UPDATE ON STATUS OF DOJ INVESTIGATION

16 December 2016, Adelaide Australia: Mayne Pharma Group Limited previously disclosed that it was one of several generic companies to receive a subpoena from the Antitrust Division of the US Department of Justice (DOJ) seeking information relating to the marketing, pricing and sales of select generic products. The investigation relating to Mayne Pharma is focused on doxycycline hyclate delayed-release tablets (generic) and potassium chloride powders.

On 15 December 2016, multiple US states commenced legal proceedings in the United States District Court of Connecticut against a number of US generic companies including Mayne Pharma. The US states allege that Mayne Pharma had engaged in conduct in the doxycycline hyclate delayed-release market with Heritage Pharmaceuticals Industries Inc. (Heritage) that was anticompetitive.

After reviewing the complaint, the Board continues to believe the investigations and the legal proceedings will not have a material impact on its future earnings. However as previously stated no assurance can be given as to the timing or outcome of the investigation or legal proceedings.

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