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ASX & MEDIA RELEASE

Arana Therapeutics Board Changes

Arana Therapeutics announced today that two Arana Directors have retired from the Board and four new Directors nominated by majority shareholder Cephalon International Holdings, Inc. have been appointed to the Board.

The Arana Directors who have retired are:

Gordon Black (Non-Independent Director)

Lincoln Chee (Non-Independent Director)

Independent Directors Robin Beaumont and Chris Harris will remain on the Board for an interim period but Mr Beaumont will step down as Chairman and assume the role of Lead Independent Director. Messrs Beaumont and Harris will be joined by:

Frank Baldino Jr. (Chairman and Chief Executive Officer, Cephalon Inc.)

Kevin Buchi (Senior Vice President and Chief Financial Officer, Cephalon Inc)

Jeffry Vaught (Executive Vice President and Chief Scientific Officer, Cephalon Inc.)

Lesley Russell (Executive Vice President and Chief Medical Officer, Cephalon Inc.)

Frank Baldino Jr. has been appointed Chairman of the Arana Board.

The Independent Directors Committee, consisting of Robin Beaumont and Chris Harris, will continue to have sole responsibility for the conduct of all matters relating to the Cephalon bid for the company until that bid is closed.

Arana's retiring Chairman, Mr. Beaumont, said, "Cephalon International Holdings, Inc. is now the majority shareholder of Arana and it is appropriate that it has representation on Arana's Board which reflects its shareholding. I am happy to welcome Frank Baldino Jr., Kevin Buchi, Jeffry Vaught, and Lesley Russell to the Board. Their appointments will ensure that the day to day operations of the company can revert to 'business as usual' following the inevitable uncertainties caused by the Cephalon bid. Importantly, this will allow management to work with the restructured Board to review company strategy in the context of the new ownership structure."

"I would personally like to thank Gordon Black and Lincoln Chee for their service and contribution to Arana's success as members of its Board. Arana's people have built one of the largest and most successful biotechnology companies in Australia. Through the Cephalon offer, now accepted by the majority of shareholders, that success has translated into an excellent return to shareholders in a very negative market environment."

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Dr. Baldino said, “Cephalon’s acquisition of Arana is an important part of our long-term strategy to expand our technology base. I look forward to advancing Arana’s pipeline in inflammatory diseases and cancer and ensuring Arana continues to develop its potential.”

Cephalon’s Offer is currently due to close on 1 June 2009 (unless extended).

Ends

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About Arana Therapeutics:

Arana Therapeutics (ASX: AAH) is a biopharmaceutical company focused 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 collaborations with GlaxoSmithKline (GSK), CSL, Kyowa Hakko Kirin (KHK), and licensing arrangements with Centocor (J&J) and Abbott Laboratories.

For further information: www.arana.com.