

BIOSANTE PHARMACEUTICALS INC
Form S-4/A
August 19, 2009
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As filed with the Securities and Exchange Commission on August 19, 2009

Registration No. 333-161181

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Amendment No. 1 to

Form S-4

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

BIOSANTE PHARMACEUTICALS, INC.

(Exact name of registrant as specified in its charter)

Delaware	2386	58-2301143
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

111 Barclay Boulevard
Lincolnshire, Illinois 60069

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(847) 478-0500

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Stephen M. Simes

Vice Chairman, President and Chief Executive Officer

BioSante Pharmaceuticals, Inc.

111 Barclay Boulevard

Lincolnshire, Illinois 60069

(847) 478-0500

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Bruce A. Machmeier, Esq.	Stephen A. Sherwin, M.D.	Sam Zucker, Esq.	Michael J. Kennedy, Esq.
Amy E. Culbert, Esq.	Chairman of the Board and	Eric Sibbitt, Esq.	Michael S. Dorf, Esq.
Oppenheimer Wolff & Donnelly LLP	Chief Executive Officer	O Melveny & Myers LLP	Shearman & Sterling LLP
Plaza VII Building, Suite 3300	Cell Genesys, Inc.	2765 Sand Hill Road	525 Market Street
45 South Seventh Street	400 Oyster Point Boulevard, Suite 525	Menlo Park, California 94025	San Francisco, California 94015
Minneapolis, Minnesota 55402	South San Francisco, California 94080	(415) 984-8777	(415) 616-1100
(612) 607-7000	(650) 266-3000		

Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this registration statement and the effective time of the merger of Cell Genesys, Inc., a Delaware corporation, with and into BioSante Pharmaceuticals, Inc., a Delaware corporation, as described in the Agreement and Plan of Merger dated as of June 29, 2009, attached as Annex A to the joint proxy statement/prospectus forming part of this registration statement.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box:

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

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If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company)

Smaller reporting company

The Registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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The information in this joint proxy statement/prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This joint proxy statement/prospectus is not an offer to sell and it is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

PRELIMINARY COPY SUBJECT TO COMPLETION, DATED AUGUST 19, 2009

PROPOSED MERGER YOUR VOTE IS VERY IMPORTANT

To the Stockholders of BioSante Pharmaceuticals, Inc. and Cell Genesys, Inc:

On June 29, 2009, BioSante Pharmaceuticals, Inc., which we refer to as BioSante, and Cell Genesys, Inc., which we refer to as Cell Genesys, entered into a merger agreement pursuant to which Cell Genesys will merge with and into BioSante, with BioSante continuing as the surviving company. The boards of directors of BioSante and Cell Genesys believe that the merger of the two companies will create more value than either company could achieve individually.

As a result of the merger, each share of Cell Genesys common stock held immediately prior to the effective time of the merger will be converted into 0.1615 of a share of BioSante common stock, subject to potential upward or downward adjustment, in accordance with a formula set forth in the merger agreement which is based on Cell Genesys' net cash, less certain expenses and liabilities, on a date 10 calendar days preceding the anticipated closing date of the merger. As a result of the merger, BioSante will issue an aggregate of approximately 17.8 million shares of BioSante common stock to holders of Cell Genesys common stock and current BioSante stockholders will own approximately 65.0 percent of the outstanding common stock of the combined company and current Cell Genesys stockholders will own approximately 35.0 percent of the outstanding common stock of the combined company, assuming the 0.1615 exchange ratio is not adjusted and the number of outstanding shares of BioSante and Cell Genesys common stock remains unchanged until immediately prior to the effective time of the merger.

The combined company will continue to be named BioSante Pharmaceuticals, Inc. and shares of the combined company will be traded on the NASDAQ Global Market under the symbol BPAX. If the merger is completed, shares of Cell Genesys common stock will no longer be traded on the NASDAQ Global Market. On August 18, 2009, the closing price per share of BioSante common stock was \$2.04 and the closing price per share of Cell Genesys common stock was \$0.3731 each as reported by the NASDAQ Global Market.

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At the effective time of the merger, all outstanding warrants that are unexercised which by their terms will survive the merger will be assumed by BioSante and become warrants to purchase BioSante common stock, except for the warrant subject to a certain warrant exchange agreement dated May 17, 2009, which will be cashed out pursuant to the terms thereof prior to the merger. In addition, as of a date not less than 30 days prior to the anticipated effective time of the merger, all options to purchase Cell Genesys common stock, other than certain designated options held by Cell Genesys current officers, will become fully vested and exercisable until the merger is effective. Upon the effective time of the merger, such unexercised options, other than the assumed options, will terminate, and the assumed options will become options to purchase BioSante common stock. In addition, as a result of the merger, BioSante will assume the \$1.2 million in principal amount of 3.125% convertible senior notes due in November 2011 and the \$20.8 million in principal amount of 3.125% convertible senior notes due in May 2013 issued by Cell Genesys, which will become convertible into shares of BioSante common stock. The underlying number of shares and the exercise or conversion price of these warrants, options and convertible notes will be adjusted based on the final exchange ratio used in the merger. As a result of these adjustments and potential future issuances of BioSante common stock after the merger, BioSante will reserve an additional 5.5 million shares of BioSante common stock, assuming the 0.1615 exchange ratio is not adjusted.

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Upon completion of the merger, holders of BioSante common stock and class C special stock and holders of warrants and options to purchase shares of BioSante common stock will continue to own and hold, respectively, their existing shares of BioSante stock and warrants and options for BioSante common stock.

Consummation of the merger is subject to a number of customary closing conditions, as well as a condition that Cell Genesys's net cash, less certain expenses and liabilities, is a specified minimum amount as of 10 calendar days prior to the anticipated closing date of the merger, which amount varies depending upon the closing date of the merger. While the U.S. federal income tax consequences of the merger are not free from doubt, BioSante and Cell Genesys intend to treat the merger as a taxable transaction for U.S. federal income tax purposes.

BioSante and Cell Genesys each are holding a special meeting of stockholders in order to obtain the stockholder approvals necessary to complete the merger. At the BioSante special meeting, which will be held at [] local time, on [], [], 2009 at the [], unless postponed or adjourned to a later date, BioSante will ask its stockholders to, among other things, approve the adoption of the merger agreement and the transactions contemplated thereby, including the merger and the issuance of shares of BioSante common stock in the merger, and an amendment to the BioSante charter to increase the authorized number of shares of BioSante common stock. At the Cell Genesys special meeting, which will be held at [] local time, on [], [], 2009 at Cell Genesys's corporate offices located at 400 Oyster Point Boulevard, South San Francisco, California 94080, unless postponed or adjourned to a later date, Cell Genesys will ask its stockholders to, among other things, approve the adoption of the merger agreement and the transactions contemplated thereby, including the merger.

After careful consideration, the BioSante and Cell Genesys boards of directors unanimously have approved the merger agreement and related transactions. The BioSante board of directors unanimously recommends that BioSante stockholders vote **FOR** the adoption of the merger agreement and the transactions contemplated thereby, including the merger and the issuance of shares of BioSante common stock in the merger, and **FOR** the amendment to the BioSante charter to increase the authorized number of shares of BioSante common stock. The Cell Genesys board of directors unanimously recommends that Cell Genesys stockholders vote **FOR** the adoption of the merger agreement and the transactions contemplated thereby, including the merger.

This joint proxy statement/prospectus describes the proposed merger and related transactions in more detail. BioSante and Cell Genesys urge you to read this entire document carefully, including the merger agreement, which is included as Annex A. **For a discussion of risk factors you should consider in evaluating the merger, see the section entitled Risk Factors beginning on page 22.**

BioSante and Cell Genesys are excited about the opportunities that the proposed merger brings to both BioSante and Cell Genesys stockholders and thank you for your consideration and continued support.

Stephen M. Simes

Vice Chairman, President and

/s/ Stephen A. Sherwin, M.D.

Stephen A. Sherwin, M.D.

Chairman of the Board and

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BioSante Pharmaceuticals, Inc

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

To Be Held On [], 2009

Dear BioSante Stockholder:

A special meeting of the stockholders of BioSante Pharmaceuticals, Inc. will be held on [], 2009 at [] a.m., local time, at [], for the following purposes:

1. To consider and vote upon a proposal to adopt the Agreement and Plan of Merger dated as of June 29, 2009 by and between BioSante and Cell Genesys, a copy of which is attached as Annex A to the joint proxy statement/prospectus accompanying this notice, and the transactions contemplated thereby, including the merger and the issuance of shares of BioSante common stock in the merger.

