU\$98M

AU\$4.6M Australian Government P3 Grant

PI-88 Phase 3

Clinical Advisory Board

Quintiles Appointment

Trial Material Produced

Trial sites engaged

Investigator meetings held

Ethics and regulatory reviews underway

On track for First Patient In (FPI) before year's end

Global

US: FDA Fast Track

Europe: EMEA Orphan Drug

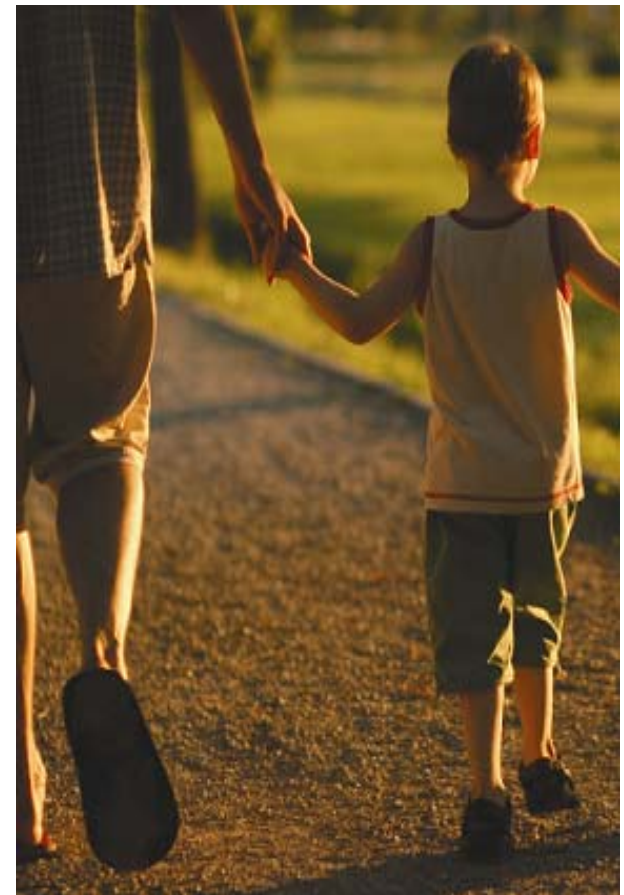
Phase 3 trial sites provide platform for global marketing

North America

Europe

Asia

South America



PI-88 Commercialization Summary

We will be commercializing PI-88 with the support of partners

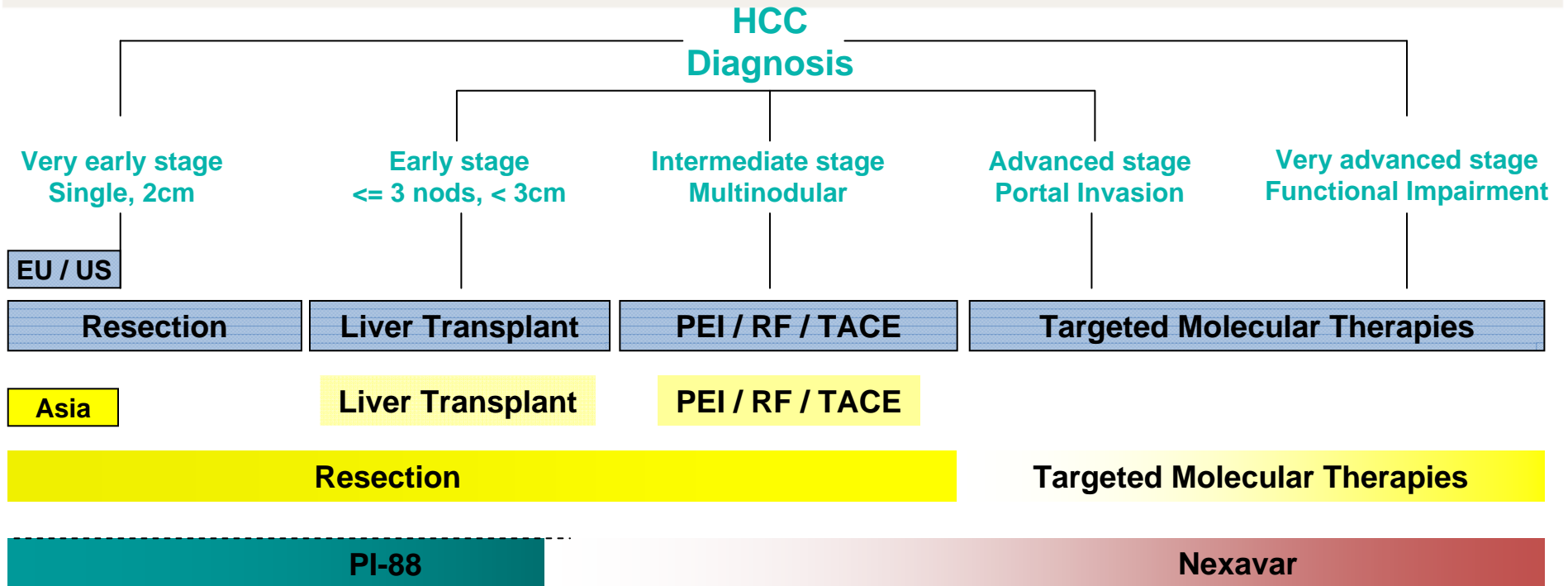
WE WILL NOT MARKET, SELL, DISTRIBUTE OURSELVES

