

JOHNSON WINTER & SLATTERY
LAWYERS

Partner: Tim Bowley +61 2 8274 9574
Email: tim.bowley@jws.com.au
Associate: Tim Kennedy +61 2 8274 9523
Email: tim.kennedy@jws.com.au
Our Ref: A2477

11 May 2009

Company Announcements Platform
Level 40
20 Bridge Street
ASX Limited
Sydney NSW 2000

BY FACSIMILE 1300 135 638

6 PAGES

Dear Sirs

Cephalon International Holdings, Inc. ("Cephalon International") – takeover bid for Arana Therapeutics Limited ACN 002 951 877 ("Arana") – supplementary bidder's statement

We act for Cephalon International, a subsidiary of Cephalon, Inc.

We enclose for immediate release to the market:

- in accordance with section 647(3)(b) of the Corporations Act, a supplementary bidder's statement in relation to Cephalon International's off-market takeover bid for Arana; and
- a press release issued by Cephalon International today in relation to matters covered in the supplementary bidder's statement.

Yours faithfully

Johnson Winter & Slattery

enc

Level 30, 264 George Street
SYDNEY NSW 2000
Telephone: +61 2 8274 9555 ■ Facsimile: +61 2 8274 9500

www.jws.com.au

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Cephalon's cash Offer for Arana Therapeutics is final and will not be increased¹

The Offer will close on 1 June unless the Offer is declared unconditional²

11 May 2009 – Cephalon International Holdings, Inc. (Cephalon)³ announced today that:

- its Offer Price of \$1.40 per Arana Share will not be increased, except for the increase to \$1.45 per Arana Share if Cephalon obtains a relevant interest in 90% of Arana Shares during the Offer Period and the Offer becomes or is declared unconditional;⁴ and
- if Cephalon has not declared the Offer unconditional by 7.30pm on 22 May 2009, it will not extend the Offer beyond the currently scheduled closing date of 7.00 pm on 1 June 2009 unless required by the Corporations Act.⁵

As previously announced, Cephalon will declare its Offer unconditional if:

- the aggregate of Cephalon's existing shareholding in Arana, acceptances of the Offer and Acceptance Instructions held in the Institutional Acceptance Facility⁶ reaches 50.1% of Arana Shares on issue;⁷ and
- Cephalon does not become aware on or after 16 April 2009 that any defeating condition of the Offer has been or is likely to be breached (or all breaches are waived by Cephalon).

Cephalon reserves the right to declare the Offer unconditional in any other circumstances.

The full conditions of Cephalon's Offer are set out in Cephalon's Bidder's Statement dated 9 March 2009 as supplemented by Supplementary Bidder's Statements dated 1 April 2009 and 16 April 2009.

¹ This no increase statement does not apply to the previously announced increase to \$1.45 per Arana Share that will be made if Cephalon obtains a relevant interest in 90% of Arana Shares during the Offer Period and the Offer becomes or is declared unconditional.

² Pursuant to the Corporations Act, if a bidder's voting power in a target increases to more than 50% within the last seven days of an offer period, the offer period is extended automatically so that it ends 14 days after that increase in voting power occurs. Cephalon reserves the right, but is not obliged, to make further extensions to the Offer Period if those circumstances arise.

³ Cephalon International Holdings, Inc. is a wholly owned subsidiary of Cephalon, Inc.

⁴ Under the terms of Cephalon's Offer, the amount of the Arana Special Dividend of \$0.05 per Arana Share will be set off against the Offer Price per Arana Share payable by Cephalon to Arana Shareholders.

⁵ Refer footnote 2.

⁶ Outlined in Cephalon's Supplementary Bidder's Statement dated 1 April 2009.

⁷ If this aggregate is reached in the last seven days of the Offer Period and Cephalon has not become aware on or after 16 April 2009 that any defeating condition of the Offer has been or is likely to be breached (or all breaches are waived by Cephalon), Cephalon will provide, pursuant to the terms of the Institutional Acceptance Facility, the Confirmation Letter to the Facility Agent and all Acceptance Instructions will be processed, which will result in Cephalon's voting power in Arana increasing to more than 50%, in turn resulting in an automatic extension of the Offer Period pursuant to the Corporations Act which would allow Cephalon to then declare the Offer unconditional.

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Chairman and CEO of Cephalon, Inc., Frank Baldino Jr., Ph.D. said, "We have been delighted with the response to the Offer so far, with acceptances from over 4,800 shareholders to date. At this time Cephalon has a relevant interest in 38.16% of Arana Shares. It is now time for Arana shareholders who have not accepted the Offer to do so or they risk missing out on a compelling cash offer".