2. To consider and vote upon a proposal to approve an amendment to BioSante's certificate of incorporation to increase the number of shares of BioSante common stock BioSante is authorized to issue from 100 million to 200 million and to increase the number of shares of BioSante capital stock BioSante is authorized to issue by 100 million, to reflect the increase in the authorized BioSante common stock.

3. To consider and vote upon a proposal to approve an adjournment of the BioSante special meeting, if necessary, to solicit additional proxies if there are not sufficient votes in favor of BioSante Proposal Nos. 1 and 2.

Stockholders also will consider and act on any other matters as may properly come before the special meeting or any adjournment or postponement thereof, including any procedural matters incident to the conduct of the special meeting.

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The board of directors of BioSante has fixed [], 2009 as the record date for the determination of BioSante stockholders entitled to notice of, and to vote at, the BioSante special meeting or any adjournments or postponements of the BioSante special meeting. Only holders of record of BioSante common stock and class C special stock at the close of business on the BioSante record date are entitled to notice of, and to vote at, the BioSante special meeting. At the close of business on the record date, BioSante had [] shares of common stock and [] shares of class C special stock outstanding and entitled to vote.

Your vote is important. The affirmative vote of holders of a majority of the BioSante common stock and class C special stock, voting as a single class, having voting power outstanding on the record date for the BioSante special meeting is required for approval of BioSante Proposal No. 1. The affirmative vote of holders of a majority of the BioSante common stock and class C special stock, voting as a single class, and BioSante common stock, voting as a separate class, having voting power outstanding on the record date for the BioSante special meeting is required for approval of BioSante Proposal No. 2. The affirmative vote of holders of a majority of the BioSante common stock and class C special stock, voting as a single class, present in person or represented by proxy at the BioSante special meeting is required for approval of BioSante Proposal No. 3. Please also note that the approval of Proposal No. 1 is not conditioned upon the approval of Proposal No. 2, however, the approval of Proposal No. 2 is conditioned upon the approval of Proposal No. 1 by stockholders of both BioSante and Cell Genesys.

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Even if you plan to attend the BioSante special meeting in person, BioSante requests that you complete, sign and return the enclosed proxy and thus ensure that your shares will be represented at the BioSante special meeting if you are unable to attend. If you sign, date and mail your proxy card without indicating how you wish to vote, your proxy will be counted as a vote in favor of BioSante Proposal Nos. 1 through 3. If you fail to return your proxy card, the effect will be that your shares will not be counted for purposes of determining whether a quorum is present at the BioSante special meeting and will count as a vote against BioSante Proposal Nos. 1 and 2. If you do attend the BioSante special meeting and wish to vote in person, you may withdraw your proxy and vote in person.

The BioSante board of directors has determined that the merger agreement and the transactions contemplated by it, including the merger and the issuance of shares of BioSante common stock in the merger, are advisable and in the best interests of BioSante and its stockholders. The BioSante board of directors unanimously has approved and adopted the merger agreement and the transactions contemplated by it, including the merger and the issuance of shares of BioSante common stock in the merger, and recommends that BioSante stockholders vote **FOR** the adoption of the merger agreement and the transactions contemplated thereby, including the merger and the issuance of shares of BioSante common stock in the merger, **FOR** the amendment to the BioSante charter to increase the authorized number of shares of common stock, and **FOR** the adjournment of the BioSante special meeting, if necessary, to solicit additional proxies if there are not sufficient votes in favor of BioSante Proposal Nos. 1 and 2.

By Order of the Board of Directors,

Phillip B. Donenberg
Chief Financial Officer, Treasurer and Secretary

[] [], 2009

Lincolnshire, Illinois

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Cell Genesys, Inc.

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

To Be Held On [], 2009

Dear Cell Genesys Stockholder:

A special meeting of the stockholders of Cell Genesys will be held on [], 2009 at [] a.m., local time, at Cell Genesys's corporate offices located at 400 Oyster Point Boulevard, South San Francisco, California 94080, for the following purposes:

1. To consider and vote upon a proposal to adopt the Agreement and Plan of Merger dated as of June 29, 2009 by and between BioSante and Cell Genesys, a copy of which is attached as Annex A to the joint proxy statement/prospectus accompanying this notice, and the transactions contemplated thereby, including the merger.

2. To consider and vote upon a proposal to approve an adjournment of the Cell Genesys special meeting, if necessary, to solicit additional proxies if there are not sufficient votes in favor of Cell Genesys Proposal No. 1.

Stockholders also will consider and act on any other matters as may properly come before the special meeting or any adjournment or postponement thereof, including any procedural matters incident to the conduct of the special meeting.

The board of directors of Cell Genesys has fixed [], 2009 as the record date for the determination of Cell Genesys stockholders entitled to notice of, and to vote at, the Cell Genesys special meeting or any adjournments or postponements of the Cell Genesys special meeting. Only holders of record of Cell Genesys common stock at the close of business on the Cell Genesys record date are entitled to notice of, and to vote at, the Cell Genesys special meeting. At the close of business on the record date, Cell Genesys had [] shares of common stock outstanding and entitled to vote.

Your vote is important. The affirmative vote of holders of a majority of the Cell Genesys common stock having voting power outstanding on the record date for the Cell Genesys special meeting is required for approval of Cell Genesys Proposal No. 1. The affirmative vote of holders of a majority of the Cell Genesys common stock present in person or represented by proxy at the Cell Genesys special meeting is required for approval of Cell Genesys Proposal No. 2 above.

Even if you plan to attend the Cell Genesys special meeting in person, Cell Genesys requests that you complete, sign and return the enclosed proxy and thus ensure that your shares will be represented at the Cell Genesys special meeting if you are unable to attend. If you sign, date and mail your proxy card without indicating how you wish to vote, your proxy will be counted as a vote in favor of Cell Genesys Proposal Nos. 1 and 2. If you fail to return your proxy card, the effect will be that your shares will not be counted for purposes of determining whether a quorum is present at the Cell Genesys special meeting and will count as a vote against Cell Genesys Proposal No. 1. If you do attend the Cell Genesys special meeting and wish to vote in person, you may withdraw your proxy and vote in person.

The Cell Genesys board of directors has determined that the merger agreement and the transactions contemplated by it, including the merger, are advisable and in the best interests of Cell Genesys and its stockholders. The Cell Genesys board of directors unanimously has approved and adopted the merger agreement and the transactions contemplated by it, including the merger, and recommends that Cell Genesys stockholders vote FOR the adoption of the merger agreement and the transactions contemplated thereby, including the merger, and FOR the adjournment of the Cell

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Genesys special meeting, if necessary, to solicit additional proxies if there are not sufficient votes in favor of Cell Genesys Proposal No. 1.

By Order of the Board of Directors,

/s/ Sharon E. Tetlow

Sharon E. Tetlow
Secretary

South San Francisco, California
[] [], 2009

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BioSante class C special stock or *BioSante class C special stock* refer to shares of class C special stock, par value of \$0.0001 per share, of BioSante, and references to *shares of Cell Genesys common stock*, *Cell Genesys common stock* or *Cell Genesys shares* refer to shares of common stock, par value \$0.001 per share, of Cell Genesys. Except as otherwise specifically noted, references to *we*, *us*, or *our* refer to both BioSante and Cell Genesys.

BioSante owns or has rights to various trademarks, trade names or service marks, including the following: *BioSante*®, *Elestrin* , *LibiGel*®, *Bio-T-Gel* , *The Pill-Plus* , *BioVant* , *BioLook* , *CAP-Oral* and *BioAir* . Cell Genesys owns or has rights to various trademarks, trade names or service marks, including the following: *Cell Genesys*®, *Cell Design*®, *Changing the Future of Oncology*®, *GVAX*®, *CIRZEDE* , *CAPTEOS* , *ENEDROS* and *TROCAPSA* . This joint proxy statement/prospectus also contains trademarks, trade names and service marks of others.

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QUESTIONS AND ANSWERS ABOUT THE MERGER

The following section provides answers to frequently asked questions about the merger. This section, however, only provides summary information. These questions and answers may not address all issues that may be important to you as a BioSante or Cell Genesys stockholder. You should carefully read the entire joint proxy statement/prospectus, including each of the annexes.

Q: What is the merger?

A: BioSante and Cell Genesys have entered into an Agreement and Plan of Merger, dated as of June 29, 2009, which is referred to in this joint proxy statement/prospectus as the merger agreement, that contains the terms and conditions of the proposed merger of BioSante and Cell Genesys. Under the merger agreement, Cell Genesys will merge with and into BioSante, with BioSante continuing as the surviving company. This transaction is referred to as the merger.