Some key factors that determine the types of regional, global marketing and sales partnerships

we will pursue include:

- HCC is a critical Asian disease
- HCC small but growing in USA and EU - hepatitis
- US, EU, AUS registration drive globalization
- Co-development / partnering for additional indications and incremental commercial opportunities
- Manufacturing strategy: currently assessing “Make vs Buy” optimization
 - Minimize cost; ensure maintain low cost of goods
 - Maximize flexibility
 - Minimize risk

HCC Treatment Approaches: East & West

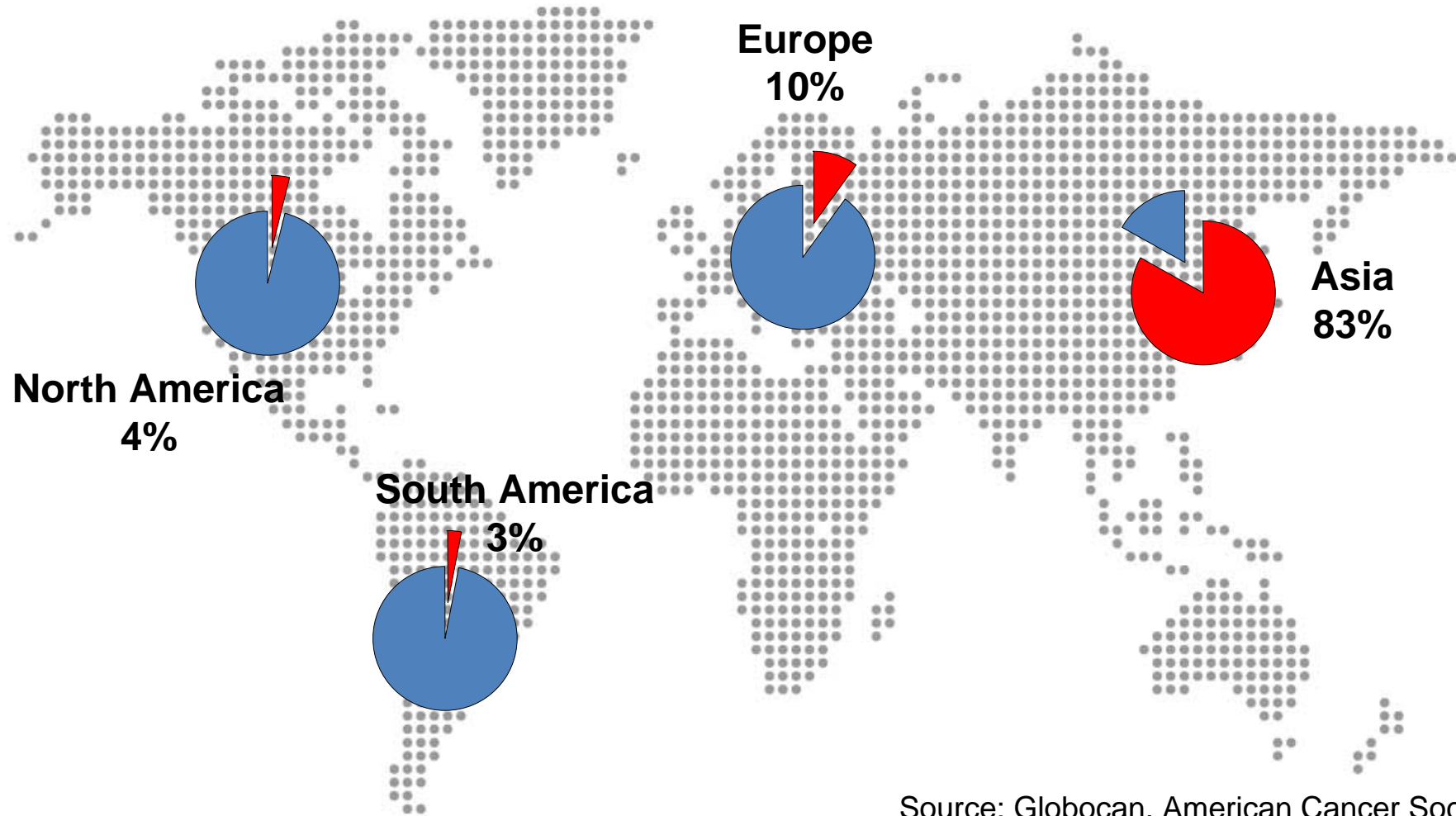


- Recent increase in role of resection in EU & US – Approaching Asian model
- PI-88 success in delaying disease recurrence expected to increase resection use
 - PI-88 & Nexavar – Modes of Action different – potentially complimentary

Adapted from Bruix & Sherman, AASLD HCC Guidelines, 2005

Liver Cancer Prevalence: Predominantly an Asian disease

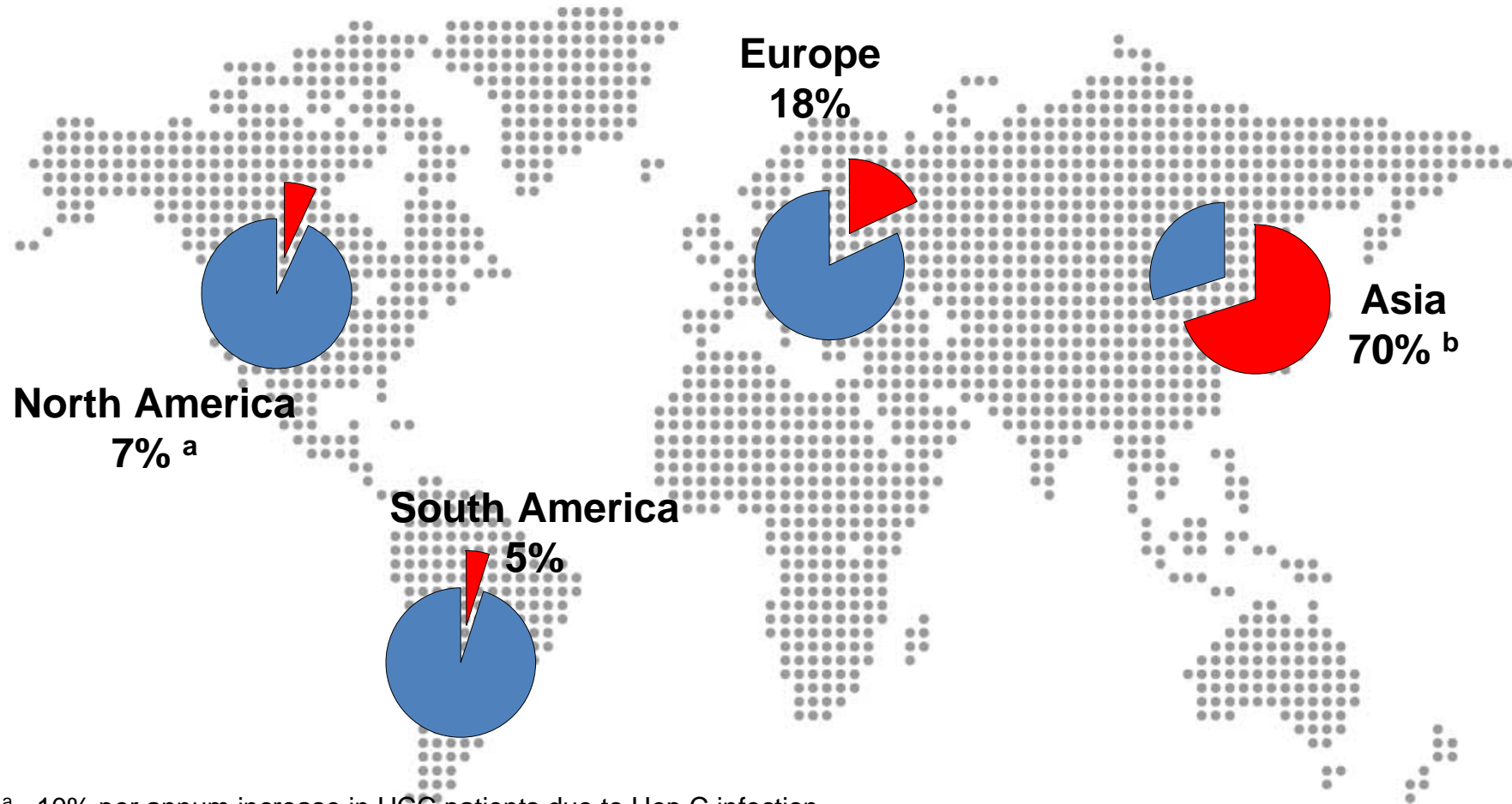
Approximately 600,000 New Cases Per Year - 2007



