

JLL Patheon Holdings, LLC
c/o JLL Partners, Inc.
450 Lexington Avenue, 31st Floor
New York, New York 10017

March 11, 2009

Dear Fellow Patheon Shareholder:

We are pleased to enclose the offer (the "Offer") of JLL Patheon Holdings, LLC or its designated affiliate (the "Offeror"), to acquire *any and all* of the issued and outstanding restricted voting shares (the "Restricted Voting Shares") of Patheon Inc. ("Patheon") for a price of US\$2.00 in cash per Restricted Voting Share, on and subject to the terms and conditions of the Offer contained in the Offer and take-over bid circular (the "Circular") dated March 11, 2009, a copy of which is enclosed with this letter.

The Offer price of US\$2.00 in cash for each Restricted Voting Share represents a premium of approximately 138% over the U.S. dollar equivalent of this closing price, based on the closing exchange rate on December 5, 2008, the last trading day prior to the day the Offeror announced its intention to make the Offer. The Offer price also represents a premium of approximately 161% over the Cdn.\$0.97, or approximately US\$0.77, volume-weighted average closing price of the Restricted Voting Shares on the TSX during the 20 trading days up to and including December 5, 2008. The Offer price represents a premium of approximately 21% over the Cdn.\$2.13 closing price of the Restricted Voting Shares on March 10, 2009 (based on the closing exchange rate), the last trading day prior to the date of the Offer. These premiums significantly exceed the estimated average premiums paid on announced Canadian public company merger and acquisition transactions during the period from January 1, 2002 to August 31, 2008 and during the period of severe market deterioration since September 1, 2008.

In addition to the attractive premium represented by the Offer price, we urge you to consider the following reasons to accept the Offer, all of which are described in greater detail in the Offer and Circular:

- The Offer represents a liquidity event for Patheon shareholders in a thinly traded stock without having to pay brokerage fees or commissions for those who deposit their Restricted Voting Shares directly with the depository;
- Shareholders will receive cash under the Offer and the Offer is not subject to any financing contingency;
- Because JLL has approval rights in respect of certain actions undertaken by Patheon, including any merger, sale or business combination transaction with a third party, as well as the incurrence of debt by Patheon in excess of US\$20 million, Patheon's opportunities to engage in an alternative strategic transaction are limited;
- Despite more than three months having passed since December 8, 2008 when we first announced our intention to make the Offer, Patheon and its advisors have not been able to present a viable alternative transaction to shareholders;
- Trading prices of the Restricted Voting Shares likely indicate that the market does not believe a superior offer will become available;
- The Offer Consideration represents a significant premium to the current and historical trading prices of the Restricted Voting Shares, and based on a comparable trading analysis, which the Offeror believes is a relevant method of valuation that reflects the reality of current market conditions, the Offer Consideration is within the range of values implied by such method for the Restricted Voting Shares.

The Offer expires at 6:00 p.m. on April 16, 2009, unless it is withdrawn or extended.

To deposit your Restricted Voting Shares to the Offer, the Letter of Transmittal or, if necessary, the Notice of Guaranteed Delivery (both of which are included with the Offer and the Circular) must be completed and returned in accordance with the terms and conditions more fully set out under "Manner of Acceptance" in Section 3 of the Offer. If your Restricted Voting Shares are held in the name of a nominee, such as a broker, investment dealer, bank or trust company, you should contact such nominee for instructions on how to deposit your Restricted Voting Shares to the Offer.

We appreciate your careful and immediate attention to the Offer and hope that it will be favourably received. Should you have any questions about the Offer or require any assistance in depositing your Restricted Voting Shares, we invite you to contact the information agent for the Offer, Laurel Hill Advisory Group, at toll-free in North America 1-888-290-1555 or outside North America call collect (416) 637-4661.

Yours sincerely,

JLL PATHEON HOLDINGS, LLC

Handwritten signature of Ramsey A. Frank, consisting of a stylized 'R' followed by 'A. Frank'.

Ramsey A. Frank
Sole Manager