As a result of the merger, each share of Cell Genesys common stock held immediately prior to the effective time of the merger will be converted into 0.1615 of a share of BioSante common stock, subject to potential upward or downward adjustment in accordance with a formula set forth in the merger agreement which is based on Cell Genesys' net cash, less certain expenses and liabilities, on a date 10 calendar days preceding the anticipated closing date of the merger. As a result of the merger, BioSante will issue an aggregate of approximately 17.8 million shares of BioSante common stock to holders of Cell Genesys common stock and current BioSante stockholders will own approximately 65.0 percent of the outstanding common stock of the combined company and current Cell Genesys stockholders will own approximately 35.0 percent of the outstanding common stock of the combined company, assuming the 0.1615 exchange ratio is not adjusted and the number of outstanding shares of BioSante and Cell Genesys common stock remains unchanged until immediately prior to the effective time of the merger.

Q: Why are the companies proposing the merger?

A: BioSante and Cell Genesys both believe that the merger of the two companies will be able to create more value than either company could achieve individually. For a more complete description of the reasons for the merger, see the sections entitled "The Merger BioSante Reasons for the Merger" beginning on page 80 and "The Merger Cell Genesys Reasons for the Merger" beginning on page 83.

Q: What will I receive in the merger?

A: *BioSante Stockholders.* Each share of BioSante common stock and BioSante class C special stock held by BioSante stockholders immediately before the effective time of the merger will continue to represent one

share of BioSante common stock and one share of BioSante class C special stock, respectively, of the combined company after the effective time of the merger. In other words, BioSante stockholders will receive no additional consideration in the merger and the merger will not change the number of shares of BioSante common stock and BioSante class C special stock a BioSante stockholder currently owns.

Cell Genesys Stockholders. Cell Genesys stockholders will have the right to receive 0.1615 of a share of BioSante common stock for every one share of Cell Genesys common stock held immediately prior to the effective time of the merger, subject to potential upward or downward adjustment as described in the merger agreement depending upon the amount of net cash of Cell Genesys, less certain expenses and liabilities, on a date 10 calendar days preceding the anticipated closing date of the merger transaction. The number of shares of BioSante common stock that holders of Cell Genesys common stock will be entitled to receive will be based upon the difference between Cell Genesys s

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net cash balance at the determination date and the target net cash amount applicable as of the date of the merger closing, all as set forth in the merger agreement. If Cell Genesys's net cash balance at the determination date is no more than \$500,000 greater than or no more than \$500,000 less than the applicable target net cash amount, then the exchange ratio will be 0.1615. The actual exchange ratio will be determined in accordance with the merger agreement and might be higher or lower than 0.1615 depending on whether the actual net cash balance of Cell Genesys is higher or lower than the applicable target net cash amount and the amount of the difference between the actual net cash balance of Cell Genesys as of the determination date and the applicable target net cash. The merger agreement provides for a range of 38 different exchange ratios dependent upon these variables from a maximum exchange ratio of 0.2424 if Cell Genesys's actual net cash balance is more than \$5,000,000 above the applicable target net cash amount to a minimum exchange ratio of 0.1036 if Cell Genesys's actual net cash balance is between \$4,750,001 to \$5,000,000 below the applicable target net cash amount. BioSante will issue a press release after the final determination of the exchange ratio announcing the final exchange ratio and Cell Genesys's net cash balance at the determination date. Cell Genesys stockholders will receive cash for any fractional shares of BioSante common stock that they would otherwise receive in the merger.

Q: What will happen to Cell Genesys options or other stock-based awards to acquire Cell Genesys common stock?

A: All options to purchase shares of Cell Genesys common stock, other than designated options held by Cell Genesys's current officers, will become fully vested and exercisable until immediately prior to the effective time of the merger, at which time any unexercised options will terminate. At the effective time of the merger, the designated options held by Cell Genesys's current officers will be assumed by BioSante and converted into and become options to purchase shares of BioSante common stock, on terms substantially identical to those in effect immediately prior to the effective time of the merger, except that appropriate adjustments will be made to the number of shares and the exercise price, based on the final exchange ratio used in the merger. All Cell Genesys restricted stock units and restricted stock that are subject to risk of forfeiture, if any, will become fully vested and no longer subject to any such restriction, and at the effective time of the merger, will be exchanged for fully-vested shares of BioSante common stock based on the final exchange ratio used in the merger. However, no such restricted stock units or restricted stock were outstanding as of the printing of this joint proxy statement/prospectus.

Q. What will happen to Cell Genesys warrants to acquire Cell Genesys common stock?

A. Other than the warrant subject to a certain warrant exchange agreement dated May 17, 2009, which will be cashed out pursuant to the terms thereof prior to the merger, at the effective time of the merger, Cell Genesys warrants outstanding and unexercised at the effective time of the merger will be assumed by BioSante to the extent such obligations survive the merger under the terms of the respective Cell Genesys warrants, but will be converted into and become warrants to purchase shares of BioSante common stock on terms substantially identical to those in effect prior to the merger, except for adjustments to the underlying number of shares and the exercise price based on the final exchange ratio used in the merger.

Q: Can the value of the transaction change between now and the time the merger is completed?

A: Yes. The value of BioSante common stock can change between now and the time the merger is completed and the exchange ratio is subject to adjustment based on Cell Genesys' s net cash, less certain expenses and liabilities. If Cell Genesys' s net cash balance at the determination date is no more than \$500,000 greater than or no more than \$500,000 less than the applicable target net cash amount, then the exchange ratio will be 0.1615. The actual exchange ratio will be determined in accordance with the merger agreement and will be higher or lower than 0.1615 depending on whether

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the actual net cash balance of Cell Genesys is higher or lower than the applicable target net cash amount and the amount of the difference between the actual net cash balance of Cell Genesys as of the determination date and the applicable target net cash. The merger agreement provides for a range of 38 different exchange ratios dependent upon these variables from a maximum exchange ratio of 0.2424 if Cell Genesys's actual net cash balance is more than \$5,000,000 above the applicable target net cash amount to a minimum exchange ratio of 0.1036 if Cell Genesys's actual net cash balance is between \$4,750,001 to \$5,000,000 below the applicable target net cash amount. See The Merger Agreement Merger Consideration and Adjustment beginning on page 109 for additional information. The exchange ratio will not change, however, if the market value of BioSante common stock changes. Therefore, the market value of the total transaction, and of the BioSante common stock issued to Cell Genesys stockholders in the merger, will increase or decrease as the market value of BioSante common stock increases or decreases.

Q: Who will be the directors and executive officers of the combined company following the merger?

A: Following the merger, the board of directors of the combined company will be as follows:

Name	Current Principal Affiliation
Fred Holubow	Director of BioSante
Peter Kjaer	Director of BioSante
Ross Mangano	Director of BioSante
John T. Potts, Jr., M.D.	Director of Cell Genesys
Edward C. Rosenow III, M.D.	Director of BioSante
Stephen A. Sherwin, M.D.	Director and Chief Executive Officer of Cell Genesys
Stephen M. Simes	Director, Vice Chairman, President and Chief Executive Officer of BioSante
Louis W. Sullivan, M.D.	Chairman of the Board of BioSante

Dr. Sullivan, BioSante's chairman of the board, will continue as chairman of the board of the combined company.

Following the merger, the executive officers of the combined company will be the current executive officers of BioSante, who are as follows:

Name	Position
Stephen M. Simes	Vice Chairman, President and Chief Executive Officer
Phillip B. Donenberg	Chief Financial Officer, Treasurer and Secretary

Q: What will happen to BioSante or Cell Genesys if, for any reason, the merger does not close?

A: BioSante and Cell Genesys have invested significant time and incurred, and expect to continue to incur, significant expenses related to the proposed merger. In the event the merger does not close, each of BioSante and Cell Genesys will review all alternatives then available to it. However, BioSante or Cell Genesys may not be able to consummate an alternative transaction on favorable terms, or at all. Failure to complete the merger could result in other adverse effects, as discussed in Risk Factors Risks Related to the Merger beginning on page 22.

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Q: What are the conditions to the consummation of the merger?

A: Each party's obligation to complete the merger is subject to the satisfaction or waiver (if permissible) by the parties, at or prior to the merger, of various conditions, which include the following:

- the effectiveness of, and the absence of any stop order with respect to, the registration statement on Form S-4 of which this joint proxy statement/prospectus forms a part;
- the adoption and approval of the merger agreement and merger by the requisite vote of the Cell Genesys stockholders;
- the adoption and approval of the merger agreement and merger and the issuance of BioSante common stock pursuant to the merger agreement by the requisite vote of the BioSante stockholders;
- the absence of any legal prohibition to completing the merger;
- the approval for listing on NASDAQ of the shares of BioSante common stock issuable in the merger; and
- the due execution and delivery of supplemental indentures governing Cell Genesys's convertible senior notes.