Source: Globocan, American Cancer Society

Primary Liver Cancer (HCC) and Treatment Penetration

An Estimated 250,000 Treated New HCC Cases Per Year - 2007

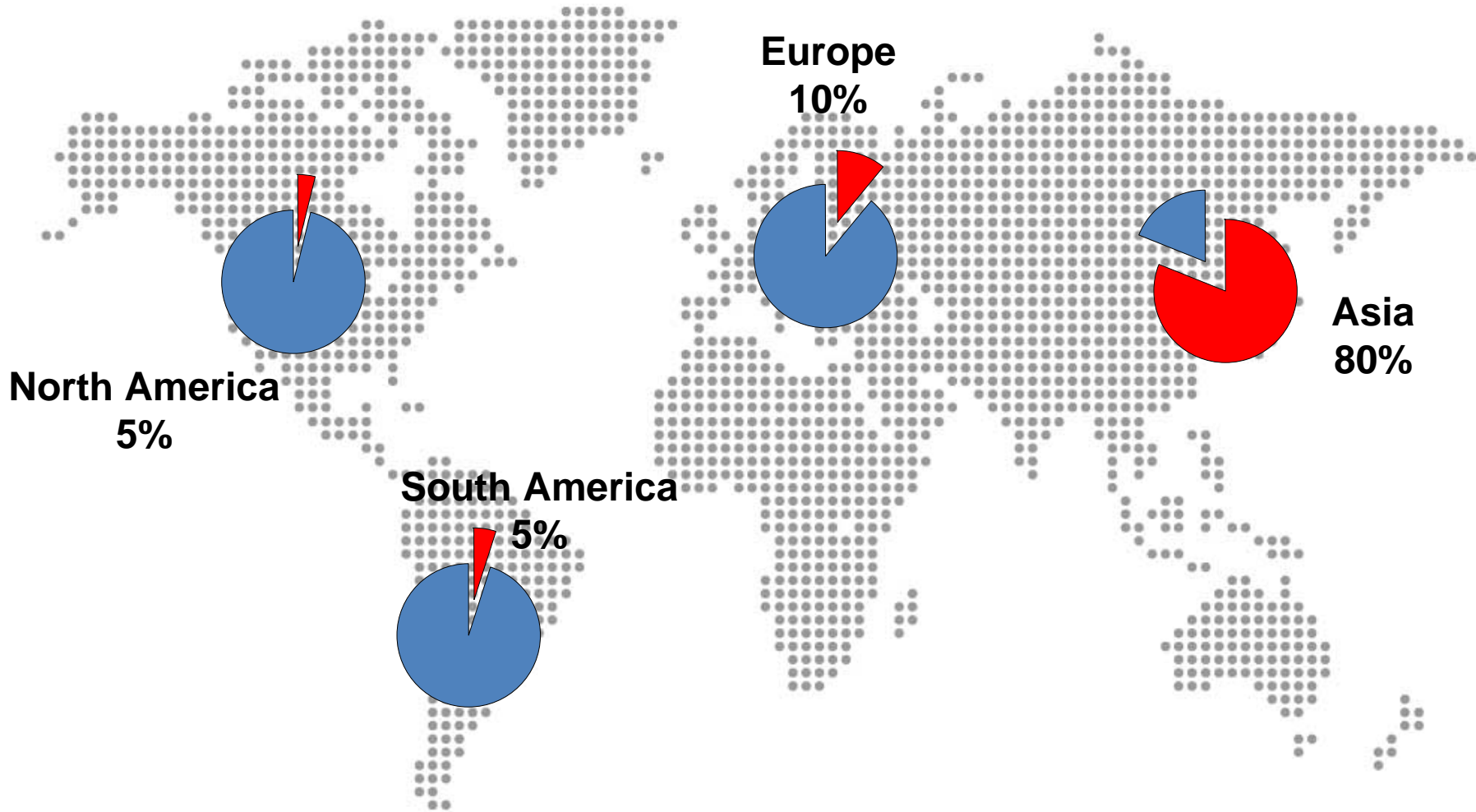


^a ~10% per annum increase in HCC patients due to Hep C infection

^b 20% of Chinese patients are likely to receive treatment

HCC Resections: First PI-88 Market Opportunity

An estimated 65,000 resections per year - 2007

