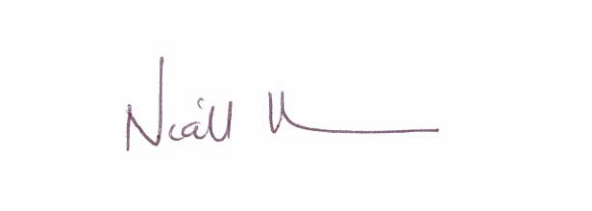
Company Announcements Office
Australian Stock Exchange Limited
4th Floor, 20 Bridge Street
Sydney
NSW 2000

12 November 2007

Dear Sir / Madam,

Attached is a presentation being made by Arana Therapeutics Chief Executive Officer, Dr John Chiplin at investor roadshows taking place in UK, Australia and USA over the coming weeks.

Yours sincerely



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Company Secretary

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John Chiplin
CEO

November 2007

Australian Version

Disclaimer

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Corporate Snapshot

In August 2007, Peptech and EvoGenix merged to form ‘Arana Therapeutics’, a new international biopharmaceutical company

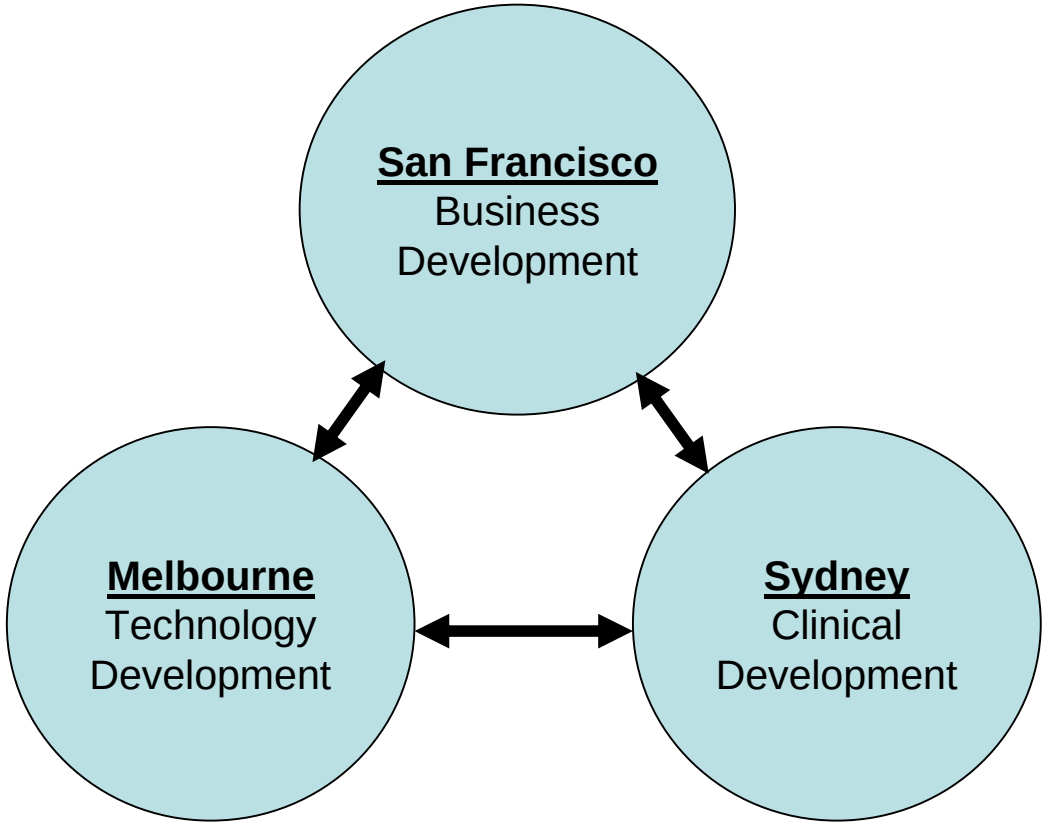
Arana Therapeutics uses superior technology to develop next generation biologics (therapies) for improving the lives of patients with inflammatory diseases and cancer

