

JOHNSON WINTER & SLATTERY

L A W Y E R S

Partner: Tim Bowley +61 2 8274 9574
Email: tim.bowley@jws.com.au
Associate: Tim Kennedy +61 2 8274 9523
Email: tim.kennedy@jws.com.au
Our Ref: A5792

20 May 2011

Company Announcements Platform
Level 40
20 Bridge Street
ASX Limited
Sydney NSW 2000

BY FACSIMILE 1300 135 638

5 PAGES

Dear Sirs

Off-market takeover bid by Cephalon CXS Holdings Pty Ltd ACN 150 102 659 ("Cephalon CXS") for ChemGenex Pharmaceuticals Ltd ACN 000 248 304 ("ChemGenex")

We act for Cephalon CXS, a wholly owned subsidiary of Cephalon, Inc (**Cephalon**).

We refer to the bidder's statement lodged with ASIC on 13 April 2011 regarding the off-market takeover bid (**Takeover Bid**) by Cephalon CXS for ChemGenex comprising an offer for all of the ordinary shares in ChemGenex and an offer for all of the ASX-listed options in ChemGenex.

In accordance with section 647(3)(b) of the Corporations Act, we enclose for immediate release to the market a third supplementary bidder's statement (**Third Supplementary Bidder's Statement**) in relation to the Takeover Bid.

The Third Supplementary Bidder's Statement has today been lodged with ASIC and sent to ChemGenex, and will be despatched to ChemGenex shareholders and ChemGenex listed optionholders commencing Monday, 23 May 2011.

Yours faithfully



Level 30, 264 George Street
SYDNEY NSW 2000
T +61 2 8274 9555 | F +61 2 8274 9500

www.jws.com.au

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This document is a third supplementary bidder's statement dated 20 May 2011 (**Third Supplementary Bidder's Statement**) under section 643 of the Corporations Act by Cephalon CXS Holdings Pty Ltd (**Cephalon CXS**). It supplements and is to be read together with Cephalon CXS's bidder's statement dated and lodged with ASIC on 13 April 2011 (**Bidder's Statement**), first supplementary bidder's statement dated and lodged with ASIC on 29 April 2011 (**First Supplementary Bidder's Statement**) and second supplementary bidder's statement dated and lodged with ASIC on 4 May 2011 (**Second Supplementary Bidder's Statement**). The glossary in Section 14 of the Bidder's Statement applies to this Third Supplementary Bidder's Statement unless the context requires otherwise. This Third Supplementary Bidder's Statement prevails to the extent of any inconsistency with the Bidder's Statement, First Supplementary Bidder's Statement or Second Supplementary Bidder's Statement.

Cephalon CXS Holdings Pty Ltd
a wholly owned subsidiary of
Cephalon, Inc.



Cephalon to declare recommended ChemGenex Offers unconditional on reaching 90% under each Offer

1. Media Release

Attached is a media release headed "Cephalon to declare recommended ChemGenex Offers unconditional on reaching 90% under each Offer" which forms part of this Third Supplementary Bidder's Statement.

2. Authorisation

This Third Supplementary Bidder's Statement has been approved by a resolution passed by the directors of Cephalon CXS.

Signed in accordance with sections 52A and 351 of the Corporations Act.

A handwritten signature in black ink, appearing to read 'J. Buchi'.

J. Kevin Buchi, Director, by his attorney, Rod Cox
Dated: 20 May 2011

A copy of this Third Supplementary Bidder's Statement has been lodged with ASIC and given to ChemGenex Pharmaceuticals Ltd and the ASX on 20 May 2011. Neither ASIC nor any of its officers takes any responsibility for the contents of this document.



Cephalon to declare recommended ChemGenex Offers unconditional on reaching 90% under each Offer

20 May 2011 – Cephalon CXS Holdings Pty Ltd (**Cephalon**)¹ today provided an update on the status of its cash offers for ChemGenex Shares and ChemGenex Listed Options.

The aggregate of the Cephalon Group's existing shareholding in ChemGenex, acceptances of the Share Offer and acceptances in the Institutional Acceptance Facility² now represents approximately 78.01% of all ChemGenex Shares on issue. Cephalon also has received acceptances in respect of 86.40% of all ChemGenex Listed Options on issue.

Cephalon has confirmed that, if:

- the aggregate of the Cephalon Group's existing shareholding in ChemGenex, acceptances of the Share Offer and acceptances in the Institutional Acceptance Facility reaches at least 90% of ChemGenex Shares on issue;
- acceptances of the Listed Option Offer reach at least 90% of ChemGenex Listed Options on issue; and
- Cephalon has not by the time that these thresholds are reached become aware that any defeating condition of the Offers has been or is likely to be breached (or all breaches are waived by Cephalon),

Cephalon will declare each of the Share Offer and Listed Options Offer unconditional.

