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30 June 2016

Manager, Company Announcements
ASX Limited
Rialto Towers
Level 4, 525 Collins Street
MELBOURNE VIC 3000

Dear Sir / Madam

MAYNE PHARMA GROUP LIMITED ANNOUNCES SUCCESSFUL COMPLETION OF INSTITUTIONAL ENTITLEMENT OFFER AND PLACEMENT

KEY POINTS

- Fully underwritten Institutional Entitlement Offer and Placement successfully completed, raising approximately A\$634 million
- Overwhelmingly strong support shown by both existing and new institutional shareholders
- Retail Entitlement Offer opens on 4 July 2016

On 28 June 2016, Mayne Pharma Group Limited (ASX: MYX) (**Mayne Pharma**) announced an approximately A\$888 million equity raising (the **Offer**) to fund the acquisition of 37 approved and 5 FDA filed products from Teva Pharmaceutical Industries Limited and Allergan plc.

The Offer is comprised of an underwritten 1 for 1.725 pro-rata accelerated non-renounceable entitlement offer to raise approximately A\$601 million (the **Entitlement Offer**), and a placement to institutional and sophisticated investors to raise approximately A\$287 million (the **Placement**). Approximately 661m new shares will be issued under the Offer (**New Shares**).

Today, Mayne Pharma is pleased to announce the successful completion of the institutional component of the Entitlement Offer (the **Institutional Entitlement Offer**) and the Placement. Approximately A\$347 million was raised under the Institutional Entitlement Offer at an offer price of \$1.28 per New Share with approximately 99.9% take-up by eligible institutional shareholders.

The Placement attracted significant demand, with the Bookbuild multiple times covered, raising A\$287 million at a price of \$1.50 per New Share.

Commenting on the outcome of the Institutional Entitlement Offer and Placement, Mayne Pharma's CEO, Scott Richards, said, "We are delighted with the exceptional support that our existing shareholders and new investors have shown. This acquisition is another significant step forward in the execution of our strategy to strengthen and grow our business in the world's largest pharmaceutical market. This highly attractive and complementary on-market portfolio of products is expected to provide a stable base of revenue and earnings with growth to come from a combination of the launch of pipeline products and the extraction of revenue and cost synergies over time."

The New Shares to be issued under the Institutional Entitlement Offer and Placement will rank equally with existing Mayne Pharma shares in all respects from the date of their issue. Settlement of New Shares is expected to complete on 6 July 2016 and these shares are expected to be issued and commence trading on the ASX on a normal settlement basis on 7 July 2016.



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COMMENCEMENT OF THE RETAIL ENTITLEMENT OFFER

The retail component of the Entitlement Offer (the **Retail Entitlement Offer**) will open on 4 July 2016 and closes at 5pm (Melbourne time) 15 July 2016. Mayne Pharma retail shareholders registered as a shareholder in Australia or New Zealand as at 7pm (Melbourne time) on 30 June 2016 (**Eligible Retail Shareholders**) will have the opportunity to participate at the same offer price of A\$1.28 per New Share and at the same offer ratio of 1 new Mayne Pharma ordinary share for every 1.725 existing Mayne Pharma ordinary shares as participants in the Institutional Entitlement Offer.

Further details of the Retail Entitlement Offer were set out in Mayne Pharma's announcement on 28 June 2016 and the terms and conditions will be fully set out in the retail offer document to be dispatched to Eligible Retail Shareholders on 5 July 2016.

Mayne Pharma expects its trading halt to be lifted and Mayne Pharma ordinary shares to recommence trading on an ex-entitlement basis from market open today.

Yours sincerely

A handwritten signature in black ink, appearing to read "M. Cansdale", written over a light blue horizontal line.

Mark Cansdale
Group CFO & Company Secretary

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 28 June 2016 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.