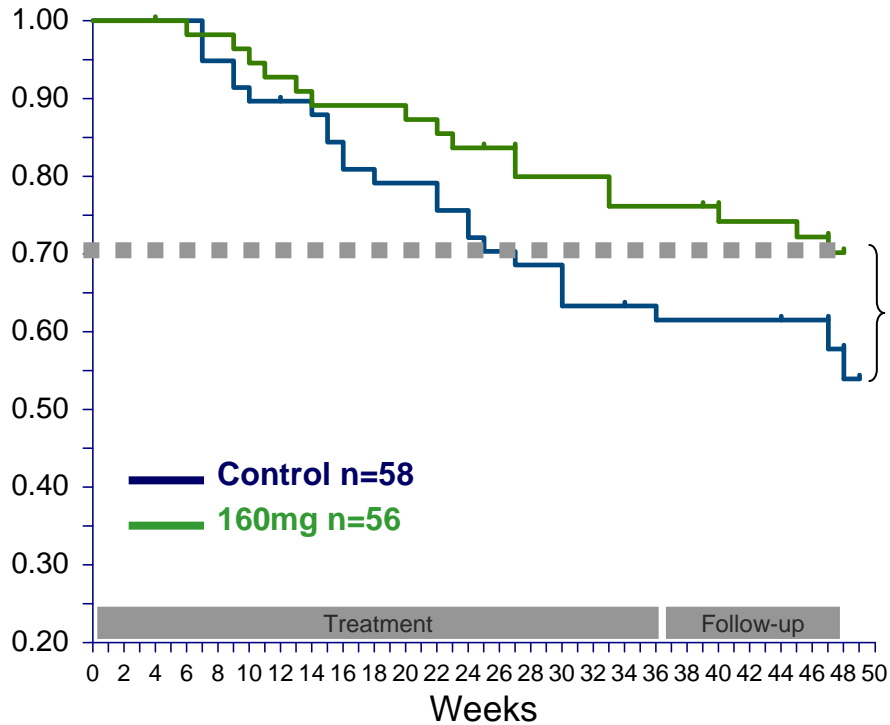


PI-88 Value Chain Drivers Depend On:

- Clinical benefit demonstrated in Phase 3
- Growth of resection market – Hep C
- North America & Europe changes in treatment regimes
- Economic development of China
- Penetration rates
- Success of PI-88 – more resections
- Marketing & sales strength of commercial partner
- Re-imburement strategy
- Competitor positioning

