

Progen Expands Senior Management Team with Addition of Two Biopharmaceutical Industry Veterans

Brisbane, 08 June 2007: Progen Pharmaceuticals (ASX: PGL, NASDAQ: PGLA) today announced the appointment of Dr. James Garner as Vice President of Medical and Clinical Affairs, and Dr. John Devlin as Vice President of Manufacturing Operations. These appointments are intended to support the Company's efforts toward expediting the progression of its lead compound, PI-88 in post-resection liver cancer, to market.

Dr Garner's primary area of responsibility is overseeing Progen's clinical development program, including managing the Phase 3 clinical trial of PI-88. Dr Devlin is managing Progen's manufacturing operations. In particular, Dr. Devlin will focus on the preparation of the manufacturing requirements for PI-88's New Drug Application (NDA) to be filed with the FDA and PI-88's long-term production strategies.

"James and John bring a wealth of drug development and manufacturing expertise to Progen," said Justus Homburg, Chief Executive Officer of Progen. "We look forward to drawing on their extensive knowledge as we continue to advance our PI-88 clinical program. These appointments bring critical capabilities to the Company that are necessary to take us through Phase 3 to NDA in both clinical development and manufacturing".

Most recently, Dr. Garner held the position of Medical Affairs Manager at Biogen Idec for the Asia-Pacific region. At Biogen Idec, he drove the commercial launch of a number of novel biologic therapies in nine Asian countries, and also managed regional clinical research and business development activities. Prior to his time with Biogen Idec, Dr. Garner was a corporate strategy consultant with Bain & Company in Sydney. He began his career practising medicine at a number of hospitals throughout the United Kingdom and Australia.

Dr. Garner received his medical degree from University College, London, and holds a Master's of Arts and a Master's of Business Administration from the University of Queensland. He also holds a Graduate Certificate in Applied Finance and Investment from the Financial Services Institute of Australasia. Dr. Garner is a Young Fellow of the Royal Society of Medicine (UK) and a member of the Australian Pharmaceutical Physicians Association.

Dr. Devlin was part of the management team that engineered the 1999 buyout of the Albany, New York-based chemical manufacturing operation of Nycomed. The buyout resulted in the formation of a new company, Organichem, which provided third-party development and manufacturing capabilities to chemical and pharmaceutical companies, and was acquired by Albany Molecular Research, a global chemistry-based drug discovery, development and manufacturing company, in 2003.

Dr. Devlin holds a bachelor degrees and a Ph.D. in organic chemistry from Queens University Belfast, Northern Ireland. He is a member of the Royal Society of Chemistry and the American Chemical Society.

About Progen: Progen Pharmaceuticals Limited (formerly Progen Industries Limited) is an Australian-based globally focused biotechnology company committed to the discovery, development and commercialisation of small molecule therapeutics primarily for the treatment of cancer.

Progen's three key areas of focus are:

- **Clinical Development** - *via* a focused clinical trial program involving its two compounds PI-88 and PI-166.
- **Drug Discovery** - projects focusing on the development of potent, selective inhibitors of carbohydrate-protein interactions, which are implicated in many disease processes.
- **Manufacturing Services** – PI-88 manufacturing development and supply for the clinical program and commercialisation.

Keywords - Progen Pharmaceuticals, PI-88 and Senior Management

Progen Information:

Justus Homburg
Progen Pharmaceuticals Limited
T: +61 7 3842 3333
E: justush@progen-pharma.com

Noreen Dillane
Progen Pharmaceuticals Limited
T: +61 7 3842 3333
E: noreend@progen-pharma.com

Media and Investor Relations Australia:

Rebecca Piercy
Buchan Consulting
T: +61 2 9237 2800 / 0422 916 422
E: rpiercy@bcg.com.au

Rebecca Wilson
Buchan Consulting
T: +61 417 382 391
E: rwilson@bcg.com.au

Media Relations USA:

Robert D. Stanislaro
FD
T: 212-850-5657
E: robert.stanislaro@fd.com

Investor Relations USA:

Evan Smith
FD
T: 212-850-5606
E: Evan.smith@fd.com

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 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.