

JOHNSON WINTER & SLATTERY
LAWYERS

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Our Ref: A2477

27 February 2009

Company Announcements Platform
ASX Limited
Level 4, 20 Bridge Street
SYDNEY NSW 2000
By facsimile 1300 135 638

Arana Therapeutics Limited
Level 2, 37 Epping Road
Macquarie Park
SYDNEY NSW 2113
By facsimile (02) 8061 9999 and post

13 PAGES

Dear Sir / Madam

Cephalon International Holdings, Inc – off-market takeover bid for Arana Therapeutics Limited: Notice of Initial Substantial Holder

We act for Cephalon International Holdings, Inc. (**Cephalon**), a wholly owned subsidiary of Cephalon Inc..

In accordance with section 671B(1)(a) of the Corporations Act 2001 (Cwlth), we attach an ASIC Form 603 (Notice of Initial Substantial Holder) issued by Cephalon in relation to shares in Arana Therapeutics Limited (**ASIC Form**).

The ASIC Form will be sent by facsimile and post to Arana today.

Yours faithfully

Johnson Winter & Slattery

Level 30, Australia Square, 264 George Street
SYDNEY NSW 2000

Telephone: +61 2 8274 9555 ■ Facsimile: +61 2 8274 9500

www.jws.com.au

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Form 603Corporations Act 2001
Section 671B**Notice of initial substantial holder**To Company Name/Scheme Arana Therapeutics LimitedACN/ARSN 002 951 877**1. Details of substantial holder (1)**Name Cephalon International Holdings, Inc.ACN/ARSN (if applicable) N/AThe holder became a substantial holder on 25 February 2009**2. Details of voting power**

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Ordinary shares	45,115,151	45,115,151	19.87%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Cephalon International Holdings, Inc.	Relevant interest under sections 608(1)(b) and 608(1)(c) of the Corporations Act pursuant to a share purchase agreement dated 25 February 2009 between Cephalon International Holdings, Inc. and Start-Up Australia Ventures Pty Limited (Start-Up SPA) annexed to this notice as Annexure B	18,996,915 ordinary shares
Cephalon International Holdings, Inc.	Relevant interest under sections 608(1)(b) and 608(1)(c) of the Corporations Act pursuant to a share purchase agreement dated 25 February 2009 between Cephalon International Holdings, Inc. and Rockwell Securities Limited (Rockwell SPA) annexed to this notice as Annexure C	26,118,236 ordinary shares
Cephalon, Inc.	Relevant interest under section 608(3)(b) of the Corporations Act	45,115,151 ordinary shares
The related bodies corporate of Cephalon, Inc. listed in Annexure A	Relevant interest under section 608(3)(a) of the Corporations Act	45,115,151 ordinary shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
The persons noted in paragraph 3 above	Start-Up Australia Ventures Pty Limited	Cephalon International Holdings, Inc. pursuant to the Start-Up SPA	18,996,915 ordinary shares
The persons noted in paragraph 3 above	Rockwell Securities Limited	Cephalon International Holdings, Inc. pursuant to the Rockwell SPA	26,118,236 ordinary shares

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
The persons noted in paragraph 3 above.	Acquisition to complete on date determined under terms of the Start-Up SPA and the Rockwell SPA	\$1.40	n/a	45,115,151 ordinary shares

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6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
Cephalon, Inc.	Cephalon, Inc. is an associate of Cephalon International Holdings, Inc. pursuant to section 12(2)(a)(ii) of the Corporations Act
The related bodies corporate of Cephalon, Inc. listed in Annexure A	Each company listed in Annexure A is an associate of Cephalon International Holdings, Inc. pursuant to section 12(2)(a)(iii) of the Corporations Act

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Cephalon, Inc. Cephalon International Holdings, Inc. and each company listed in Annexure A	41 Moores Road Frazer PA 19355 United States of America

Signature

print name J. KEVIN BUCHI

capacity DIRECTOR

sign here 

date 27 February 2009

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

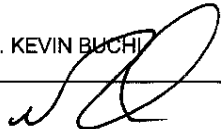
See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