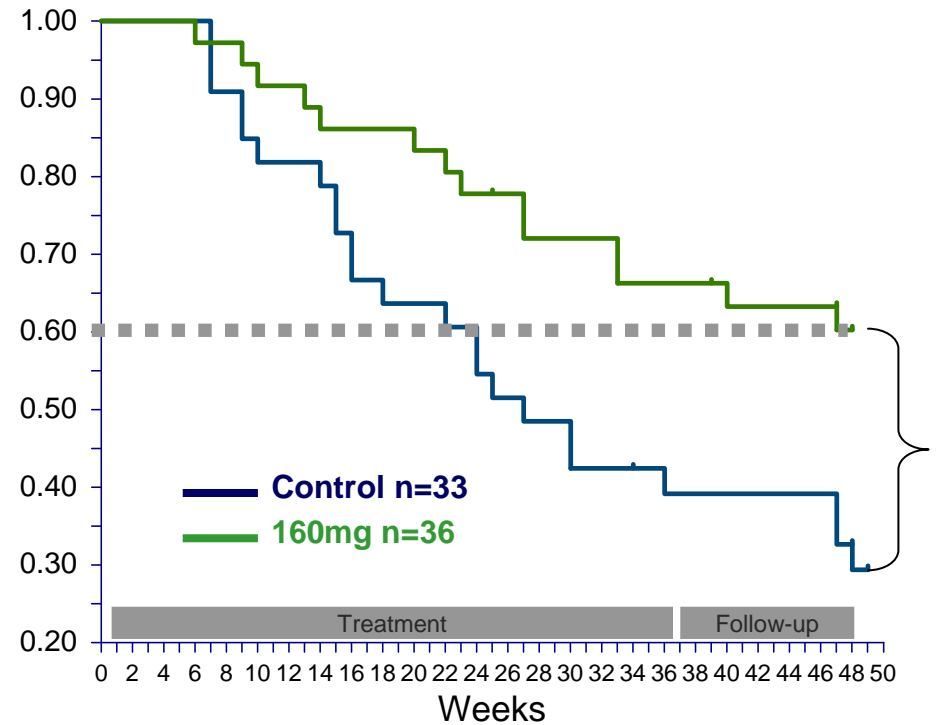
High short-term recurrence risk profile patients demonstrate very strong PI-88 efficacy signal