We have recurring revenues from licensing and commercialisation agreements with six international companies including GSK, CSL, Centocor (J&J) and Abbott Pharmaceuticals

We have a progressing clinical development program and a technology platform capable of generating near term revenue

ASX Code: AAH; AIM Code: AAHx; Market cap: A$270m

Business Operations



Recent Milestones

- 1st Domain Antibody in man entering Phase II trials (early 2008)
- Results from the Phase I trial in 30 volunteers showed the treatment to be well tolerated
- Deal signed with AVEO Pharmaceuticals
- Successful completion of first GSK project
- Commencement of second project with GSK
- Announcement of strong financial performance; revenue of A$34.6m, profit/loss of A$133.4m, cash at hand A$169m

An Antibody Powerhouse

Arana today:

- 1 Phase I asset
- 3-4 pre-clinical assets
- A$169m cash
- Significant technology access deals
- Revenues from multiple partners
- Strong IP portfolio

Arana 2010:

- 2-3 Phase II/III assets
- 2-3 Phase I/IND assets
- 3-4 pre-clinical assets
- Additional lucrative technology deals
- Cash to support pipeline
- Further expanded IP portfolio

Corporate Development

- **Business strategy**
  - Differentiated biologics (potential new therapies) targeting large markets
  - Strong business and IP infrastructure, with core capabilities in innovative antibody/protein engineering technologies
  - Mitigation of risk via tackling validated targets as part of our portfolio
  - Strong balance sheet/cash flows from lucrative commercial arrangements

Lucrative Partnership Deals

	Date	Details of deal	Commercial Agreement
AVEO	Oct 2007	Superhumanisation™ Technology licensing (up to 5 targets)	Upfront, milestones, royalties
vegenics	Mar 2007	Single project humanisation/optimisation of flagship product	Upfront, milestones, royalties
CSL Limited Biopharmaceuticals for Life™	Jun 2006	Multiple humanisation/optimisation projects I project completed, approved 2 projects in progress	Upfront, milestones, royalties
gsk GlaxoSmithKline	Oct 2005	Up to 3 optimisation projects 1st project completed, approved	Upfront, milestones, royalties
centocor	Nov 2004	Arana TNF Patent Estate	Licensing income
Abbott A Promise for Life	Dec 2003	Arana TNF Patent Estate	Licensing income

Antibody Therapeutics – a major opportunity

- Antibodies currently account for only 20 drugs on the market and many are considered blockbusters (>$1bn in sales)
- Expected to account for >50% drug sales growth by 2011
- Demand of new generation antibodies (ie Domain antibodies) capable of decreasing costs and improving effectiveness
- Demand is increasing value. Recent transaction activity includes:
    - CAT/AstraZeneca 2006 – $1.3 billion
    - Domantis/GSK 2006 – $480 million
    - Adnexus/BMS 2007 – $470 million
    - Morphotek/Eisai 2007 – $360 million
- Strong interest from pharma in new product opportunities – very few clinical stage products available, increasing focus on pre-clinical assets
- Our approach: internal drug development in parallel with partnering/licensing

Domain Antibody (dAb) technology

- **dAbs are the smallest known antigen-binding fragments of antibodies**
  - Half the size of full-size antibodies (Rituxan®, Herceptin®, Avastin®, Remicade®)
- **Potential for increased penetration into tissues**
  - Tumors
  - Inflamed joints
- **Lower potential for immunogenic rejection**
- **Decreased time and cost of production**
  - Broadening of market indications
  - Pricing strategies in competitive markets
- **Arana has access to the Domantis/GSK dAb technology for selected drug targets**

Product Pipeline – the next generation of drugs

- **Four Lead Programs**

Product	Discovery	Preclinical	Phase I	Phase II	Phase III
Rheumatoid Arthritis/ Crohn's Disease (ART621)	●	●	●	2008	2009
Osteoporosis Bone metastasis (ART010)	●	◗	2009	2010	
Colorectal cancer (ART104)	◗	2008/9	2010	2011	
Lung cancer Melanoma (ART150)	◗	2008/9	2010	2011	