Cephalon reserves the right to free the Offers from any defeating condition at any time before the occurrence of the circumstances described above.

Subject to the Offers becoming unconditional, Cephalon will accelerate the timing for the payment of the Offer consideration to accepting ChemGenex Shareholders and ChemGenex Listed Optionholders. In that case, the accelerated time frame will be as follows:

- in respect of any ChemGenex Shareholder or ChemGenex Listed Optionholder who has validly accepted an Offer on or prior to it becoming unconditional, Cephalon will send payment of the Offer Price to them within five Business Days after the date on which the Offer becomes unconditional; and
- in respect of any ChemGenex Shareholder or ChemGenex Listed Optionholder who validly accepts an Offer after the date on which it becomes

¹ Cephalon CXS Holdings Pty Ltd ACN 150 102 659 is a wholly owned subsidiary of Cephalon, Inc.

² Outlined in Cephalon's First Supplementary Bidder's Statement dated 29 April 2011.

unconditional, Cephalon will send payment of the Offer Price to them within five Business Days after the date of receipt of their valid acceptance.

Where the Acceptance Form requires additional documents to be given with an acceptance (such as a power of attorney), these accelerated payment arrangements will operate as follows:

- if the necessary documents are given with the Acceptance Form, payment will be sent within the time frames set out above; and
- if the necessary documents are given after acceptance, payment will be sent within five Business Days after the date on which the documents are given.

The Offers are unanimously recommended by ChemGenex Directors

The directors of ChemGenex have unanimously recommended that ChemGenex Shareholders and ChemGenex Listed Optionholders accept Cephalon's Offers, in the absence of a superior offer.

The ChemGenex directors and their related entities, as well as major shareholder Orbis Investment Management (Australia) Pty Ltd, have now accepted the Offers in respect of their holdings of ChemGenex Shares and ChemGenex Listed Options.

In the circumstances, Cephalon considers a superior offer unlikely.

Scheduled Closing Date

The Offers are open for acceptance until 7.00pm (Sydney time) on 6 June 2011 (unless extended).

Holders of ChemGenex Shares and ChemGenex Listed Options should call the Cephalon Offer Information Line on 1800 072 766 (within Australia) or +61 2 8280 7152 (outside Australia) if they require more information.

About Cephalon, Inc.

Cephalon is a global biopharmaceutical company dedicated to discovering, developing and bringing to market medications to improve the quality of life of individuals around the world. Since its inception in 1987, Cephalon has brought first-in-class and best-in-class medicines to patients in several therapeutic areas. Cephalon has the distinction of being one of the world's fastest-growing biopharmaceutical companies, now among the Fortune 1000 and a member of the S&P 500 Index, employing approximately 4,000 people worldwide. The company sells numerous branded and generic products around the world. In total, Cephalon sells more than 150 products in nearly 100 countries. More information on Cephalon and its products is available at <http://www.cephalon.com/>.

In addition to historical facts or statements of current condition, this press release may contain forward-looking statements. Forward-looking statements provide the Cephalon current expectations or forecasts of future events. These may include statements regarding anticipated scientific progress on its research programs; development of potential pharmaceutical products; interpretation of clinical results; prospects for regulatory approval; manufacturing development and capabilities; market prospects for its products; and other statements regarding matters that are not historical facts. You may identify some of these forward-looking statements by the use of words in the statements such as "anticipate," "estimate," "expect," "project," "intend," "plan," "believe" or other words and terms of similar meaning. Cephalon performance and financial results could differ materially from those reflected in these forward-looking statements due to general financial, economic, regulatory and political conditions affecting the

biotechnology and pharmaceutical industries as well as more specific risks and uncertainties facing Cephalon such as those set forth in its reports on Form 8-K, 10-Q and 10-K filed with the U.S. Securities and Exchange Commission. Given these risks and uncertainties, any or all of these forward-looking statements may prove to be incorrect. Therefore, you should not rely on any such factors or forward-looking statements. Furthermore, Cephalon does not intend to update publicly any forward-looking statement, except as required by law. The Private Securities Litigation Reform Act of 1995 permits this discussion.

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For more media and investor information, please call:

United States

Media:

Natalie De Vane
+1 610-727-6536 (office)
ndevane@cephalon.com

Fritz Bittenbender
+1 610-883-5885 (office)
fbittenb@cephalon.com

Investor Relations:

Chip Merritt
+1 610-738-6376 (office)
cmerritt@cephalon.com

Joe Marczley
+1 610-883-5894 (office)
jmarczley@cephalon.com

Australia

Media:

Andrew Stokes
+61 416 967 038
andrew.stokes@fdthirdperson.com.au