

ASX ANNOUNCEMENT

15 January 2010

Court approval of Scheme of Arrangement

The Supreme Court of Victoria has today made Orders approving the Scheme between Cytopia Limited (ASX:CYT) and its shareholders, pursuant to section 411(4)(b) of the Corporations Act 2001 (Cth). Shareholders voted strongly in favour of the merger at the Scheme Meeting held on Tuesday, 12 January 2010.

A copy of the Order made by the Court will be lodged with the Australian Securities and Investments Commission on Monday, 18 January 2010 upon which the Scheme will become effective (the "Effective Date").

The remaining key dates for the Scheme are detailed in the Scheme Booklet;

- Suspension of trading in Cytopia shares on ASX (at the close of trading on Monday, 18 January 2010)
- Implementation Date (Thursday, 28 January 2010)
- Scheme Consideration Issue Date (Monday 1 February 2010)

It is expected that Australian Cytopia shareholders will receive their YM share certificates (Scheme Consideration) later in the week commencing 1 February 2010.

Assuming the Effective Date for the Scheme is Monday, 18 January 2010, the Exchange Ratio used to determine the number of New YM Shares to be issued to each shareholder is expected to be 0.0852 New YM Shares per Cytopia share (or 1 New YM Share for every 11.737 Cytopia Shares). However, this ratio remains subject to adjustment, as detailed in the Scheme Booklet and the Cytopia announcement of 7 January 2010, and the final Exchange Ratio will be confirmed on the Effective Date.

Shareholders should note that the Cytopia share registers will close on Monday 25 January 2010 for the purpose of calculating shareholder entitlements to New YM Shares. Any amendment to holding details or notification of off-market trades must be submitted to the share registry (Link Market Services) prior to this date. All registered shareholder address details as of Monday 25 January 2010 will be used for the dispatch of YM share certificates.

Enquiries:

Mr Andrew Macdonald
Chief Executive Officer
T: +61 3 9926 0403
andrew.macdonald@cytopia.com.au

Mr. Ashley Arnott
Company Secretary
T: +61 3 9926 0408
ashley.arnott@cytopia.com.au

About Cytopia

Cytopia Ltd is an Australian biotechnology company focused on the discovery and development of new drugs to treat cancer and other diseases. Cytopia conducts its research and drug development through subsidiaries based in Melbourne, Australia and California, USA and specialises in developing new small molecule compounds with an improved therapeutic profile for the treatment of cancer.

The company's lead drug candidate is CYT997, a vascular disrupting agent (VDA) for the treatment of various cancers, which is currently being trialled in Phase II clinical studies. CYT387, a novel oral JAK1/JAK2 inhibitor focused on the treatment of myeloproliferative neoplasms, is also being investigated in a Phase I/II clinical study.

On 12 January 2010, Cytopia shareholders voted in favor of the merger with Toronto-based YM BioSciences Inc. Further details can be found at the Cytopia website (www.cytopia.com.au).

About YM BioSciences

YM BioSciences Inc. is a life sciences product development company that identifies and advances a portfolio of promising cancer-related products at various stages of development. The Company is currently developing two late-stage products: nimotuzumab, an EGFR-targeting Affinity-Optimized Antibody™, and AeroLEF®, a proprietary, inhaled-delivery composition of free and liposome-encapsulated fentanyl. YM has proven regulatory and clinical trial expertise and a diversified business model designed to reduce risk while advancing clinical products toward international approval, marketing and commercialization. Further details can be found at the YM website (www.ymbiosciences.com)