In addition, each party's obligation to complete the merger is further subject to the satisfaction or waiver (if permissible) by that party of the following additional conditions:

- the representations and warranties of the other party in the merger agreement relating to its authority to enter into the merger agreement being true and correct and relating to its capital structure being true and correct except for de minimis errors, in each case as of the date of the merger agreement and as of the effective time of the merger;

- all other representations and warranties of the other party in the merger agreement being true and correct as of the date of the merger agreement and as of the effective time of the merger or, if such representations and warranties address matters as of a particular date, then as of that particular date, except in each case where the failure of these representations and warranties to be true and correct, disregarding any materiality qualifications, would not reasonably be expected to have a material adverse effect on the party making the representations and warranties;
- the other party to the merger agreement having performed or complied with in all material respects all agreements and covenants required to be performed or complied with by it at or before the effective time of the merger;
- the other party having delivered a certificate signed by a duly authorized officer certifying to the satisfaction of such party of the above conditions in the merger agreement; and
- no material adverse effect on the other party shall have occurred and be continuing since the date of the merger agreement.

In addition, the obligation of BioSante to complete the merger is further subject to the satisfaction or waiver at or before the effective time of the merger of the condition that Cell Genesys's net cash as of the determination date be no more than \$5,000,000 less than the target net cash applicable as of the closing date of the merger.

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Q: When does BioSante and Cell Genesys expect the merger to be consummated?

A: The merger will be completed upon the filing of a certificate of merger with the Secretary of State of Delaware, but such filing will only be made upon the satisfaction or waiver (if permissible) of the conditions specified in the merger agreement, including receipt of the necessary approvals of BioSante and Cell Genesys stockholders at their respective special meetings and other customary closing conditions. It is possible that factors outside the control of BioSante and Cell Genesys could result in the merger not being completed or being completed later than expected. Although the exact timing of completion of the merger cannot be predicted with certainty, BioSante and Cell Genesys anticipate completing the merger in the late third or early fourth quarter of 2009.

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**QUESTIONS AND ANSWERS FOR BIOSANTE STOCKHOLDERS ABOUT
THE BIOSANTE SPECIAL MEETING**

The following section provides answers to frequently asked questions about the BioSante special meeting of stockholders. This section, however, only provides summary information. These questions and answers may not address all issues that may be important to you as a BioSante stockholder. You should carefully read the entire joint proxy statement/prospectus, including each of the annexes.

Q: What proposals will be voted on at the BioSante special meeting?

A: The following proposals will be voted on at the BioSante special meeting:

- The first proposal to be voted upon is whether to adopt the Agreement and Plan of Merger dated as of June 29, 2009 by and between BioSante and Cell Genesys, a copy of which is attached as Annex A to this joint proxy statement/prospectus, and the transactions contemplated thereby, including the merger and the issuance of shares of BioSante common stock in the merger. See *The Merger* and *The Merger Agreement* beginning on page 64 for a more detailed description of the transaction.
- The second proposal to be voted upon is whether to approve an amendment to BioSante's certificate of incorporation to increase the number of shares of BioSante common stock BioSante is authorized to issue from 100 million to 200 million and to increase the number of shares of BioSante capital stock BioSante is authorized to issue by 100 million, to reflect the increase in the authorized BioSante common stock. See *Matters Being Submitted to a Vote of BioSante Stockholders Proposal No. 2 Approval of Amendment to BioSante's Certificate of Incorporation to Increase Authorized Shares of BioSante Stock* beginning on page 59 for a more detailed description of the proposed amendment.
- The third proposal to be voted upon is whether to adjourn the BioSante special meeting, if necessary, to solicit additional proxies if there are not sufficient votes in favor of the first and second proposals.

Q: What risks should I consider before I vote on the proposed merger transaction?

A: You should review the section entitled *Risk Factors* beginning on page 22.

Q: How does the BioSante board of directors recommend that BioSante stockholders vote?

A: After careful consideration, the BioSante board of directors unanimously has approved the merger agreement, including the merger and issuance of shares of BioSante common stock in the merger, and each of the proposals described in this joint proxy statement/prospectus that BioSante stockholders are being asked to consider, and has determined that they are advisable, fair to and in the best interests of BioSante stockholders. Accordingly, the BioSante board of directors unanimously recommends that BioSante stockholders vote **FOR** each such proposal.

Q: Can I dissent and require appraisal of my shares?

A: No. Under the Delaware General Corporation Law, BioSante stockholders will not have appraisal rights in connection with the merger. See *The Merger Appraisal Rights* beginning on page 108.

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Q: Why is the proposal to amend BioSante's charter to increase the number of authorized shares of BioSante common stock included in this joint proxy statement/prospectus and is it necessary for the completion of the merger?

A: BioSante has included a proposal to approve an amendment to BioSante's certificate of incorporation to increase the number of shares of BioSante common stock BioSante is authorized to issue from 100 million to 200 million and to increase the number of shares of BioSante capital stock BioSante is authorized to issue by 100 million, to reflect the increase in the authorized BioSante common stock. On the record date, BioSante had outstanding approximately 33.0 million shares of BioSante common stock outstanding, approximately 391,286 shares of BioSante common stock were issuable upon conversion of BioSante class C special stock and approximately 7.7 million shares of BioSante common stock were issuable upon exercise of options and warrants. In addition, as a result of the merger, BioSante will issue approximately 17.8 million shares of BioSante common stock and reserve an additional 5.5 million shares of BioSante common stock, assuming the 0.1615 exchange ratio is not adjusted. Although not necessary to complete the merger transaction, the BioSante board of directors believes that the availability of additional authorized shares will provide BioSante with the flexibility in the future to issue shares of BioSante common stock for general corporate purposes, such as raising additional capital and settling outstanding obligations, acquisitions of companies or assets and sales of stock or securities convertible into or exercisable for common stock. The BioSante board of directors also believes that this will provide BioSante with additional flexibility to meet business and financing needs as they arise.

The approval of the merger agreement and the transactions contemplated by it is not conditioned upon approval of the amendment to BioSante's certificate of incorporation to increase the number of authorized shares of BioSante common stock. However, the approval of the amendment to BioSante's certificate of incorporation is conditioned upon approval of the merger agreement. Therefore, the proposal to amend BioSante's certificate of incorporation will only be effected if the merger agreement is approved by the stockholders of BioSante and Cell Genesys and the merger is completed.

Q: When and where is the BioSante special meeting?

A: The BioSante special meeting of stockholders will be held on [], 2009 at [], local time, at the [] to consider and vote on the proposals related to the merger agreement and the transactions contemplated by it. For additional information relating to the BioSante special meeting, please see the section entitled "The Special Meeting of BioSante Stockholders" beginning on page 51.

Q: Who is soliciting my proxy?

A: This proxy is being solicited by the BioSante board of directors.

Q: What do I do now?

A: BioSante urges you to carefully read and consider this joint proxy statement/prospectus, including its annexes, and consider how the proposed merger affects you.

In order for your shares to be represented at the BioSante special meeting:

- you can vote by telephone or through the Internet by following the instructions included on your proxy card;

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- you can indicate on the enclosed proxy card how you would like to vote and sign and return the proxy card in the accompanying pre-addressed postage paid envelope; or
- you can attend the BioSante special meeting in person.

If you hold your shares in street name, please refer to your proxy card or the information forwarded by your bank, broker or other holder of record to see which options are available to you.

Q: Who is entitled to vote at the BioSante special meeting?

A: Every stockholder of BioSante on the record date is entitled to vote at the BioSante special meeting. Holders of record of BioSante common stock and BioSante class C special stock at the close of business on [], 2009 are entitled to notice of and to vote at the BioSante special meeting. As of [], 2009, [] shares of BioSante common stock were issued and outstanding and entitled to vote and 391,286 shares of BioSante class C special stock were issued and outstanding and entitled to vote.

Q: What is the difference between holding shares as a stockholder of record and as a beneficial owner?

A: If your shares are registered directly in your name with BioSante's transfer agent, Computershare Trust Company, N.A., you are considered, with respect to those shares, the stockholder of record. These proxy materials are sent to you by mail directly by BioSante.

If your shares are held in a stock brokerage account or by a bank or other holder of record, you are considered the beneficial owner of shares held in street name. These proxy materials are forwarded to you by your broker, bank or other holder of record who is considered, with respect to those shares, the stockholder of record. As the beneficial owner, you have the right to direct your broker, bank or other holder of record on how to vote your shares held in your account.

Q: If I am a stockholder of record of BioSante stock, how do I vote?