◗ In Progress ● Completed

Product Pipeline – Earlier product candidates

Earlier stage products for licensing or internal development

Product	Indication	Discovery	Preclinical	Clinical
PMX	AMD, psoriasis, osteoarthritis	●	◗	2009
ART140	Leukaemia	◗	2009	2011
ART101	Colorectal Cancer	◗	2008/9	2011
ART160	Cancer	◗	2008/9	2011

Plus 2 ‘Domain Antibodies’ against nominated targets with GlaxoSmithKline

◗ In Progress ● Completed

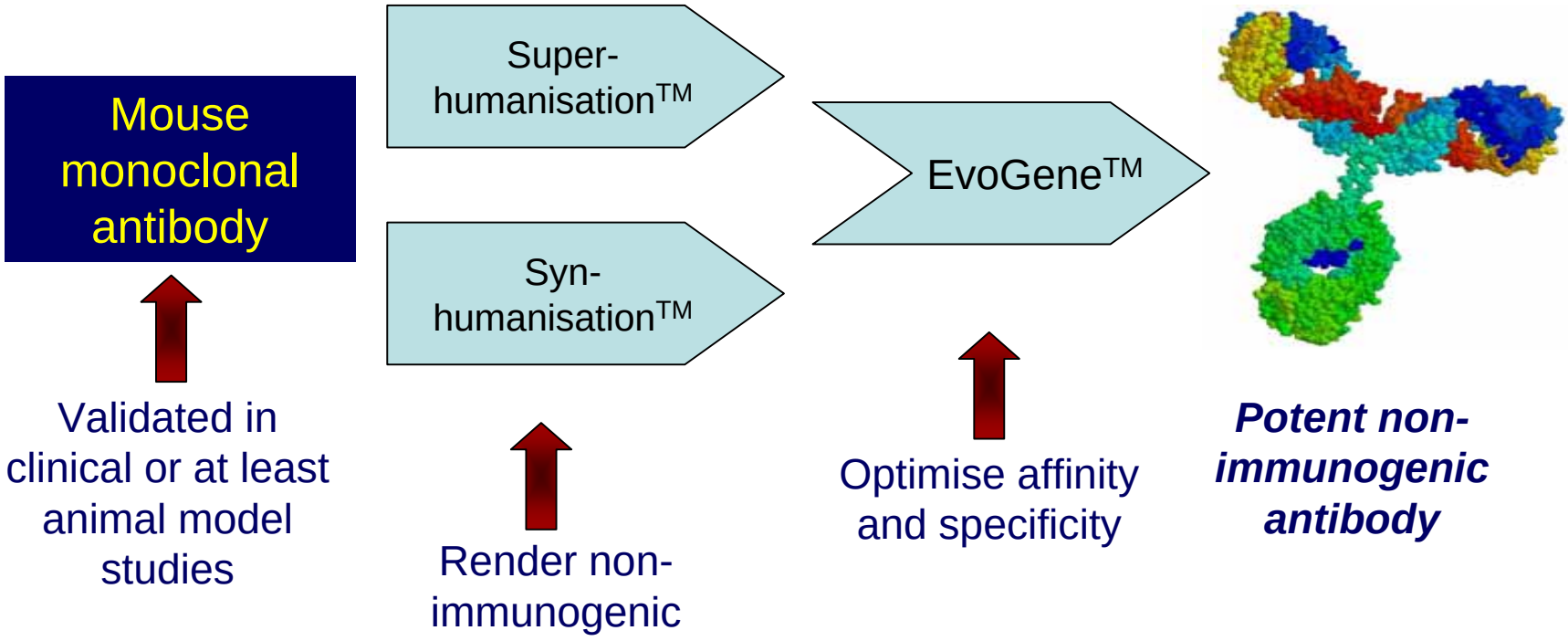
Commercialisation Strategy

- **Partnering sweet spot “end of Phase II”**

- **Strong balance sheet affords greater flexibility in partnering discussions**

Arana's protein engineering platforms

Integrated humanisation and optimisation



Arana technology platform – a powerful product engine to feed pipeline

- Suite of technologies for transforming lead protein or antibody reagents into potent, safe drug candidates
- Removal of immunogenicity with retention of activity
  - Superhumanisation™
  - Synhumanisation™
- Increasing potency and fine-tuning specificity
  - EvoGene™
- Next-generation formatting to achieve differentiation
  - Domain antibodies

