

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

27 May 2011

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

BY FACSIMILE 1300 135 638

4 PAGES

Dear Sirs

**Off-market takeover bid for ChemGenex Pharmaceuticals Ltd ACN 000 248 304
("ChemGenex")**

We act for Cephalon CXS Holdings Pty Ltd ACN 150 102 659 (**Cephalon**), a wholly owned subsidiary of Cephalon, Inc.

We refer to the off-market takeover bid by Cephalon for ChemGenex comprising an offer for all of the ordinary shares in ChemGenex (**Share Offer**) and an offer for all of the ASX-listed options in ChemGenex (**Listed Option Offer**) (together, the **Offers**).

Please find enclosed for immediate release to the market a notice (**Notice of Extension**) under sections 650D(1) and 630(2) of the Corporations Act 2001 (Cth) (**Act**) varying each of the Offers by extending each of the Offers so that, unless the Offers are extended further, the Offers will now close at 7.00pm (Sydney time) on 14 June 2011.

Earlier today, a notice under section 650F of the Act was lodged with the ASX which freed the Share Offer from the defeating condition set out in Section 11.7(f) of the Bidder's Statement. As a result the Share Offer is no longer conditional on the Listed Option Offer becoming or having been declared unconditional. However, the Listed Option Offer remains conditional on the Share Offer becoming or having been declared unconditional.

In light of these developments, Cephalon wishes to inform the market that it will now proceed as follows in relation to the Offers:

Share Offer

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; and

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

www.jws.com.au

SYDNEY | PERTH | MELBOURNE | BRISBANE | ADELAIDE
Liability limited by a scheme approved under Professional Standards Legislation

- Cephalon has not by the time that this threshold is reached become aware that any defeating condition of the Share Offer has been or is likely to be breached (or all breaches are waived by Cephalon),

Cephalon will declare the Share Offer unconditional.

Listed Option Offer

If:

- acceptances of the Listed Option Offer reach at least 90% of ChemGenex Listed Options on issue;
- the Share Offer has become or been declared unconditional; and
- Cephalon has not by the time that these requirements are satisfied become aware that any defeating condition of the Listed Option Offer has been or is likely to be breached (or all breaches are waived by Cephalon),

Cephalon will declare the Listed Option Offer unconditional.

Cephalon reserves the right to free the Share Offer and the Listed Option Offer from any defeating condition at any time before the occurrence of the circumstances described above.

* * *

In accordance with the accelerated payment terms announced on 20 May 2011, ChemGenex Shareholders who accept before the Share Offer becomes or is declared unconditional and ChemGenex Listed Optionholders who accept before the Listed Option Offer becomes or is declared unconditional will be sent payment of the offer consideration within 5 business days of the Share Offer or Listed Option Offer (as applicable) becoming or being declared unconditional. All other ChemGenex Shareholders or ChemGenex Listed Optionholders who accept following the relevant Offer becoming or being declared unconditional will be sent payment of the offer consideration within 5 business days of receipt of their valid acceptance.

As at today's date the aggregate of the Cephalon Group's existing shareholding in ChemGenex, acceptances of the Share Offer and acceptances in the Institutional Acceptance Facility represents 88.22% of all ChemGenex Shares on issue. Cephalon has also received acceptances in respect of 86.70% of all ChemGenex Listed Options on issue.

A copy of the Notice of Extension will be delivered to ChemGenex and mailed to each person to whom a Share Offer or Listed Option Offer was made later today.

Yours faithfully

Johnson Winter } Slattery

enc

**NOTICE UNDER SECTION 650D(1) OF THE CORPORATIONS ACT 2001 (CTH) –
EXTENSION OF OFFER PERIOD**

NOTICE UNDER SECTION 630(2) OF THE CORPORATIONS ACT 2001 (CTH)

**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")**

To: Australian Securities and Investments Commission (ASIC)

ChemGenex

Each person to whom Offers (as defined below) were made

ASX Limited (ASX)

1 Extension of the Offers

Cephalon CXS gives notice under subsection 650D(1) of the *Corporations Act 2001* (Cth) (the Act) that it varies each of the separate offers contained in its bidder's statement dated and lodged with ASIC on 13 April 2011 (**Bidder's Statement**) and varied by the notice under section 650D(1) of the Act dated and lodged with ASIC on 13 May 2011 for all of the ordinary shares in ChemGenex (**Share Offer**) and all of the ASX-listed options in ChemGenex (**Listed Option Offer**) (together, the **Offers**) by:

- (a) extending the period during which the Offers will remain open pursuant to section 650C of the Act so that the Offers will now close at 7.00pm (Sydney time) on 14 June 2011;
- (b) replacing all references to "6 June 2011" in the Bidder's Statement with references to "14 June 2011"; and
- (c) replacing the reference to "27 May 2011" in each of Section 11.10 and Section 12.10 of the Bidder's Statement with a reference to "4 June 2011".

2 Conditions of the Offers

Cephalon CXS gives notice under subsection 630(2) of the Act that:

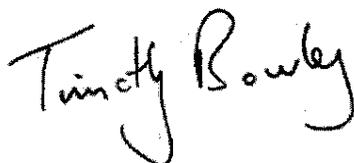
- (a) as a result of the extension of the period during which the Offers will remain open to 7.00pm (Sydney time) on 14 June 2011, the new date for giving notice of the status of the conditions set out in Section 11.7 of the Bidder's Statement (in respect of the Share Offer) and Section 12.7 of the Bidder's Statement (in respect of the Listed Option Offer) is 4 June 2011;
- (b) as set out in the notice under section 650F of the Act dated and lodged with the ASX on 27 April 2011, the Share Offer has been freed of the defeating condition contained in Section 11.7(d) of the Bidder's Statement and the Listed Option Offer has been freed of the defeating condition contained in Section 12.7(d) of the Bidder's Statement;
- (c) as set out in the notice under section 650F of the Act dated and lodged with the ASX on 27 May 2011, the Share Offer has been freed of the defeating condition contained in Section 11.7(f) of the Bidder's Statement;

- (d) as set out in the notice under section 630(4) of the Act dated and lodged with the ASX on 15 April 2011, the condition to the Share Offer contained in Section 11.7(e)(ii)(H)(aa) of the Bidder's Statement and the condition to the Listed Option Offer contained in Section 12.7(e)(ii)(H)(aa) of the Bidder's Statement has been fulfilled; and
- (e) the Share Offer has not been freed from any of the other defeating conditions contained in Section 11.7 of the Bidder's Statement and the Listed Option Offer has not been freed from any of the other defeating conditions contained in Section 12.7 of the Bidder's Statement (together, the **Remaining Conditions**) and, so far as Cephalon CXS knows, none of the Remaining Conditions has been fulfilled as at the date of this notice.

3 **Authorisation**

This notice has been approved by a resolution passed by the directors of Cephalon CXS.

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



J. Kevin Buchi, Director, by his attorney, Timothy Bowley

Dated: 27 May 2011

A copy of this notice under sections 650D(1) and 630(2) of the Act has been lodged with ASIC and given to ChemGenex and the ASX on 27 May 2011. Neither ASIC nor any of its officers takes any responsibility for the contents of this notice.