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1 November 2012

Manager, Company Announcements
ASX Limited
Rialto Towers
Level 45, 525 Collins Street
MELBOURNE VIC 3000

Dear Sir/Madam

**MAYNE PHARMA GROUP LIMITED ANNOUNCES SUCCESSFUL COMPLETION OF THE
RETAIL ENTITLEMENT OFFER**

KEY POINTS

- Retail Entitlement Offer successfully completed, raising approximately A\$24.7 million
- Retail Entitlement Offer oversubscribed

Mayne Pharma Group Limited (ASX: MYX) (**Mayne Pharma**) is pleased to announce the successful completion of the retail component of the entitlement offer (**Retail Entitlement Offer**) announced on 4 October 2012. The Retail Entitlement Offer was underwritten¹ and raised approximately A\$24.7 million.

Due to overwhelming demand, the Retail Entitlement Offer was oversubscribed and Mayne Pharma will scale back applications for additional new shares under the Top Up Offer made by eligible retail shareholders, which are in excess of an additional 1.13 times their entitlement. The Company will implement a scale back policy that it considers is fair and equitable to shareholders. Shareholders with nominal shareholdings will have their applications for additional new shares limited to 1.13 times their entitlement. Final allocations are subject to a reconciliation and audit process that is currently being completed by Mayne Pharma's share registry.

The new shares to be issued under the Retail Entitlement Offer will rank equally with existing Mayne Pharma shares in all respects from the date of their issue. Settlement of these new shares is expected to be completed on 5 November 2012, with these new shares expected to be issued on 7 November 2012 and commence trading on ASX on a normal settlement basis on 8 November 2012.

Yours Sincerely,

A handwritten signature in black ink, appearing to read "M. Cansdale".

Mark Cansdale
Chief Financial Officer and Company Secretary

¹ The underwriting obligations did not extend to Bruce Mathieson's (and related investment entities) entitlement shares.

Mayne Pharma Group Limited

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IMPORTANT NOTICES

Further information in relation to the matters described in this announcement including important notices, key risks and assumptions in relation to certain forward looking information in this announcement is set out in an investor presentation released to the ASX on 4 October 2012 by Mayne Pharma. The information in the Important Information and Key Risks sections of that presentation applies to this announcement as if set out in full in this announcement.

This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to, or for the account or benefit of, any *U.S. persons* (as defined in Rule 902(k) under the U.S. Securities Act of 1933 (the **U.S. Securities Act**)) (**U.S. Persons**). Neither the entitlements nor the new shares have been, and none of them will be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States. In addition, Mayne Pharma has not been, and will not be, registered under the U.S. Investment Company Act of 1940, as amended (the **U.S. Investment Company Act**) in reliance on the exception from the definition of *investment company* provided by section 3(c)(7) of the U.S. Investment Company Act. The entitlements in the Retail Entitlement Offer may only be taken up by, and the new shares to be offered and sold in the Retail Entitlement Offer may only be offered and sold to, directly or indirectly, persons that are not in the United States and are not, and are not acting for the account or benefit of any U.S. Persons in offshore transactions (as defined in Regulation S under U.S. Securities Act) in compliance with Regulation S under the U.S. Securities Act.

Neither this announcement nor any other documents relating to the offer of new shares may be sent or distributed to persons in the United States or to any U.S. Person.