Superhumanisation™

- **Superhumanisation™** - an improved, second generation humanization technology
- Structurally, matches starting non-human antibody to a human germline antibody with similar target-binding regions (CDRs)
- Resulting antibodies are superior to those made by conventional humanisation
  - Better retention of tight, specific binding
  - Higher human content → lower immunogenic potential

Synhumanisation™– Picking the lock on competitors' validated products

How Synhumanisation™ works

- Transforms non-human antibody into ~95% human sequence
- Recombines human and non-human sequences in novel, proprietary manner
- May be used alone or in combination with Super-humanisation™, EvoGene™ or dAb platforms

Benefits of Synhumanised™ antibody products

- Retain affinity and specificity of non-human lead antibodies
- Reduced immunogenic potential in patients
- Not covered by competitors' patents on "human" or "humanised" antibodies

Well-established IP Portfolio

- **Over 40 international patent families**
  - Each product candidate and related products
  - Each technology platform
- **Arana Therapeutics IP out-licensing deals**
  - Abbott, Centocor/J&J, GSK, CSL, AVEO, Vegenics
- **Strong freedom to operate position**
  - Each lead product candidate
  - All proprietary technology platforms

Strong Balance Sheet and Cash Flows

Current cash = A$169 million

Future Cash Flow

- **Centocor/Abbott (A$80-90 million)**
- **Licensing revenue to Q1 2011**
- **GSK (Domantis) A$17 million (Jan 2008)**
- **Grants awarded (12 months) ~A$9 million**
- **Divestment of legacy assets**
- **Upfront/milestones/royalties on current and future technology and product licensing deals**

Summary

	2007 A$m	2006 A$m
Revenue	34.6	23.8
Net Profit	133.4	5.1
Cash Balance	169.0	40.7
Receivables	25.5	4.6

Experienced Management Team / BOD / Scientific Advisory Board

Management Team

John Chiplin, PhD
Chief Executive Officer (GSK, Geneformatics, Newstar Ventures)

Rob Crombie PhD
VP, Business Development, Technology (ML Laboratories, Cobra Therapeutics)

David Fuller MD
Chief Medical Officer (Genzyme Corporation)

Niall Henderson ACA
Chief Financial Officer (TNT International)

Cliff Holloway PhD
VP, Business Development, Products (Novartis, Eli Lilly, Pharmacopeia)

Phil Jennings PhD
Chief Scientific Officer (CSIRO, MRC, Cambridge)

Steffen Nock, PhD
President, US Operations (Absalus, Zyomyx)

Experienced Management Team / BOD / Scientific Advisory Board

Board of Directors

Mr Robin Beaumont, Chairman
Chairman of Select Vaccines Ltd and Primegro

Mr Bill Bartlett, Non-executive director
Director of Suncorp Metway

Mr Greg Bundy, Non-executive director
Director of Tolhurst Group Limited

Dr Lincoln Chee, Non-executive director
Managing Director of Quality Healthcare Medical Services

Dr John Chiplin, Chief Executive Officer
Chief Executive

Mr Chris Harris, Non-executive director
Chairman of ARGO Investments Limited

Dr Phil Jennings, Research & Development Officer
Chief Scientific Officer

Dr George Jessup, Non-executive director
Managing Director of Start-up Australia

Expert Management Team / BOD / Scientific Advisory Board

Advisory Board

Professor Mark Hogarth
Melbourne University, Australia

Professor Sir Ravinder Maini, FRS
Imperial College, London, United Kingdom

Dr Till Medinger
Astra Zeneca, London, United Kingdom

Professor Sir Greg Winter, FRS
Medical Research Council, Cambridge, United Kingdom