ANNEXURE A

This is the Annexure A of one page referred to in Form 603 (Notice of initial substantial holder) signed by me and dated 27 February 2009.

print name J. KEVIN BUCHI

Capacity DIRECTOR

sign here 

Date 27 February 2009

Name	Country of Incorporation
Anesta Corp.	Delaware
Anesta AG	Switzerland
Cell Therapeutics (UK) Limited	United Kingdom
Cephalon (Bermuda) Limited	Bermuda
Cephalon Borinquen, Inc.	Puerto Rico
Cephalon B.V	The Netherlands
Cephalon Development Corporation	Delaware
Cephalon France SAS	France
Cephalon Europe SAS	France
Cephalon GmbH	Germany
Cephalon Holdings Limited	United Kingdom
Cephalon Investments, Inc.	Delaware
Cephalon Italia S.r.L	Italy
Cephalon Limited	United Kingdom
Cephalon Luxembourg S.a.r.l	Luxembourg
Cephalon Pharma ApS	Denmark
Cephalon Pharma (Ireland) Limited	Ireland
Cephalon Pharma SL	Spain
Cephalon Sp.z.o.o	Poland
Cephalon Technologies Partners, Inc.	Delaware
Cephalon Technology, Inc.	Delaware
Cephalon Titrisation	France
Cephalon (UK) Limited	United Kingdom
Cephalon Ventures Puerto Rico, Inc.	Delaware
CIMA LABS INC.	Delaware
East End Insurance Ltd	Bermuda
PolaRx Biopharmaceuticals, Inc.	Delaware
Societe Civile Immobiliere Martigny	France
Zeneus Pharma S.a.r.l	France

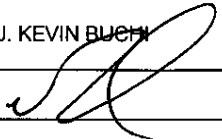
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ANNEXURE B

Share Purchase Agreement between Cephalon International Holdings, Inc. and Start-Up Australia Ventures Pty Limited

This is the Annexure B of 5 pages referred to in Form 603 (Notice of initial substantial holder) signed by me and dated 27 February 2009.

I certify that the document on the following 4 pages is a true and complete copy of the original.

print name	J. KEVIN BUCHI	Capacity	DIRECTOR
sign here		Date	27 February 2009

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SHARE PURCHASE AGREEMENT**DATE:** 25 FEBRUARY 2009**BETWEEN**

- (A) **START-UP AUSTRALIA VENTURES PTY LIMITED** ACN 095 498 632 of 44 Mount Street, Leura, New South Wales, in its capacity as managing partner for **BIOVENTURES AUSTRALIA PARTNERSHIP** ABN 45 606 270 474 (**Seller**); and
- (B) **CEPHALON INTERNATIONAL HOLDINGS, INC.** a Delaware corporation with company number 2353150 of 41 Moores Road, Frazer, PA 19355, United States of America (**Purchaser**).

The parties record their agreement as follows:

- 1 The Seller agrees to sell to the Purchaser, and the Purchaser agrees to acquire from the Seller, 18,996,915 fully paid ordinary shares (**Sale Shares**), in Arana Therapeutics Limited ACN 002 951 877 (**Target**), including all dividends or other entitlements declared or paid after the date of this agreement, and other rights attaching to the Sale Shares at, or arising after, the date of this agreement, for a price of \$1.40 per Sale Share (**Purchase Price**).
- 2 (a) Completion of the sale and purchase will occur at 11.00am (Sydney time) on the third business day after the date of this agreement at the offices of Johnson Winter & Slattery in Sydney or at such other time or place as the parties may agree.
- (b) On completion, in exchange for payment by direct funds transfer into a bank account nominated by the Seller prior to completion, the Seller must sell the Sale Shares to the Purchaser free from all encumbrances and, to that end, must provide the Purchaser with a validly executed transfer of the Sale Shares in favour of the Purchaser, the Seller's share holder reference number and any other documents or assistance required by the Purchaser to effect the transfer of the Sale Shares to the Purchaser free from all encumbrances.
- 3 As long as this agreement remains in force, the Seller:
- (a) must not dispose of, pledge, grant any option, right or interest in, or otherwise deal with the Sale Shares or any interest in them, other than as expressly contemplated by this agreement;
- (b) must exercise voting and other rights attached to the Sale Shares as directed by the Purchaser;
- (c) must not acquire, offer to acquire or subscribe for any additional shares in the Target (or options, right or interests capable of converting into such shares); and
- (d) irrevocably appoints the Purchaser and each of its directors from time to time severally as its attorney to sign all documents and exercise all powers and rights attaching to the Seller as legal and full beneficial owner of the Sale Shares (excluding powers and rights arising under this agreement) as may be required to