A: You may vote by proxy over the Internet by visiting the website established for that purpose at <https://www.proxyvote.com> and following the instructions (please note you must type an s after http), or you may vote by mail or by telephone. Alternatively, if you are a stockholder of record, you may vote in person at the BioSante special meeting. You will receive a ballot when you arrive.

Q: If I am a beneficial owner of shares held in street name, how do I vote?

A: You may vote by proxy over the Internet by visiting the website established for that purpose at <https://www.proxyvote.com> and following the instructions (please note you must type an s after http), or you may vote by mail or by telephone. If you are a beneficial owner of shares held in street name and you wish to vote in person at the BioSante special meeting, you must obtain a valid proxy from the organization that holds your shares.

Q: What can I do if I change my mind after I vote my shares?

A: A stockholder of record may revoke its proxy at any time before it is used on the date of the BioSante special meeting by delivering to the secretary of BioSante:

- written notice of revocation,
- a duly executed proxy bearing a later date or time than that of the previously submitted proxy, or

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- a later dated vote by the Internet, telephone, or a ballot cast in person at the BioSante special meeting.

If you are a beneficial owner of BioSante shares, you may submit new voting instructions by contacting your bank, broker or other holder of record. You also may vote in person if you obtain a legal proxy as described in the answer to the previous question. All shares that have been properly voted and not revoked will be voted at the BioSante special meeting.

Q: What shares are included on the proxy card?

A: If you are a BioSante stockholder of record you will receive only one proxy card for all the BioSante shares you hold in certificate form and in book-entry form.

If you are a beneficial owner, you will receive voting instructions, and information regarding consolidation of your vote, from your bank, broker or other holder of record.

Q: What are the voting requirements to approve each of the proposals that will be voted on at the BioSante special meeting?

A:

Proposal	Vote Required
Adoption of the merger agreement and the transactions contemplated thereby, including the merger and the issuance of shares of BioSante common stock in the merger	Majority of the outstanding BioSante common stock and BioSante class C special stock entitled to vote
Approval of amendment to certificate of incorporation to increase authorized shares of BioSante common stock	Majority of the outstanding BioSante common stock and BioSante class C special stock, voting as a single class, and a majority of the outstanding BioSante common stock, voting as a separate class, entitled to vote
Approval of adjournment of the BioSante special meeting, if necessary, to solicit additional proxies if there are not sufficient votes in favor of the first two proposals	Majority of the shares of BioSante common stock and BioSante class C special stock present in person or represented by proxy and entitled to vote when a quorum is present

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In connection with the execution of the merger agreement, certain of BioSante's directors and executive officers, who collectively held approximately 7.6 percent of the outstanding shares of BioSante common stock as of the record date, entered into a voting agreement with Cell Genesys, pursuant to which each stockholder agreed to vote all of their shares of BioSante capital stock in favor of adoption of the merger agreement and the transactions contemplated thereby, including the merger, and against certain transactions or certain actions that would delay, prevent or nullify the merger or the transactions contemplated thereby.

See the section entitled "Voting Agreements" beginning on page 124 for more information regarding these voting agreements.

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Q: What constitutes a quorum at the special meeting?

A: The presence at the BioSante special meeting, either in person or by proxy, of the holders of a majority of the outstanding shares of BioSante common stock and BioSante class C special stock entitled to vote shall constitute a quorum for the transaction of business. Abstentions and broker non-votes are counted as present and entitled to vote for purposes of determining a quorum. A broker non-vote occurs when a bank, broker or other holder of record holding shares for a beneficial owner does not vote on a particular proposal because that holder does not have discretionary voting power for that particular item and has not received instructions from the beneficial owner.

Q: Could other matters be decided at the BioSante special meeting?

A: As of the date of the printing of this joint proxy statement/prospectus, neither BioSante nor Cell Genesys knew of any matters to be raised at the BioSante special meeting other than those referred to in this joint proxy statement/prospectus. If other matters are properly presented at the BioSante special meeting for consideration, the proxy committee appointed by the BioSante board of directors (the persons named in your proxy card if you are a BioSante stockholder of record) will have the discretion to vote on those matters for you.

Q: Who will count the vote?

A: An officer of BioSante will tabulate the votes and act as inspector of the election.

Q: What is householding and how does it affect me?

A: BioSante has adopted a procedure approved by the SEC called householding. Under this procedure, BioSante stockholders of record who have the same address and last name will receive only one copy of this joint proxy statement/prospectus, unless one or more of these stockholders notifies BioSante that they wish to continue receiving individual copies. This procedure will reduce BioSante's printing costs and postage fees.

If you are eligible for householding, but you and other BioSante stockholders of record with whom you share an address currently receive multiple copies of this joint proxy statement/prospectus, or if you hold stock in more than one account, and in either case you wish to receive only a single copy of such document for your household, please contact BioSante's transfer agent, Computershare Trust Company, N.A. (in writing: P.O. Box 43078, Providence, Rhode Island

02940-3078; or by telephone: 1-781-575-2879).

If you participate in householding and wish to receive a separate copy of this joint proxy statement/prospectus, or if you do not wish to participate in householding and prefer to receive separate copies of similar documents in the future, please contact Computershare Trust Company as indicated above.

Beneficial owners can request information about householding from their banks, brokers or other holders of record.

Q: Who is paying for this proxy solicitation?

A: BioSante and Cell Genesys will share equally the cost of soliciting proxies, including the printing, mailing and filing of this joint proxy statement/prospectus, the proxy card and any additional information furnished to stockholders. BioSante has engaged [], a proxy solicitation firm, to solicit proxies from BioSante stockholders. Arrangements also will be made with brokerage firms and other custodians, nominees and fiduciaries who are record holders of BioSante

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common stock for the forwarding of solicitation materials to the beneficial owners of BioSante common stock. BioSante will reimburse these brokers, custodians, nominees and fiduciaries for the reasonable out-of-pocket expenses they incur in connection with the forwarding of solicitation materials.

Q: Whom should I call with questions?

A: If you have additional questions about the merger or if you would like additional copies of this joint proxy statement/prospectus, you should contact:

BioSante Pharmaceuticals, Inc.

111 Barclay Boulevard

Lincolnshire, Illinois 60069

Attention: Investor Relations

Phone Number: (847) 478-0500, ext. 120

Email Address: pdonenberg@biosantepharma.com

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**QUESTIONS AND ANSWERS FOR CELL GENESYS STOCKHOLDERS ABOUT
THE CELL GENESYS SPECIAL MEETING**

The following section provides answers to frequently asked questions about the Cell Genesys special meeting of stockholders. This section, however, only provides summary information. These questions and answers may not address all issues that may be important to you as a Cell Genesys stockholder. You should carefully read the entire joint proxy statement/prospectus, including each of the annexes.

Q: What proposals will be voted on at the Cell Genesys special meeting?

A: The following proposals will be voted on at the Cell Genesys special meeting:

- The first proposal to be voted upon is whether to adopt the Agreement and Plan of Merger dated as of June 29, 2009 by and between BioSante and Cell Genesys, a copy of which is attached as Annex A to this joint proxy statement/prospectus, and the transactions contemplated thereby, including the merger. See *The Merger* and *The Merger Agreement* beginning on page 64 for a more detailed description of the transaction.
- The second proposal to be voted upon is whether to adjourn the Cell Genesys special meeting, if necessary, to solicit additional proxies if there are not sufficient votes in favor of the first proposal.

Q: What risks should I consider before I vote on the proposed merger transaction?

A: You should review the section entitled *Risk Factors* beginning on page 22.

Q: How does the Cell Genesys board of directors recommend that Cell Genesys stockholders vote?

A: After careful consideration, the Cell Genesys board of directors unanimously has approved the merger agreement, including the merger, and each of the proposals described in this joint proxy statement/prospectus that the Cell Genesys stockholders are being asked to consider, and has determined that they are advisable, fair to and in the best interests of Cell Genesys stockholders. Accordingly, the Cell Genesys board of directors unanimously recommends that Cell Genesys stockholders vote **FOR** each such proposal.

Q: Can I dissent and require appraisal of my shares?

A: No. Under the Delaware General Corporation Law, Cell Genesys stockholders will not have appraisal rights in connection with the merger? See The Merger Appraisal Rights beginning on page 108.

Q: When and where is the Cell Genesys special meeting?

A: The Cell Genesys special meeting of stockholders will be held on [], 2009 at [], local time, at Cell Genesys's corporate offices located at 400 Oyster Point Boulevard, South San Francisco, California 94080 to consider and vote on the proposals related to the merger agreement and the transactions contemplated by it. For additional information relating to the Cell Genesys special meeting, please see the section entitled The Special Meeting of Cell Genesys Stockholders beginning on page 55.

Q: Who is soliciting my proxy?

A: This proxy is being solicited by the Cell Genesys board of directors.