Arana – 12 Month Milestones

- **Initiate Phase II on the Rheumatoid Arthritis/ Crohn's Disease product (ART621)**
- **Report pre-clinical data on Osteoporosis bone metastasis product (ART010)**
- **Advance partnership discussions on licensing internal drug candidates**
- **Divestment of legacy assets**

Questions

Dr John Chiplin, CEO

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Support Slides

arana

therapeutics

Lead compound ART621 for inflammatory disorders

Profile:

- New generation anti-TNF domain antibody
- First domain antibody to be administered in humans

Status:

- Phase I clinical trial

Market:

- Greater than A$22 billion market in 2012

Next Milestone

- Begin Phase II trial in early 2008

ART621- low development risk / high market opportunity

TNF inhibitors have revolutionised treatment of inflammatory diseases

- Current market > A$13 billion
- Non-response and immunogenicity issues with current products
- Validated target – clear clinical and regulatory pathway
- New products needed – FTO considerations
- Opportunity to expand the market in line with a trend towards earlier use

Highly active

- ART621 at least equivalent to marketed drug in pre-clinical studies

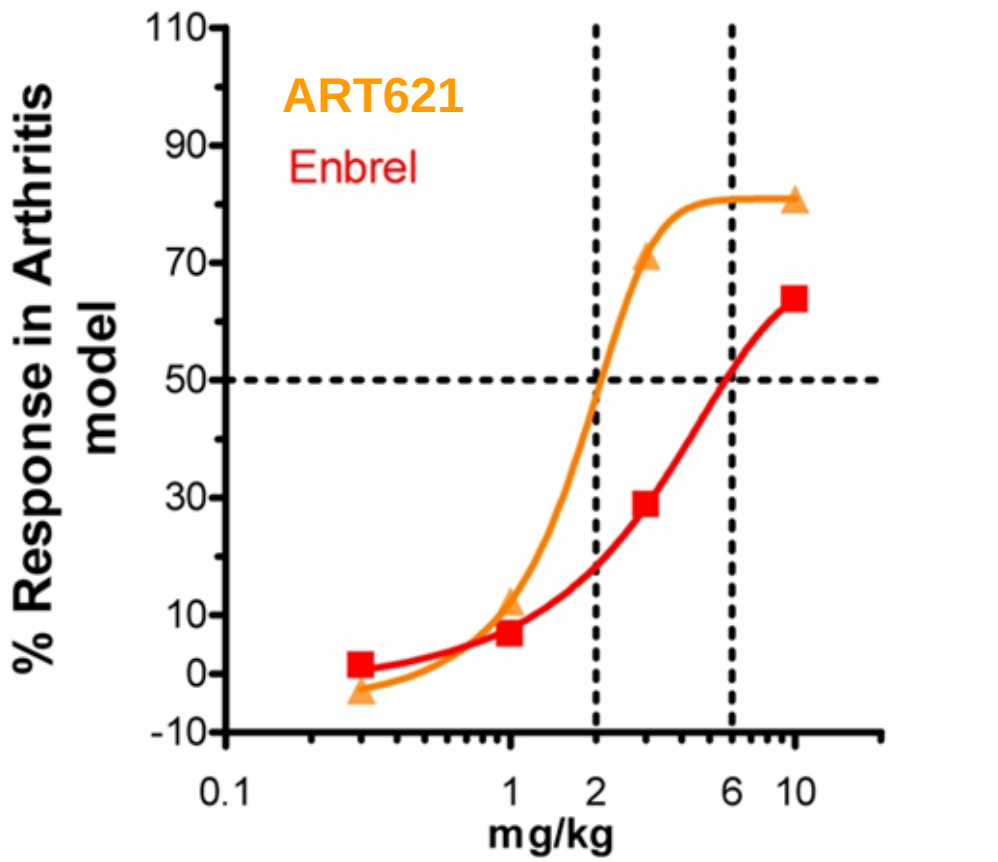
ART621 is smaller than other anti-TNF antibodies