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give effect to the provisions of this agreement and to vest full legal and beneficial title in the Sale Shares to the Purchaser.

- 4 The Seller represents and warrants to the Purchaser that:
- (a) the Seller is (and will at completion be) the full legal and beneficial owner of the Sale Shares free of any kind of encumbrance and with all rights now attaching to them;
 - (b) it has the power and authority to enter into this agreement and carry out all of its obligations pursuant to it and has obtained all necessary consents, approvals and authorisations to enable it to do so;
 - (c) this agreement constitutes valid and binding obligations upon it enforceable in accordance with its terms; and
 - (d) it is not insolvent and is able to pay its debts when they fall due.
- 5 The Purchaser represents and warrants to the Seller that:
- (a) it has the power and authority to enter into this agreement and carry out all of its obligations pursuant to it and has obtained all necessary consents and authorisations to enable it to do so;
 - (b) this agreement constitutes valid and binding obligations upon it enforceable in accordance with its terms; and
 - (c) it is not insolvent and is able to pay its debts when they fall due.
- 6 Each party acknowledges that the representations and warranties given by it in this agreement will not be extinguished or affected by completion of the purchase of the Sale Shares in accordance with this agreement.
- 7 Each party must keep the existence and terms of this agreement confidential except to the extent:
- (a) the information is in the public domain (but not because of a breach of this agreement);
 - (b) disclosure is required by law, the listing rules of any stock exchange, any judicial or administrative body or any regulatory body (including any disclosure that is so required as a result of any action taken or to be taken by the party); or
 - (c) disclosure is made to a person who must know for the purposes of this agreement on the basis that the person keeps the information confidential.

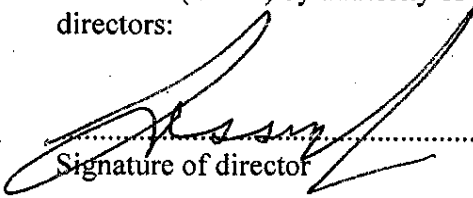
Each party agrees that no substantial shareholder notice may be lodged by it in consequence of the sale and purchase of the Sales Shares provided for in this agreement before the second business day after the date of this letter.

- 8 This agreement constitutes the entire agreement between the parties about its subject matter and supersedes any previous agreements, understandings and negotiations on that subject matter and each party acknowledges that in entering into this agreement it has not relied on any representations, warranties or undertakings about its subject matter except as expressly contained in this agreement.


- 9 This agreement may be executed in counterparts.
- 10 Any stamp duty payable in connection with this agreement or its performance must be paid by the Purchaser.
- 11 Time is of the essence of this agreement.
- 12 If the Purchaser fails to pay any sum payable by it under this agreement on the due date for payment, the Purchaser must pay interest on that sum for the period from (and including) the due date up to the date of actual payment (both before and after judgment). Interest shall accrue from day to day at a rate per annum equal to the aggregate of 4 percent plus the 90 day dealers bill rate published in the Australian Financial Review on the first business day of the calendar month in respect of which interest is being calculated. The Purchaser must pay interest accrued under this clause on demand.
- 13 This agreement is governed by the law in force in New South Wales, Australia. Each party submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia.