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Q: What do I do now?

A: Cell Genesys urges you to carefully read and consider this joint proxy statement/prospectus, including its annexes, and consider how the proposed merger affects you.

In order for your shares to be represented at the Cell Genesys special meeting:

- you can vote by telephone or through the Internet by following the instructions included on your proxy card;
- you can indicate on the enclosed proxy card how you would like to vote and sign and return the proxy card in the accompanying pre-addressed postage paid envelope; or
- you can attend the Cell Genesys special meeting in person.

If you hold your shares in street name, please refer to your proxy card or the information forwarded by your bank, broker or other holder of record to see which options are available to you.

Q: Who is entitled to vote at the Cell Genesys special meeting?

A: Every stockholder of Cell Genesys on the record date is entitled to vote at the Cell Genesys special meeting. Holders of record of Cell Genesys common stock at the close of business on [], 2009 are entitled to notice of and to vote at the Cell Genesys special meeting. As of [], 2009, [] shares of Cell Genesys common stock were issued and outstanding and entitled to vote.

Q: What is the difference between holding shares as a stockholder of record and as a beneficial owner?

A: If your shares are registered directly in your name with Cell Genesys's transfer agent,

Computershare Trust Company, N.A., you are considered, with respect to those shares, the stockholder of record. These proxy materials are sent to you by mail directly by Cell Genesys.

If your shares are held in a stock brokerage account or by a bank or other holder of record, you are considered the beneficial owner of shares held in street name. These proxy materials are forwarded to you by your broker, bank or other holder of record who is considered, with respect to those shares, the stockholder of record. As the beneficial owner, you have the right to direct your broker, bank or other holder of record on how to vote your shares held in your account.

Q: If I am a stockholder of record of Cell Genesys stock, how do I vote?

A: You may vote by proxy over the Internet by visiting the website established for that purpose at <https://www.proxyvote.com> and following the instructions (please note you must type an `s` after `http`), or you may vote by mail or by telephone. Alternatively, if you are a stockholder of record, you may vote in person at the Cell Genesys special meeting. You will receive a ballot when you arrive.

Q: If I am a beneficial owner of shares held in street name, how do I vote?

A: You may vote by proxy over the Internet by visiting the website established for that purpose at <https://www.proxyvote.com> and following the instructions (please note you must type an `s` after `http`), or you may vote by mail or by telephone. If you are a beneficial owner of shares held in street name and you wish to vote in person at the Cell Genesys special meeting, you must obtain a valid proxy from the organization that holds your shares.

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Q: What can I do if I change my mind after I vote my shares?

A: A stockholder of record may revoke its proxy at any time before it is used on the date of the Cell Genesys special meeting by delivering to the secretary of Cell Genesys:

- written notice of revocation,
- a duly executed proxy bearing a later date or time than that of the previously submitted proxy, or
- a later dated vote by the Internet, telephone, or a ballot cast in person at the Cell Genesys special meeting.

If you are a beneficial owner of Cell Genesys shares, you may submit new voting instructions by contacting your bank, broker or other holder of record. You also may vote in person if you obtain a legal proxy as described in the answer to the previous question. All shares that have been properly voted and not revoked will be voted at the Cell Genesys special meeting.

Q: What shares are included on the proxy card?

A: If you are a Cell Genesys stockholder of record you will receive only one proxy card for all the Cell Genesys shares you hold in certificate form and in book-entry form.

If you are a beneficial owner, you will receive voting instructions, and information regarding consolidation of your vote, from your bank, broker or other holder of record.

Q: What are the voting requirements to approve each of the proposals that will be voted on at the Cell Genesys special meeting?

A:

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Proposal	Vote Required
Adoption of the merger agreement and the transactions contemplated thereby, including the merger	Majority of the outstanding Cell Genesys common stock entitled to vote
Approval of adjournment of the Cell Genesys special meeting, if necessary, to solicit additional proxies if there are not sufficient votes in favor of the adoption of the merger agreement	Majority of the shares of Cell Genesys common stock present in person or represented by proxy and entitled to vote when a quorum is present

In connection with the execution of the merger agreement, Cell Genesys's chairman of the board and chief executive officer, Stephen A. Sherwin, M.D., who held 474,621 shares of the Cell Genesys common stock, or approximately less than one percent of the outstanding shares of the Cell Genesys common stock, as of the record date, entered into a voting agreement with BioSante, pursuant to which he agreed to vote his shares of Cell Genesys common stock in favor of the merger, the merger agreement and the transactions contemplated by the merger agreement and against certain transactions or certain actions that would delay, prevent or nullify the merger or the transaction contemplated by the merger agreement.

Pursuant to that certain Settlement and Exchange Support Agreement dated as of May 10, 2009 by and between Cell Genesys and Tang Capital Partners, LP, referred to as Tang, Tang is required, at every

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meeting of Cell Genesys stockholders prior to the second anniversary of the Settlement and Exchange Support Agreement, to vote all shares of Cell Genesys common stock it beneficially owns in the same proportion as the votes that are collectively cast by all of the other Cell Genesys stockholders with respect to any matter. Notwithstanding the foregoing, Tang retains the option to vote or direct the vote of all shares of Cell Genesys common stock it beneficially owns in accordance with the recommendation of the Cell Genesys board of directors. According to a Schedule 13D/A filed by Tang with the SEC on July 1, 2009, Tang reported owning approximately 9.5 million of Cell Genesys common stock, or approximately 8.7 percent of the outstanding shares.

See the section entitled **Voting Agreements** beginning on page 124 for more information regarding this and other voting agreements.

Q: What constitutes a quorum at the special meeting?

A: The presence at the Cell Genesys special meeting, either in person or by proxy, of the holders of a majority of the outstanding shares of Cell Genesys common stock entitled to vote will constitute a quorum for the transaction of business. Abstentions and broker non-votes are counted as present and entitled to vote for purposes of determining a quorum. A broker non-vote occurs when a bank, broker or other holder of record holding shares for a beneficial owner does not vote on a particular proposal because that holder does not have discretionary voting power for that particular item and has not received instructions from the beneficial owner.

Q: Could other matters be decided at the Cell Genesys special meeting?

A: As of the date of the printing of this joint proxy statement/prospectus, neither BioSante nor Cell Genesys knew of any matters to be raised at the Cell Genesys special meeting other than those referred to in this joint proxy statement/prospectus. If other matters are properly presented at the Cell Genesys special meeting for consideration, the proxy committee appointed by the Cell Genesys board of directors (the persons named in your proxy card if you are a Cell Genesys stockholder of record) will have the discretion to vote on those matters for you.

Q: Who will count the vote?

A: An officer of Cell Genesys will tabulate the votes and act as inspector of the election.

Q: What is householding and how does it affect me?

A: Cell Genesys has adopted a procedure approved by the SEC called householding. Under this procedure, Cell Genesys stockholders of record who have the same address and last name will receive only one copy of this joint proxy statement/prospectus, unless one or more of these stockholders notifies Cell Genesys that they wish to continue receiving individual copies. This procedure will reduce Cell Genesys's printing costs and postage fees.

If you are eligible for householding, but you and other Cell Genesys stockholders of record with whom you share an address currently receive multiple copies of this joint proxy statement/prospectus, or if you hold stock in more than one account, and in either case you wish to receive only a single copy of such document for your household, please contact Cell Genesys's transfer agent, Computershare Trust Company, N.A. (in writing: P.O. Box 43078, Providence, Rhode Island 02940-3078; or by telephone: 1-781-575-2879).

If you participate in householding and wish to receive a separate copy of this joint proxy statement/prospectus, or if you do not wish to participate in householding and prefer to receive

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separate copies of similar documents in the future, please contact Computershare Trust Company as indicated above.

Beneficial owners can request information about householding from their banks, brokers or other holders of record.

Q: Who is paying for this proxy solicitation?

A: BioSante and Cell Genesys will share equally the cost of soliciting proxies, including the printing, mailing and filing of this joint proxy statement/prospectus, the proxy card and any additional information furnished to stockholders. Cell Genesys has engaged [], a proxy solicitation firm, to solicit proxies from Cell Genesys stockholders. Arrangements also will be made with brokerage firms and other custodians, nominees and fiduciaries who are record holders of Cell Genesys common stock for the forwarding of solicitation materials to the beneficial owners of Cell Genesys common stock. Cell Genesys will reimburse these brokers, custodians, nominees and fiduciaries for the reasonable out-of-pocket expenses they incur in connection with the forwarding of solicitation materials.

Q: Whom should I call with questions?

A: If you have additional questions, you should contact:

Cell Genesys, Inc.