- Better penetration of diseased joints and tissues?
- Engineered to have low immunogenicity – a key test point in clinical trials

ART621 is much easier to produce

- Lower cost of goods
- Can supply market demand - expanding list of indications

ART621 vs Enbrel



ART621 : Current status

Preclinical efficacy	✓	**Potent and effective**
Production	✓	**Excellent**
Stability	✓	**Stable/Robust**
Safety/Toxicology	✓	**Favourable outcomes dosing up to 100X predicted human dose**
Preclinical – duration of action and localisation in the body	✓	**Favorable**

Phase I clinical trials commenced in May; Phase II planned for early 2008

ART010 for bone loss

Profile:

- New osteoprotegerin (OPG) variant for treatment of cancer-related bone loss

Status:

- Pre-clinical

Market:

- > A$1 billion for adjunct treatment to reduce bone erosion, fragility and pain

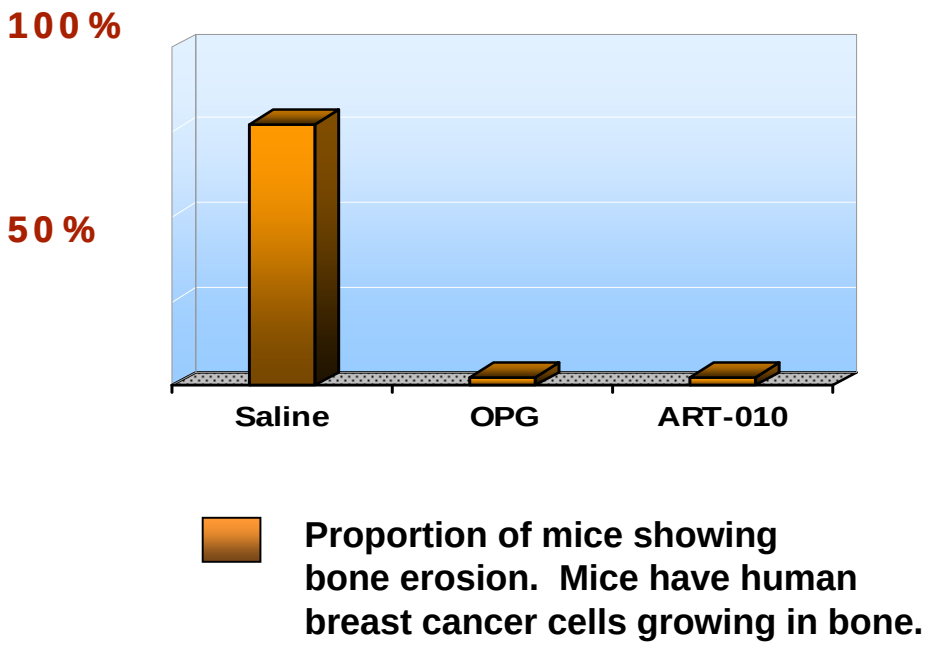
Next Milestone:

- Commencing manufacturing in 2008

ART010 – Novel biologic to treat bone cancer

- 70% of patients with advanced breast and prostate cancer get secondary cancers in the bone (~300,000 new cases pa – US)
- Natural regulator protein OPG reduces bone loss in humans – but OPG also may interfere with cancer surveillance
- EvoGene™ was used to optimize OPG into ART010 to eliminate interference with cancer surveillance – offers safer treatment for bone cancer patients and other conditions of bone loss
- Proven clinical activity of OPG strongly suggests low development risk of ART010

ART010 – in bone cancer



- **ART010** completely suppresses breakdown of bone by human breast cancer
- **ART010** reduces ability of tumor to grow in bone
- **ART010** is as effective as OPG in other models for bone erosion, osteoporosis

ART104 for solid tumours

Profile:

- Antibody against novel cancer target for multiple solid tumour indications

Status:

- Pre-clinical

Market:

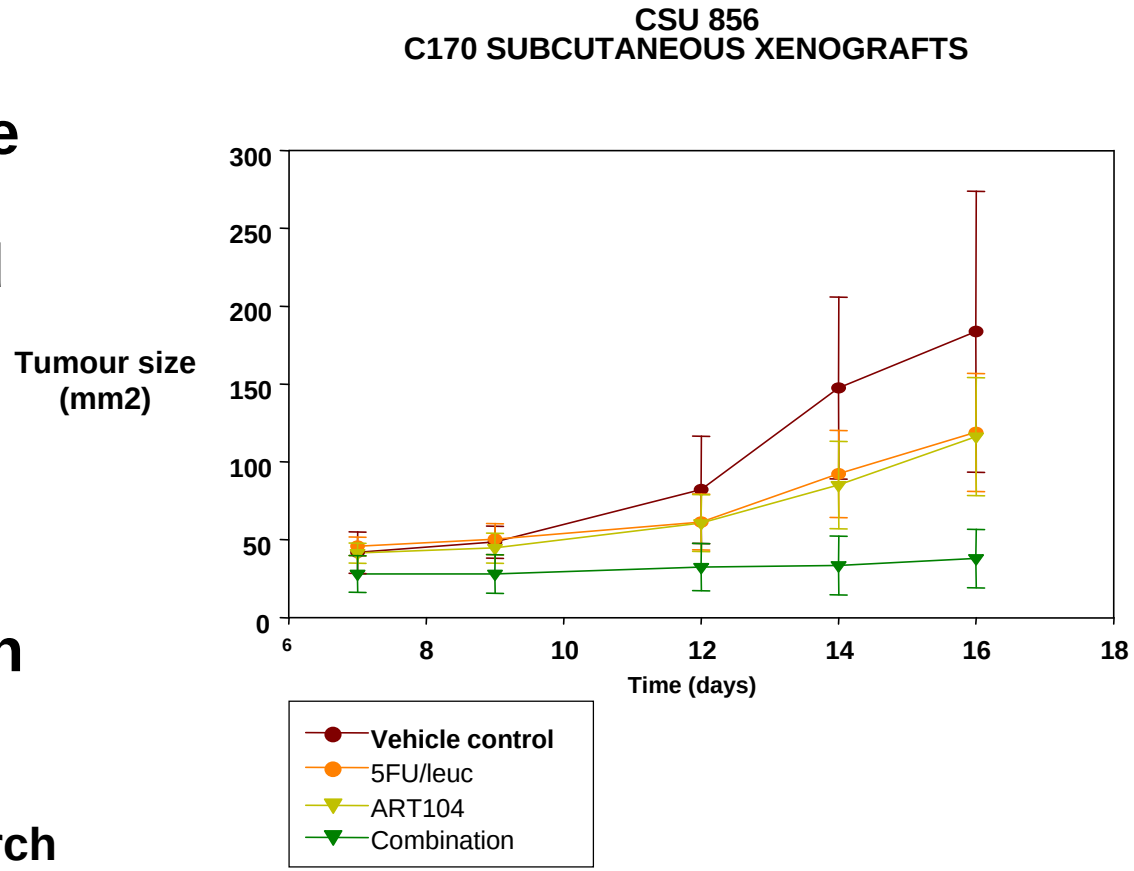
- > A$22 billion total cancer drug market
- Potential A$555 million market for one indication

Next Milestone:

- Complete pre-clinical development by 2009

ART104 synergistically reduces tumour growth with standard of care

- **ART104 controls C170 (colorectal) tumor xenografts growth in mice**
  - **Synergy with standard chemotherapy (5-fluorouracil plus leucovorin)**
  - **Significant tumor inhibition in prevention and therapeutic model**



- **Durrant et al., 2006 Cancer Research 66:5901-9**

ART150 for lung cancer

Profile:

- New ganglioside antibody for the treatment of lung cancer and melanoma

Status:

- Pre-clinical

Market:

