



Joint ASX and Media release

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ARANA COMPLETES A SERIES OF HUMANISED AND IMPROVED ANTIBODIES FOR VEGENICS' CANCER TREATMENT PROGRAM

- Arana successfully completes humanisation and optimisation of Vegencis' (a wholly owned subsidiary of Circadian) VEGF-D product
- An important milestone achieved in the development of VEGF-D antibody for Vegencis' cancer treatment program
- Preset success criteria have been met, triggering a success-based payment to Arana
- Fourth partner product successfully engineered by Arana using its proprietary technologies

Antibody therapeutics company Arana Therapeutics Limited (ASX:AAH) and biologics drug development company Circadian Technologies Limited (ASX:CIR) today announced that Arana has successfully engineered an improved version of the VEGF-D antibody (VGX-200) owned by Circadian's 100% subsidiary Vegencis, for the treatment of solid cancers.

Arana utilised its proprietary Superhumanisation™ technology to successfully develop humanised versions of Vegencis' VEGF-D lead mouse antibody. The purpose of converting a non-human antibody into a human-like antibody is so that it may be safely administered to patients minimising the risk of rejection of the treatment. The potency of these candidates was then further improved using Arana's EvoGene™ optimisation technology. The success of this project triggers a final instalment of research costs to Arana under the terms of the collaboration agreement between the two companies. In addition, Arana will receive a milestone payment for successfully meeting the improvement criteria set at the outset of the project.

Vegencis will now conduct further pre-clinical studies on the series of humanised and improved VEGF-D antibody drug candidates. Upon designation by Vegencis of a lead drug candidate a further milestone will become payable to Arana. Arana is then eligible to earn further milestone payments as the product advances through subsequent stages of pre-clinical and clinical testing and regulatory approval and a royalty on product sales.

Vegencis has accumulated a strong patent portfolio covering drugs directed against VEGF-D. VEGF-D is closely related to VEGF-A, the target of Genentech's Avastin®, a leading cancer therapy with worldwide sales in 2007 in excess of US\$6 billion.

Circadian and Vegencis CEO, Robert Klupacs said "The achievement of this humanisation milestone is an important step in our ongoing development of anti-VEGF-D antibodies as potential therapeutic candidates for the treatment of cancer. Consistent with our strategy this

humanised VEGF-D antibody expands our cancer drug development program, which includes our existing human VEGF-C cancer drug candidate VGX-100.”

Arana CEO, Dr John Chiplin, said “This is the fourth product that we have significantly improved and delivered back to a collaboration partner using our proprietary technologies which improve antibody and protein products. This represents an impressive 100% track record of success and we look to continue to build on this as we move forward with other partners.”

Arana has already successfully engineered products from the biopharmaceutical pipelines of both CSL Limited and pharmaceutical giant GlaxoSmithKline (GSK). Arana also has an ongoing alliance with US-based Aveo Pharmaceuticals Inc for the use of Arana’s Superhumanisation™ technology for the internal development of several Aveo drug products.

About Arana Therapeutics

Arana Therapeutics (ASX: AAH) is an international biopharmaceutical company focussed on developing next generation antibody based drugs that will improve the lives of patients with inflammatory diseases and cancer.

Arana Therapeutics’ innovative engineering technologies provide the basis for developing its next generation antibody candidates. Arana Therapeutics has the financial strength and management expertise to develop its product pipeline.

Arana has a significant track record of commercialising its technologies and has partnerships with GSK, CSL, Centocor (J&J) and Abbott Laboratories.

For further information: www.arana.com

About Circadian Technologies Limited

Circadian (ASX:CIR) is a biologics drug developer building on its significant intellectual property portfolio around Vascular Endothelial Growth Factor (VEGF) C and D that it has accumulated in its unlisted wholly owned subsidiary Vegenics. The applications for the VEGF technology, which functions in regulating blood supply, are substantial and broad. Circadian is focussed on developing novel anti-cancer therapeutics in the first instance. Circadian, through Vegenics, has existing relationships with licensees UK company Ark Therapeutics Group plc (LSE: AKT) and ImClone Systems Inc (NASDAQ:IMCL). Ark’s product Trinam®, a treatment for vascular grafts associated with renal dialysis, is expected to enter Phase 3 clinical trials in 2008 and ImClone is developing a lead antibody to VEGFR-3 for the treatment of solid tumours.

The VEGF patent portfolio developed by the Ludwig Institute for Cancer Research Ltd (LICR) and Licentia Limited (the commercial arm of the University of Helsinki) has been assigned to Circadian’s subsidiary Vegenics. Vegenics also has rights to CoGenesys Inc/Human Genome Sciences Inc’s VEGF-C IP.

For further information: www.circadian.com.au

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