**FOR IMMEDIATE RELEASE**

# ChemGenex, Hospira, Announce Agreement to License, Develop and Commercialize Leukemia Drug in Europe

**MELBOURNE, Australia, and Lake Forest, Illinois, USA (14 December 2009)** – ChemGenex Pharmaceuticals Limited (ASX:CXS) and Hospira, Inc. (NYSE: HSP) announced today that they have entered into an exclusive agreement to license, develop and commercialize ChemGenex's product candidate omacetaxine mepesuccinate, a novel targeted cytotoxic pharmaceutical product, in Europe, the Middle East and parts of Africa (the Territory). Applications for marketing approval of the product have been accepted for regulatory review in both the United States and Europe for treatment of patients with chronic myeloid leukemia (CML) who have failed to respond to the current standard of care treatment, imatinib mesylate, and who have the Bcr-Abl T315I mutation.

Under the terms of the agreement, Hospira will make an initial payment of €11.1 million (A$ 17.8 million), with the potential for up to an additional €74.1 million (A$ 119.4 million), in performance milestone payments based on the successful development and commercialization of omacetaxine. In addition, following successful commercialization, Hospira will pay ChemGenex a royalty on product sales in the Territory.

ChemGenex will complete registration of omacetaxine in its initial indication with the European Medicines Agency ("EMEA"), while Hospira and ChemGenex will collaborate to explore future applications in a variety of hematological malignancies. Hospira will have responsibility for commercializing omacetaxine in the Territory.

"We are very excited by the promise omacetaxine holds to improve outcomes for seriously ill patients who have stopped responding to other treatments available for their condition," said Michael Kotsanis, President Europe, Middle East and Africa, Hospira, Inc. "This agreement is a further step in Hospira's strategy to build upon our strong portfolio of oncology and hematology products."

"We are very pleased to announce this important agreement, in keeping with our corporate strategy of partnering in Europe and other parts of the world, as we prepare for the launch of omacetaxine in the U.S., if approved," said Greg Collier, CEO and Managing Director ChemGenex. "We look forward to working with the Hospira team to realize omacetaxine's potential in the hematology-oncology space in Europe."

## About Omacetaxine

Omacetaxine is a first-in-class cetaxine with demonstrated clinical activity as a single agent in a range of hematological malignancies. Omacetaxine has a novel mechanism of action, specifically binding to the ribosomal A-site cleft and inhibiting protein translation of short-lived oncoproteins that are upregulated in leukemic cells (particularly Cyclin-D1, Mcl-1 and c-Myc).

Omacetaxine mepesuccinate is administered subcutaneously and acts differently from TKIs. It may have a therapeutic advantage for patients who have failed TKIs. Omacetaxine is currently in global phase 2/3 clinical trials for subsequent indications within CML and has been granted Orphan Drug designations by the U.S. Food and Drug Administration (FDA) and European Medicines Agency (EMEA) as well as Fast Track status by the FDA.

**About ChemGenex Pharmaceuticals Limited**

ChemGenex is an oncology focused biopharmaceutical company developing small molecules with new mechanisms of action to treat malignancies with significant unmet medical needs. The company is developing omacetaxine, its lead product candidate, for the treatment of patients with Chronic Myeloid Leukemia (CML), Acute Myeloid Leukemia (AML), and Myelodysplastic Syndrome (MDS). A New Drug Application has been accepted by the U.S. Food and Drug Administration and a Marketing Authorisation Application has been validated by the European Medicines Agency for CML patients with the Bcr-Abl T315I mutation. ChemGenex has established a corporate alliance with Hospira to develop and commercialize omacetaxine in Europe, the Middle East and parts of Africa, and is seeking to establish commercial partnerships in the rest of the world. ChemGenex plans to commercialize omacetaxine itself in North America. ChemGenex currently trades on the Australian Stock Exchange under the symbol "CXS" For additional information on ChemGenex Pharmaceuticals, please visit the company's website at http://www.chemgenex.com.

**About Hospira**

Hospira, Inc. is a global specialty pharmaceutical and medication delivery company dedicated to Advancing Wellness™. As the world leader in specialty generic injectable pharmaceuticals, Hospira offers one of the broadest portfolios of generic acute-care and oncology injectables, as well as integrated infusion therapy and medication management solutions. Through its products, Hospira helps improve the safety, cost and productivity of patient care. The company is headquartered in Lake Forest, Ill., and has approximately 14,000 employees. Learn more at www.hospira.com

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**Safe Harbor Statement**

Certain statements made herein (including for this purpose sites to which a hyperlink has been provided) that use the words “estimate”, “project”, “intend”, “expect”, “believe” and similar expressions are intended to identify forward-looking statements within the meaning of the US Private Securities Litigation Reform Act of 1995. These forward-looking statements involve known and unknown risks and uncertainties which could cause the actual results, performance or achievements of the company to be materially different from those which may be expressed or implied by such statements, including, among others, risks or uncertainties associated with the development of the company’s technology, the ability to successfully market products in the clinical pipeline, the ability to advance promising therapeutics through clinical trials, the ability to establish our fully integrated technologies, the ability to enter into additional collaborations and strategic alliances and expand current collaborations and obtain milestone payments, the suitability of internally discovered genes for drug development, the ability of the company to meet its financial requirements, the ability of the company to protect its proprietary technology, potential limitations on the company’s technology, the market for the company’s products, government regulation in Australia and the United States, changes in tax and other laws, changes in competition and the loss of key personnel. These statements are based on our management’s current expectations and are subject to a number of uncertainties that could change the results described in the forward-looking statements. Investors should be aware that there are no assurances that results will not differ from those projected.

**Private Securities Litigation Reform Act of 1995 --**
**A Caution Concerning Forward-Looking Statements**

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including projections of certain measures of Hospira's results of operations, projections of certain charges and expenses, and other statements regarding Hospira's goals and strategy. Hospira cautions that these forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those indicated in the forward-looking statements. Economic, competitive, governmental, technological and other factors that may affect Hospira's operations and may cause actual results to be materially different from expectations include the risks, uncertainties and factors discussed under the headings "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Hospira's latest Annual Report on Form 10-K filed with the Securities and Exchange Commission, which is incorporated by reference. Hospira undertakes no obligation to release publicly any revisions to forward-looking statements as the result of subsequent events or developments.

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