400 Oyster Point Boulevard, Suite 525

South San Francisco, CA 94080

Telephone: (650) 266-3000

Investor Relations: ir@cellgenesys.com

If you would like additional copies of this joint proxy statement/prospectus, you should contact:

Computershare Trust Company, N.A.

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P.O. Box 43078

Providence, Rhode Island 02940-3078

Telephone: (781) 575-2879

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SUMMARY

*This summary highlights selected information from this joint proxy statement/prospectus and may not contain all of the information that is important to you. To better understand the merger and the other proposals being considered at the special meetings, you should read this entire joint proxy statement/prospectus carefully, including the attached Annexes, and the other documents to which you are referred herein. See **Where You Can Find More Information** beginning on page 271. Page references are included in parentheses to direct you to a more detailed description of the topics presented in this summary.*

The Companies

BioSante Pharmaceuticals, Inc. (see page 125)

111 Barclay Boulevard

Lincolnshire, Illinois 60069

(847) 478-0500

BioSante Pharmaceuticals, Inc. is a specialty pharmaceutical company focused on developing products for female sexual health, menopause, contraception and male hypogonadism. BioSante also is engaged in the development of its proprietary calcium phosphate nanotechnology, or CaP, primarily for aesthetic medicine, novel vaccines and drug delivery.

The following is a list of BioSante's key products:

- **LibiGel** – once daily transdermal testosterone gel in Phase III clinical development under a Special Protocol Assessment, or an SPA, for the treatment of female sexual dysfunction, or FSD.
- **Elestrin** – once daily transdermal estradiol (estrogen) gel approved by the U.S. Food and Drug Administration, or FDA, indicated for the treatment of moderate-to-severe vasomotor symptoms (hot flashes) associated with menopause and marketed in the U.S.
- **The Pill-Plus (triple hormone contraceptive)** – once daily use of various combinations of estrogens,

progestogens and androgens in development for the treatment of FSD in women using oral or transdermal contraceptives.

- Bio-T-Gel once daily transdermal testosterone gel in development for the treatment of hypogonadism, or testosterone deficiency, in men.

BioSante's lead product is LibiGel. Because there is no pharmaceutical product currently approved in the United States for FSD, specifically hypoactive sexual desire disorder, or HSDD, BioSante's management believes, based on sales data for male sexual dysfunction products as well as published papers and third party primary market research, that the estimated market for an FDA approved FSD product could exceed \$2.0 billion, and that if approved by the FDA, LibiGel could become the first FDA approved treatment specifically indicated for HSDD in menopausal women. While several therapies have been tested to treat FSD, thus far testosterone therapy appears to be the only treatment that results in a consistent significant increase in the number of satisfying sexual events in women, which represents one of the two key efficacy endpoints required by the FDA for pivotal clinical trials of FSD therapies. BioSante is not aware of another testosterone therapy product for the treatment of FSD in active clinical development in the U.S. other than LibiGel.

With respect to the required regulatory approval of LibiGel, BioSante believes based on agreements with the FDA, including SPAs received in January 2008 and July 2008, that two Phase III safety and efficacy trials and one year of LibiGel exposure in a Phase III cardiovascular and breast cancer safety study with a four-year follow-up post-NDA filing and potentially post-FDA approval are the essential requirements for

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submission and, if successful, approval by the FDA of a new drug application, or NDA, for LibiGel for the treatment of FSD, specifically, HSDD in surgically menopausal women. The two LibiGel Phase III safety and efficacy clinical trials and one Phase III cardiovascular and breast cancer safety study currently are underway. Both Phase III safety and efficacy trials are double-blind, placebo-controlled trials that will enroll up to approximately 500 surgically menopausal women each for a six-month clinical trial. The Phase III safety study is a randomized, double-blind, placebo-controlled, multi-center, cardiovascular events driven study that will enroll between 2,400 and 3,100 women exposed to LibiGel or placebo for 12 months at which time BioSante intends to submit an NDA to the FDA. Following NDA submission and potential FDA approval, BioSante will continue to follow the subjects in the safety study for an additional four years.

BioSante's objective is to submit an NDA to the FDA, seeking approval for a potential commercial launch in 2011. This timing, however, may be delayed depending upon BioSante's ability to raise additional financing to support its operations and close the merger with Cell Genesys. BioSante expects the Phase III clinical study program of LibiGel to require significant resources. BioSante's management estimates that the Phase III clinical study program for LibiGel will require approximately \$30 - \$35 million in additional funds to reach submission of an NDA. Therefore, BioSante will need to raise substantial additional capital. Alternatively, BioSante may choose to sublicense LibiGel, Elestrin (outside the territories already sublicensed) or another product to a third party who may finance a portion or all of the continued development and, if approved, commercialization, sell certain assets or rights BioSante has under its existing license agreements or enter into other business collaborations or combinations, including the possible sale of the company. As of the date of this joint proxy statement/prospectus, BioSante has not entered into any agreement for any such sublicense, business collaboration or combination.

BioSante's CaP technology is based on the use of extremely small, solid, uniform particles, which BioSante calls nanoparticles. BioSante is pursuing the development of three potential initial applications for its CaP technology. First, CaP technology is being tested in the area of aesthetic medicine. Second, BioSante is pursuing the creation of improved versions of current vaccines and new vaccines by the adjuvant activity of BioSante's proprietary nanoparticles that enhance the ability of a vaccine to stimulate an immune response. The same nanoparticles allow for delivery of the vaccine via alternative routes of administration including non-injectable routes of administration. Third, BioSante is pursuing the creation of oral, buccal, intranasal, inhaled and longer acting delivery of drugs that currently must be given by injection (e.g., insulin).

BioSante's website is located at www.biosantepharma.com. The information contained on or connected to BioSante's website is expressly not incorporated by reference into this joint proxy statement/prospectus.

Cell Genesys, Inc. (see page 144)

400 Oyster Point Boulevard, Suite 525

South San Francisco, California 94080

(650) 266-3000

Cell Genesys is a company that was focused on the development and commercialization of novel biological therapies for patients with cancer. In August 2008 and October 2008, Cell Genesys terminated its Phase III clinical trials of GVAX immunotherapy for prostate cancer, its lead product program, implemented a substantial restructuring plan, and announced its intention to pursue strategic alternatives.

Cell Genesys's website is located at www.cellgenesys.com. The information contained on or connected to Cell Genesys's website is expressly not incorporated by reference into this joint proxy statement/prospectus.

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Summary of the Merger (see page 64)

If the merger is completed, Cell Genesys will be merged with and into BioSante, with BioSante surviving the merger. A copy of the merger agreement is attached as Annex A to this joint proxy statement/prospectus. You are encouraged to read the merger agreement in its entirety because it is the legal document that governs the merger.

Reasons for the Merger (see pages 80-87)

The combined company that will result from the merger will be a specialty pharmaceutical company focused on developing products for female sexual health, menopause, contraception and male hypogonadism. The combined company's lead product will be LibiGel, the once daily transdermal testosterone gel in Phase III clinical development under an SPA for the treatment of female sexual dysfunction. In addition, the combined company will seek to create additional value through its CaP technology and GVAX Immunotherapies. BioSante and Cell Genesys believe that the combined company will have the following potential advantages:

- ***Phase III Development Stage under SPA.*** Two LibiGel Phase III safety and efficacy clinical trials and one Phase III cardiovascular and breast cancer safety study currently are underway pursuant to agreements with the FDA, including an SPA received in January 2008. Both Phase III safety and efficacy trials are double-blind, placebo-controlled trials that will enroll up to approximately 500 surgically menopausal women each for a six-month clinical trial. The Phase III safety study is a randomized, double-blind, placebo-controlled, multi-center, cardiovascular events driven study that will enroll between 2,400 and 3,100 women exposed to LibiGel or placebo for 12 months at which time BioSante intends to submit an NDA to the FDA. BioSante's objective is to submit an NDA to the FDA, seeking approval for a potential commercial launch in 2011.
- ***Potential Market Opportunity.*** Because there is no pharmaceutical product currently approved in the United States for FSD, specifically hypoactive sexual desire disorder, or HSDD, BioSante's management believes, based on sales data for male sexual dysfunction products as well as published papers and third party primary market research, that the estimated market for an FDA approved FSD product could exceed \$2.0 billion, and that if approved by the FDA, LibiGel could become the first FDA approved treatment specifically indicated for HSDD in menopausal women. While several therapies have been tested to treat FSD, thus far testosterone therapy appears to be the only treatment that results in a consistent significant increase in the number of satisfying sexual events in women, which represents one of the two key efficacy endpoints required by the FDA for pivotal clinical trials of FSD therapies. BioSante is not aware of another testosterone therapy product for the treatment of FSD in active clinical development in the U.S. other than LibiGel.
- ***Management Team.*** It is expected that the combined company will be led by the experienced management team from BioSante and a board of directors with representation from each of BioSante and Cell Genesys.