Executed as an agreement:

EXECUTED by START-UP)
 AUSTRALIA VENTURES PTY)
 LIMITED (in its capacity as)
 managing partner for the)
 BIOVENTURES AUSTRALIA)
 PARTNERSHIP) in accordance with)
 section 127(1) of the Corporations)
 Act 2001 (Cwlth) by authority of its)
 directors:)


 Signature of director

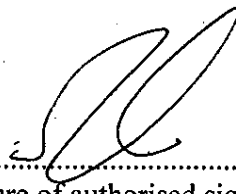
George Jessup
 Name of director (block letters)


 Signature of director/company secretary

STEPHEN ROBINSON
 Name of director/company secretary (block letters)

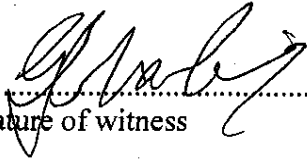
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SIGNED for and on behalf of)
CEPHALON INTERNATIONAL)
HOLDINGS, INC. by its authorised)
signatory in the presence of:)



.....
Signature of authorised signatory

.....
Signature of witness



J. Kevin Bucki
.....
Name of authorised signatory
(block letters)

GRANT CHAMBERLAIN
.....
Name of witness
(block letters)

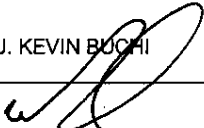
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ANNEXURE C

Share Purchase Agreement between Cephalon International Holdings, Inc. and Rockwell Securities Limited

This is the Annexure C of 4 pages referred to in Form 603 (Notice of initial substantial holder) signed by me and dated 27 February 2009.

I certify that the document on the following 3 pages is a true and complete copy of the original.

print name	J. KEVIN BUCHI	Capacity	DIRECTOR
sign here		Date	27 February 2009

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SHARE PURCHASE AGREEMENT

DATE:

25/2/09

BETWEEN

- (A) **ROCKWELL SECURITIES LIMITED** of 1-6 The Boulevard, Mid Valley City, Lingkar Syed Putra 59200, Kuala Lumpur, Malaysia (**Seller**); and
- (B) **CEPHALON INTERNATIONAL HOLDINGS, INC.** a Delaware corporation with company number 2353150 of 41 Moores Road, Frazer, PA 19355, United States of America (**Purchaser**).

The parties record their agreement as follows:

- 1 The Seller agrees to sell to the Purchaser, and the Purchaser agrees to acquire from the Seller, 26,118,236 fully paid ordinary shares (**Sale Shares**), in Arana Therapeutics Limited ACN 002 951 877 (**Target**), including all dividends or other entitlements declared or paid after the date of this agreement, and other rights attaching to the Sale Shares at, or arising after, the date of this agreement, for a price of \$1.40 per Sale Share (**Purchase Price**).
- 2 (a) Completion of the sale and purchase will occur at 11.00am (Sydney time) on the third business day after the date of this agreement at the offices of Johnson Winter & Slattery in Sydney or at such other time or place as the parties may agree.
- (b) On completion, in exchange for payment by direct funds transfer into a bank account nominated by the Seller prior to completion, the Seller must sell the Sale Shares to the Purchaser free from all encumbrances and, to that end, must provide the Purchaser with a validly executed transfer of the Sale Shares in favour of the Purchaser, the Seller's share holder reference number and any other documents or assistance required by the Purchaser to effect the transfer of the Sale Shares to the Purchaser free from all encumbrances.
- 3 As long as this agreement remains in force, the Seller:
- (a) must not dispose of, pledge, grant any option, right or interest in, or otherwise deal with the Sale Shares or any interest in them, other than as expressly contemplated by this agreement;
- (b) must exercise voting and other rights attached to the Sale Shares as directed by the Purchaser;
- (c) must not acquire, offer to acquire or subscribe for any additional shares in the Target (or options, right or interests capable of converting into such shares); and
- (d) irrevocably appoints the Purchaser and each of its directors from time to time severally as its attorney to sign all documents and exercise all powers and rights attaching to the Seller as legal and full beneficial owner of the Sale Shares (excluding powers and rights arising under this agreement) as may be required to give effect to the provisions of this agreement and to vest full legal and beneficial title in the Sale Shares to the Purchaser.