"Cephalon's cash Offer reflects a significant premium to the trading price of Arana Shares before Cephalon's bid and will not be increased.⁸ The Offer is unanimously recommended by the directors of Arana in the absence of a superior proposal. It remains the only offer available to Arana Shareholders."

Ends

Arana Shareholders should call the Offer Information Line on 1300 652 884 (within Australia) or +61 2 8986 9328 (outside Australia) if they require more information.

For more media and investor information, please call:

United States

Media:
Sheryl Williams
+1 610-738-6493 (office)
610-457-5257 (cell)
swilliam@cephalon.com

Investor Relations:
Chip Merritt
+1 610-738-6376 (office)
cmerritt@cephalon.com

Australia

Media:
Andrew Stokes
+61 416 967 038
andrew.stokes@fdthirdperson.com.au

Lauren Thompson
+61 438 954 729
lauren.thompson@fdthirdperson.com.au

About Cephalon, Inc.

Founded in 1987, Cephalon, Inc. is an international biopharmaceutical company dedicated to the discovery, development, and commercialization of many unique products in four core therapeutic areas: central nervous system, inflammatory diseases, pain, and oncology. A member of the Fortune 1000 and the S&P 500 Index, Cephalon currently employs approximately 3,000 people in the United States and Europe. U.S. sites include the company's headquarters in Frazer, Pennsylvania, and offices, laboratories or manufacturing facilities in West Chester, Pennsylvania, Salt Lake City, Utah, and suburban Minneapolis, Minnesota.

Cephalon has a growing presence in Europe, the Middle East and Africa. The Cephalon European headquarters and pre-clinical development center are located in Maisons-Alfort, France, just outside of Paris. Key business units are located in England, Ireland, France, Germany, Italy, Spain, the Netherlands for the Benelux countries, and Poland for Eastern and Central European countries. Cephalon Europe markets more than 30 products in four areas: central nervous system, pain, primary care and oncology.

The company's proprietary products in the United States include: AMRIX[®] (cyclobenzaprine hydrochloride extended-release capsules), TREANDA[®] (bendamustine hydrochloride) for Injection, FENTORA[®] (fentanyl buccal tablet) [C-II], PROVIGIL[®] (modafinil) Tablets [C-IV], TRISENOX[®] (arsenic trioxide) injection, GABITRIL[®] (tiagabine hydrochloride), NUVIGIL[®] (armodafinil) Tablets [C-IV] and ACTIQ[®] (oral transmucosal fentanyl citrate) [C-II]. The company also markets numerous products internationally. Full prescribing information on its U.S. products is available at <http://www.cephalon.com> or by calling 1-800-896-5855.

⁸ This no increase statement does not apply to the previously announced increase to \$1.45 per Arana Share that will be made if Cephalon obtains a relevant interest in 90% of Arana Shares during the Offer Period and the Offer becomes or is declared unconditional.

In addition to historical facts or statements of current condition, this announcement may contain forward-looking statements. Forward-looking statements provide Cephalon's current expectations or forecasts of future events. These may include statements regarding the anticipated scientific progress on its research programs, development of potential pharmaceutical products, interpretation of clinical results, prospects for regulatory approval, manufacturing development and capabilities, market prospects for its products, sales and earnings guidance, and other statements regarding matters that are not historical facts. You may identify some of these forward-looking statements by the use of words in the statements such as "anticipate," "estimate," "expect," "project," "intend," "plan," "believe" or other words and terms of similar meaning. Cephalon's performance and financial results could differ materially from those reflected in these forward-looking statements due to general financial, economic, regulatory and political conditions affecting the biotechnology and pharmaceutical industries as well as more specific risks and uncertainties facing Cephalon such as those set forth in its reports on Form 8-K, 10-Q and 10-K filed with the U.S. Securities and Exchange Commission. Given these risks and uncertainties, any or all of these forward-looking statements may prove to be incorrect. Therefore, you should not rely on any such factors or forward-looking statements. Furthermore, Cephalon does not intend to update publicly any forward-looking statement, except as required by law. The Private Securities Litigation Reform Act of 1995 permits this discussion.

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Cephalon International Holdings, Inc.
a wholly owned subsidiary of
Cephalon, Inc.



This document is a supplementary bidder's statement under section 643 of the Corporations Act. It is issued by Cephalon International Holdings, Inc. (**Cephalon**) and is dated 11 May 2009. It is the third supplementary bidder's statement issued by Cephalon. It supplements and is to be read together with Cephalon's bidder's statement dated 9 March 2009 (**Bidder's Statement**) and supplementary bidder's statements dated 1 April 2009 and 16 April 2009 (**Supplementary Bidder's Statements**).