Total sample



	P-value	Log Rank	HR
Control/160mg	0.0867	2.936	1.70

Short-term recurrence high risk patients



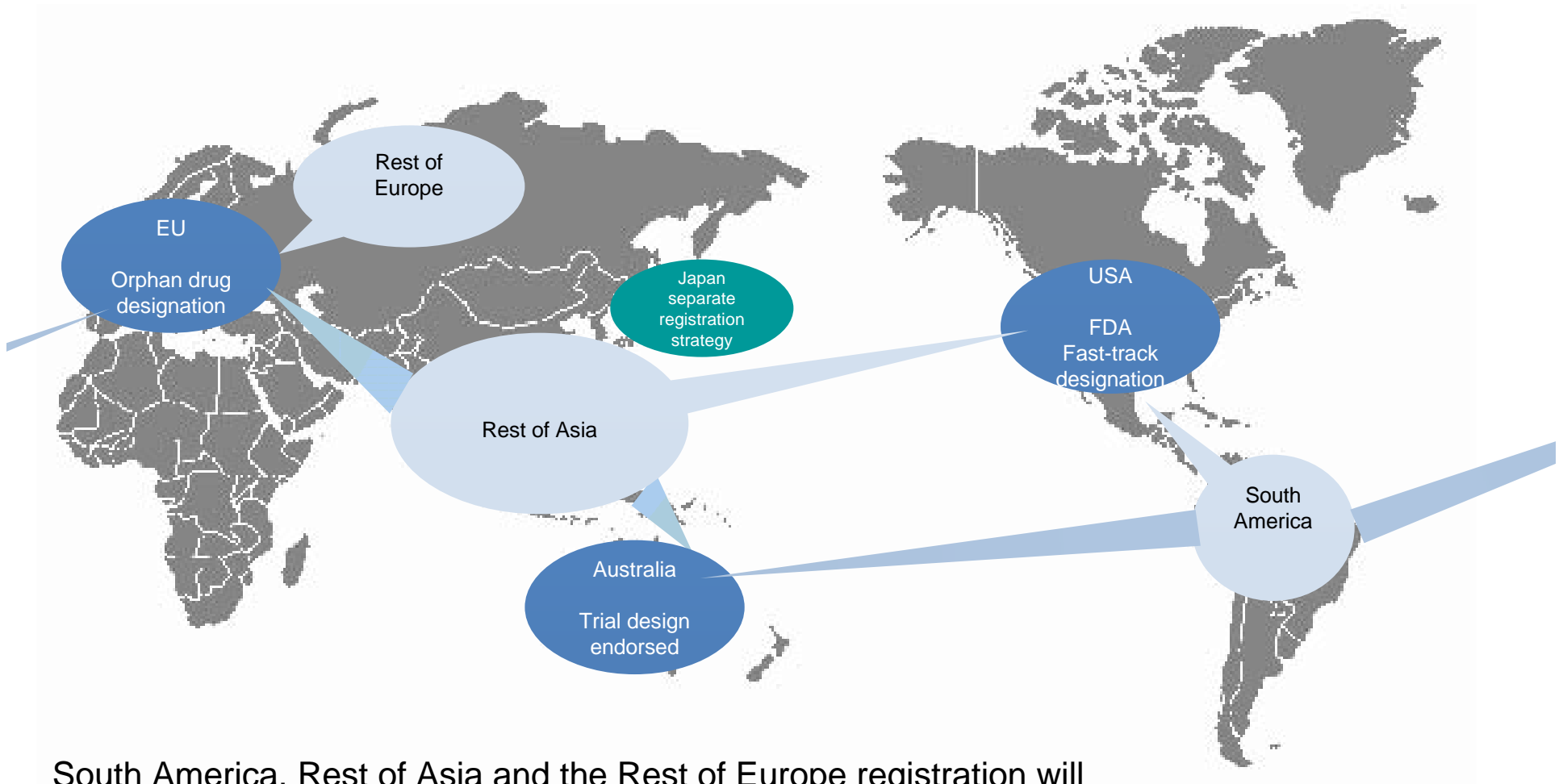
	P-value	Log Rank	HR
Control/160mg	0.0107	6.520	2.37

