

Receipt of R&D Tax Incentive Refund

Brisbane, Australia, 17 February 2015. Progen Pharmaceuticals Ltd ("Progen" or "the Company") (ASX: PGL, OTC: PGLA) advises that today it received a refund from the Australian Taxation Office of \$853,770 pursuant to the Federal Government's R&D Tax Incentive Scheme following the lodgement of its 2013/14 financial year tax return.

The R&D Tax Incentive is an Australian Government program under which tax loss companies with a group turnover of less than \$20 million can receive cash refunds for 43.5% of eligible expenditure on research and development.

ENDS

About Progen Pharmaceuticals Ltd

Progen Pharmaceuticals Limited is a biotechnology company committed to the discovery, development and commercialization of small molecule pharmaceuticals primarily for the treatment of cancer. Progen has built a focus and strength in anti-cancer drug discovery and development. www.progen-pharma.com

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This 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, amongst others, 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 PI-88, PG545, 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.