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JLL Elects to Convert its Class I Preferred Shares, Series C of Patheon Inc.

Toronto, (July 30, 2009) Patheon Inc. (the "Company") (TSX: PTI), today announced that it has received a conversion notice dated July 29, 2009 from JLL Patheon Holdings, LLC ("JLL"), irrevocably electing to convert all of JLL's 150,000 Class I Preferred Shares, Series C of Company (the "Series C Preferred Shares") into an aggregate of 38,018,538 Restricted Voting Shares in the capital of the Company, and surrendering JLL's Series C Preferred Share Certificate.

JLL subscribed for the 150,000 Series C Preferred Shares on April 27, 2007, and entered into an investor agreement with the Company as of the same date in connection with the subscription. The rights, privileges, restrictions and conditions of the Series C Preferred Shares are fully described in the Company's Articles of Amendment, dated April 26, 2007, and filed on SEDAR on May 2, 2007. The mandatory redemption provisions of the Series C Preferred Shares were subsequently waived under an agreement dated September 4, 2008 between JLL and the Company, a copy of which was filed on SEDAR on September 11, 2008.

ABOUT PATHEON

Patheon Inc. (TSX: PTI; www.patheon.com) is a leading global provider of contract development and manufacturing services to the global pharmaceutical industry. Patheon prides itself in providing the highest quality products and services to more than 300 of the world's leading pharmaceutical and biotechnology companies. Patheon's services range from preclinical development through commercial manufacturing of a full array of dosage forms including parenteral, solid, semi-solid and liquid forms. Patheon uses many innovative technologies including single-use disposables, Liquid-Filled Hard Capsules and a variety of modified release technologies.

Patheon's comprehensive range of fully integrated Pharmaceutical Development Services includes pre-formulation, formulation, analytical development, clinical manufacturing, scale-up and commercialization. Patheon can take customers direct to clinic with global clinical packaging and distribution services and Patheon's Quick to Clinic™ programs can accelerate early phase development project to clinical trials while minimizing the consumption of valuable API. Patheon's integrated network strives to ensure that customer products can be launched with confidence globally.

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