Phase 3 Trial Design Characteristics

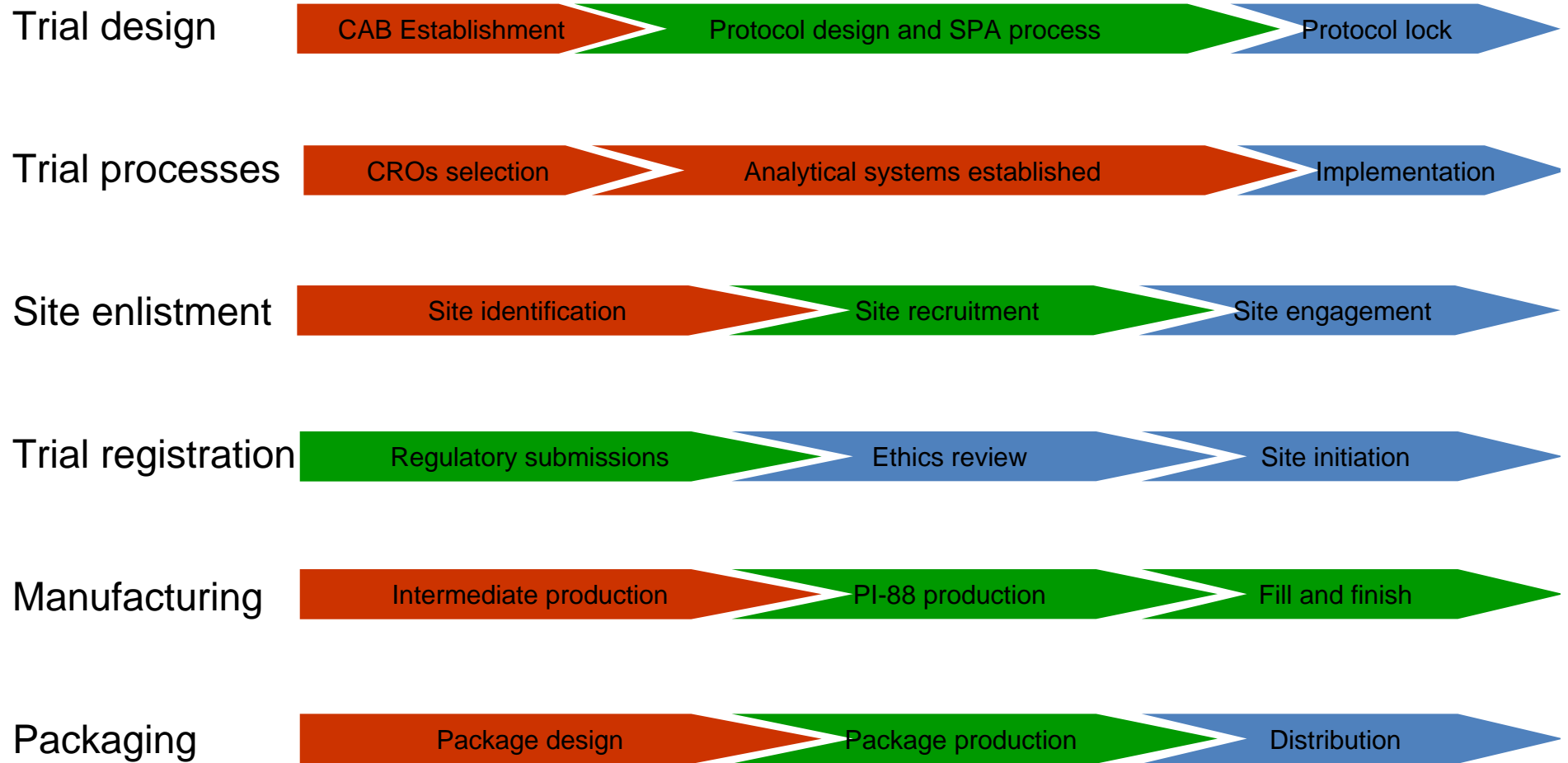
Phase 3 trial built on Phase 2 learnings to maximize probability of success

Feature	Phase 2	Phase 3	Impact
Design	Time based	Event based	Faster, FDA support
Statistics (alpha – Type 1 error)	unspecified	.05	FDA Standard
Statistics (Beta – Type 2 error)	.80	.85	Normal Phase 3 range .80 to .90
DFS improvement	78%	~40%	Higher chance of success
Control median recurrence rate	12.4 months	15 months	Higher chance of success
Control arm	Open-label, un-blinded	Double-blinded placebo control	More rigorous statistical design
Treatment time	36 weeks	Until recurrence or trial completion	Improved expected efficacy
Sample Size	114 (two arms)	600	Increased power
Number of Sites	6	60-70	Broader recruitment & geographic coverage
Number of countries	1	14 (plus Japan)	Driver to registration strategy

EU, US, AUS are Drivers to Global Registration and Commercialization Strategy



PI-88 Phase 3 Trial Update: Status July 2007



PI-88 Phase 3 Trial Update: November 2007

➤ Since July, we have:

- Reviewed SPA feedback, integrated Fast Track implications and locked the protocol
- Met with regulators – Certain of DFS 1° end point and single pivotal trial acceptable
- Completed PI-88 Phase 3 trial material filling, packaging and started distribution
- Completed site recruitment
- Initiated ethics and trial regulatory review

➔ **Ready to dose first patient before end 2007**

PI-88 In Other Indications

Prostate Phase 2

- Investigator initiated trial
- No longer recruiting patients
- Data expected H1 2008



Melanoma Phase 2

- Trial size expanded to improve statistical power
- US & Australian patient recruitment continuing to plan
- Trial completion expected H2 2008



Key 2007/2008 Milestones

- **First-patient-in Phase 3 trial** Dec 07
- **Prostate cancer trial** H1 08
- **Melanoma trial** H2 08
- **Phase 3 recruitment progress** Periodic
- **PG500 Series compound IND** H2 08
- **Heparanase program decision** H2 08
- **New Technology in-licensing** As occur
- **M&A growth opportunities** As occur