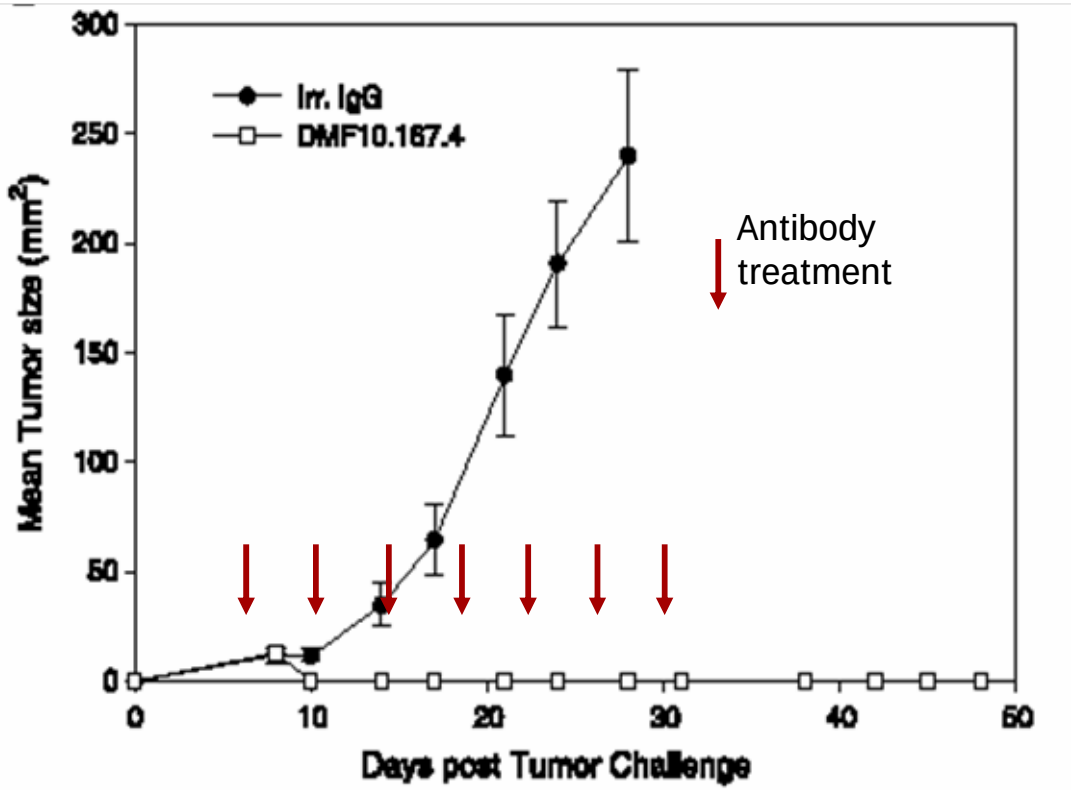
- Application in A$3.3Bn lung cancer market and A$1Bn melanoma market – substantial unmet needs

Next Milestone:

- Complete pre-clinical development in 2008/9

ART150 for lung cancer

Human lung cancer growing in mice



The tumor grows rapidly when animals are treated with an antibody without anti-tumor activity (black circles)

The parent antibody of ART150 completely stops growth of human lung cancer in mice (open squares) even after treatment (red arrows) ceases

EvoGene™ – fine-tuning biopharmaceutical products for increased potency

- **Proprietary combination of RNA mutagenesis and ribosome display**
- **Tailored to identify the best of all possible variant proteins with the fewest sequence changes from human or humanized leads**
- **Used to increase potency or fine-tune specificity**
- **Extensively validated on internal antibody and protein products and through collaborations with GSK, CSL, etc.**
- **Free from competitors' patents**

Balance Sheet

	2007 A$m	2006 A$m
Cash	169.0	40.7
Receivables	25.5	4.6
Investments	-	40.2
IP acquired	129.9	7.9
Other	5.1	6.8
	329.5	100.2
Liabilities (no debt)	(20.2)	(14.2)
Net equity	**309.3**	**86.0**

Cash Flow

	2007 A$m	2006 A$m
Cash flow from operations	3.1	2.9
Cash flow from investing	124.5	(3.9)
Cash flow - other	0.7	2.0
	128.3	1.0
Opening cash	40.7	39.7
Closing cash	169.0	40.7