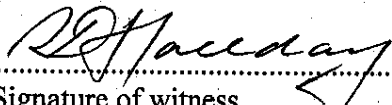
- 4 The Seller represents and warrants to the Purchaser that:
- (a) the Seller is (and will at completion be) the full legal and beneficial owner of the Sale Shares free of any kind of encumbrance and with all rights now attaching to them;
 - (b) it has the power and authority to enter into this agreement and carry out all of its obligations pursuant to it and has obtained all necessary consents, approvals and authorisations to enable it to do so;
 - (c) this agreement constitutes valid and binding obligations upon it enforceable in accordance with its terms; and
 - (d) it is not insolvent and is able to pay its debts when they fall due.
- 5 The Purchaser represents and warrants to the Seller that:
- (a) it has the power and authority to enter into this agreement and carry out all of its obligations pursuant to it and has obtained all necessary consents and authorisations to enable it to do so;
 - (b) this agreement constitutes valid and binding obligations upon it enforceable in accordance with its terms; and
 - (c) it is not insolvent and is able to pay its debts when they fall due.
- 6 Each party acknowledges that the representations and warranties given by it in this agreement will not be extinguished or affected by completion of the purchase of the Sale Shares in accordance with this agreement.
- 7 Each party must keep the existence and terms of this agreement confidential except to the extent:
- (a) the information is in the public domain (but not because of a breach of this agreement);
 - (b) disclosure is required by law, the listing rules of any stock exchange, any judicial or administrative body or any regulatory body (including any disclosure that is so required as a result of any action taken or to be taken by the party); or
 - (c) disclosure is made to a person who must know for the purposes of this agreement on the basis that the person keeps the information confidential.
- Each party agrees that no substantial shareholder notice may be lodged by it in consequence of the sale and purchase of the Sales Shares provided for in this agreement before the second business day after the date of this letter.
- 8 This agreement constitutes the entire agreement between the parties about its subject matter and supersedes any previous agreements, understandings and negotiations on that subject matter and each party acknowledges that in entering into this agreement it has not relied on any representations, warranties or undertakings about its subject matter except as expressly contained in this agreement.
- 9 This agreement may be executed in counterparts.



- 10 Any stamp duty payable in connection with this agreement or its performance must be paid by the Purchaser.
- 11 Time is of the essence of this agreement.
- 12 If the Purchaser fails to pay any sum payable by it under this agreement on the due date for payment, the Purchaser must pay interest on that sum for the period from (and including) the due date up to the date of actual payment (both before and after judgment). Interest shall accrue from day to day at a rate per annum equal to the aggregate of 4 percent plus the 90 day dealers bill rate published in the Australian Financial Review on the first business day of the calendar month in respect of which interest is being calculated. The Purchaser must pay interest accrued under this clause on demand.
- 13 This agreement is governed by the law in force in New South Wales, Australia. Each party submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia.

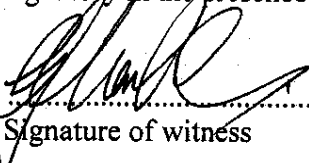
Executed as an agreement:

SIGNED for and on behalf of
**ROCKWELL SECURITIES
 LIMITED** by its authorised signatory
 in the presence of:


 Signature of witness
 (R.D.M. HALLIDAY)

.....
 Name of witness
 (block letters)

SIGNED for and on behalf of
**CEPHALON INTERNATIONAL
 HOLDINGS, INC.** by its authorised
 signatory in the presence of:

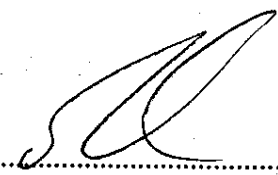

 Signature of witness

GRANT CHAMBERLAIN
 Name of witness
 (block letters)



.....
 Signature of authorised signatory

YAP LUI SEN
 Name of authorised signatory
 (block letters)



.....
 Signature of authorised signatory

J. KEVIN BUCH
 Name of authorised signatory
 (block letters)

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