CEPHALON'S CASH OFFER FOR ARANA THERAPEUTICS IS FINAL AND WILL NOT BE INCREASED¹

The Offer will close on 1 June 2009. The Offer is currently unconditional.²

Cephalon International Holdings, Inc. (**Cephalon**) has announced that:

- its Offer Price of \$1.40 per Arana Share will not be increased, except for the increase to \$1.45 per Arana Share if Cephalon obtains a relevant interest in 90% of Arana Shares during the Offer Period and the Offer becomes or is declared unconditional;³ and
- if Cephalon has not declared the Offer unconditional by 7.30pm on 22 May 2009, it will not extend the Offer beyond the currently scheduled closing date of 1 June 2009 unless required by the Corporations Act.⁴

As previously announced, Cephalon will declare its Offer unconditional if:

- the aggregate of Cephalon's existing shareholding in Arana, acceptances of the Offer and Acceptance Instructions held in the Institutional Acceptance Facility⁵ reaches 50.1% of Arana Shares on issue;⁶ and
- Cephalon does not become aware on or after 16 April 2009 that any defeating condition of the Offer has been or is likely to be breached (or all breaches are waived by Cephalon).

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Notes

1. This no increase statement does not apply to the previously announced increase to \$1.45 per Arana Share that will be made if Cephalon obtains a relevant interest in 90% of Arana Shares during the Offer Period and the Offer becomes or is declared unconditional.
2. Pursuant to the Corporations Act, if a bidder's voting power in a target increases to more than 50% within the last seven days of an offer period, the offer period is extended automatically so that it ends 14 days after that increase in voting power occurs. Cephalon reserves the right, but is not obliged, to make further extensions to the Offer Period if those circumstances arise.
3. Under the terms of Cephalon's Offer, the amount of the Arana Special Dividend of \$0.05 per Arana Share will be set off against the Offer Price per Arana Share payable by Cephalon to Arana Shareholders.
4. Refer footnote 2.
5. Outlined in Cephalon's Supplementary Bidder's Statement dated 1 April 2009.
6. If this aggregate is reached in the last seven days of the Offer Period and Cephalon has not become aware on or after 16 April 2009 that any defeating condition of the Offer has been or is likely to be breached (or all breaches are waived by Cephalon), Cephalon will provide, pursuant to the terms of the Institutional Acceptance Facility, the Confirmation Letter to the Facility Agent and all Acceptance Instructions will be processed, which will result in Cephalon's voting power in Arana increasing to more than 50%, in turn resulting in an automatic extension to the Offer Period pursuant to the Corporations Act which would allow Cephalon to then declare the Offer unconditional.

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Cephalon reserves the right to declare the Offer unconditional in any other circumstances.

The full conditions of Cephalon's Offer are set out in the Bidder's Statement as supplemented by the Supplementary Bidder's Statements.

Chairman and CEO of Cephalon, Inc., Frank Baldino Jr., Ph.D., said, "It is now time for Arana Shareholders who have not accepted the Offer to do so or they risk missing out on a compelling cash offer".

"Cephalon's cash Offer reflects a significant premium to the trading price of Arana Shares before Cephalon's bid and will not be increased.⁷ The Offer is unanimously recommended by the directors of Arana in the absence of a superior proposal. It remains the only offer available to Arana Shareholders."

As at 7 May 2009, Cephalon had received more than 4,800 acceptances of its Offer and held a relevant interest in approximately 37.97% of Arana Shares on issue.

Arana Shareholders should call the Offer Information Line on 1300 652 884 (within Australia) or +61 2 8986 9328 (outside Australia) if they require more information.

Note

7. This no increase statement does not apply to the previously announced increase to \$1.45 per Arana Share that will be made if Cephalon obtains a relevant interest in 90% of Arana Shares during the Offer Period and the Offer becomes or is declared unconditional.

This third supplementary bidder's statement has been approved by a resolution passed by the directors of Cephalon.

Signed in accordance with sections 52A and 351 of the Corporations Act.



J. Kevin Buchi, Director, by his attorney, Timothy Bowley

Dated: 11 May 2009

A copy of this third supplementary bidder's statement has been lodged with ASIC and given to Arana Therapeutics Limited and the ASX on 11 May 2009. Neither ASIC nor any of its officers takes any responsibility for the contents of this document. The glossary in Section 14 of the Bidder's Statement applies to this third supplementary bidder's statement unless the context requires otherwise. This third supplementary bidder's statement prevails to the extent of any inconsistency with the Bidder's Statement or Supplementary Bidder's Statements. Frank Baldino, Jr., Ph.D. has consented to the inclusion and publication of all statements in this third supplementary bidder's statement which are attributed to him in the form and context in which they have been included.