Each of the boards of directors of BioSante and Cell Genesys also considered other reasons for the merger, as described herein. For example, the board of directors of BioSante considered, among other reasons:

- BioSante's need for financing to continue its Phase III clinical studies for LibiGel and the lack of other currently available acceptable alternatives for BioSante to access capital, especially in light of the state of the capital markets for equity offerings, which historically has been BioSante's method for raising additional financing to support its operations;

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- the fact that the cash resources of the combined company expected to be available at the closing of the merger would provide BioSante sufficient capital to maintain its projected business operations through at least the next 12 months, including continued Phase III clinical development of LibiGel; and that without Cell Genesys's cash that is expected to be available to the combined company at the closing of the merger, BioSante would need to raise substantial additional funds through private or public equity offerings, partnerships with pharmaceutical companies, debt financing or other arrangements in the near future and may be unable to do so within the timeframe in which it would be required to do so and at acceptable terms, which would require BioSante to significantly curtail its operations;
- the 0.1615 exchange ratio, which, subject to adjustment for changes in Cell Genesys's net cash, would have resulted in BioSante stockholders holding approximately 60.4 percent of the outstanding shares of the combined company after the merger, assuming the number of outstanding shares of BioSante and Cell Genesys common stock remained unchanged until immediately prior to the effective time of the merger; and
- the likelihood that the merger will be consummated on a timely basis and the likelihood that BioSante may not otherwise be able to raise additional sufficient financing prior to the completion of the merger on acceptable terms which would otherwise be necessary in order to continue its operations as currently conducted, including in particular its Phase III clinical study program for LibiGel.

In addition, the board of directors of Cell Genesys considered, among other reasons, the following:

- the all-stock nature of the transaction and the exchange ratio of 0.1615 shares of the combined company that Cell Genesys stockholders will receive for each Cell Genesys share, subject to adjustment based on Cell Genesys's net cash, if the merger is consummated, which provides the opportunity for Cell Genesys stockholders to obtain an equity interest in and to participate in the possible capital appreciation in the value of the common stock of the combined company;
- the fact that the value placed on Cell Genesys with respect to the merger consideration represented a significant premium over Cell Genesys's estimated cash available for distribution to Cell Genesys stockholders (after satisfying all outstanding obligations, including its \$22.0 million principal amount of convertible senior notes) of between \$6 million and \$16 million if Cell Genesys were to liquidate;
- the 0.1615 exchange ratio, which, subject to adjustment for changes in Cell Genesys's net cash, represented at that time approximately 39.6 percent ownership in the outstanding common stock of the combined company by Cell Genesys stockholders on a pro forma basis, which reflected a premium of 12 percent on the closing price of Cell

Genesys common stock on The NASDAQ Stock Market on June 29, 2009; and

- the fact that the exchange ratio is subject to adjustment only for changes in Cell Genesys's net cash and not changes in the market value of Cell Genesys common stock or BioSante common stock, which provides Cell Genesys stockholders with relative certainty regarding the number of shares of BioSante common stock they will receive in connection with the merger and the percentage ownership of the combined company after closing of the merger.

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Risk Factors (see page 22)

Both BioSante and Cell Genesys are subject to various risks associated with their businesses and their financial condition. In addition, the merger, as well as the possibility that the merger may not be completed, pose a number of risks to each company and its respective stockholders, including the following risks:

- The exchange ratio in the merger agreement is subject to adjustment based on Cell Genesys's net cash 10 days prior to the anticipated closing date, which could further dilute the ownership of the BioSante or Cell Genesys stockholders in the combined company. If the net cash of Cell Genesys is more than \$500,000 greater than the target net cash set forth in the merger agreement, the merger agreement provides for an adjustment to the exchange ratio to increase the number of shares of BioSante common stock that Cell Genesys stockholders will be entitled to receive pursuant to the merger, which would further dilute the ownership of the current BioSante stockholders in the combined company. If the net cash of Cell Genesys is more than \$500,000 less than the target net cash set forth in the merger agreement, the merger agreement provides for an adjustment to the exchange ratio to decrease the number of shares of BioSante common stock that Cell Genesys stockholders will be entitled to receive pursuant to the merger, which would further dilute the ownership of the current Cell Genesys stockholders in the combined company.
- Consummation of the merger is subject to a number of customary conditions, including, but not limited to, the approval of the merger agreement by the BioSante and Cell Genesys stockholders. If any of the conditions to the merger are not satisfied or, where waiver is permissible, not waived, the merger will not be consummated.
- The deal-protection provisions of the merger agreement may deter alternative business transactions which could be advantageous to BioSante or Cell Genesys when compared to the terms and conditions of the merger described in this joint proxy statement/prospectus, and, in certain circumstances, may require Cell Genesys to pay BioSante a \$1.0 million termination fee or reimburse BioSante \$500,000 for its expenses or require BioSante to pay Cell Genesys a \$1.0 million termination fee or reimburse Cell Genesys \$500,000 for its expenses.
- Whether or not the merger is completed, the announcement and pendency of the merger may have and could impact or cause disruptions in BioSante's business, which could have an adverse effect on its business and operating results and the business and operating results of the combined company if the merger is completed.
- The combined company's stock price may be volatile, and the market price of its common stock may decline in value following the merger.

Opinion of Oppenheimer & Co. Inc. (see page 88)

In connection with the merger, the BioSante board of directors received a written opinion, dated June 29, 2009, of BioSante's financial advisor, Oppenheimer & Co. Inc., referred to as Oppenheimer & Co. or BioSante's financial advisor, as to the fairness, from a financial point of view and as of the date of the opinion, to BioSante of the 0.1615 exchange ratio. The full text of Oppenheimer & Co.'s written opinion, dated June 29, 2009, which describes the assumptions made, procedures followed, matters considered and limitations on the review undertaken, is attached to this joint proxy statement/prospectus as Annex B. **Oppenheimer & Co.'s opinion was provided to the BioSante board of directors in connection with its evaluation of the 0.1615 exchange ratio from a financial point of view to BioSante and does not address any other aspect of the merger. Oppenheimer & Co.'s opinion does not address the underlying business decision of BioSante to effect the merger, the relative merits of the merger as compared to any alternative business strategies that might exist for BioSante or the effect of any other transaction in**

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which BioSante might engage and does not constitute a recommendation to any stockholder as to how such stockholder should vote or act with respect to any matters relating to the merger.

Opinion of Lazard Frères & Co. LLC (see page 93)

In connection with the merger, on June 29, 2009, Cell Genesys's investment banker, Lazard Frères & Co. LLC, referred to as "Lazard", rendered its oral opinion to the Cell Genesys board of directors, subsequently confirmed in writing, that, as of such date, and based upon and subject to the assumptions, procedures, factors, qualifications and limitations set forth therein, the consideration (0.1615 of a share of BioSante common stock) to be paid to holders of Cell Genesys common stock (other than shares of Cell Genesys common stock held by Cell Genesys or BioSante) in the merger was fair, from a financial point of view, to such holders.

The full text of Lazard's written opinion, dated June 29, 2009, which sets forth the assumptions made, procedures followed, factors considered, and qualifications and limitations on the review undertaken by Lazard in connection with its opinion is attached to this joint proxy statement/prospectus as Annex C and is incorporated into this joint proxy statement/prospectus by reference. Cell Genesys encourages you to read Lazard's opinion, and the section "The Merger Opinion of Lazard Frères & Co. LLC" beginning on page 93, carefully and in their entirety. **Lazard's opinion was directed to the Cell Genesys board of directors for the information and assistance of the Cell Genesys board of directors in connection with its evaluation of the merger and only addressed the fairness, from a financial point of view, to the holders of Cell Genesys common stock of the consideration to be paid to certain holders of Cell Genesys common stock in the merger as of the date of Lazard's opinion. Lazard's opinion did not address any other aspect of the merger and was not intended to and does not constitute a recommendation to any holder of Cell Genesys common stock as to how such holder should vote or act with respect to the merger or any matter relating thereto.**

Merger Consideration; Adjustment (see page 103)

As a result of the merger, each share of Cell Genesys common stock held immediately prior to the effective time of the merger will be converted into 0.1615 of a share of BioSante common stock, subject to potential upward or downward adjustment, in accordance with a formula set forth in the merger agreement which is based on Cell Genesys's net cash, less certain expenses and liabilities, on a date 10 calendar days preceding the anticipated closing date of the merger. As a result of the merger, BioSante will issue an aggregate of approximately 17.8 million shares of BioSante common stock to holders of Cell Genesys common stock and current BioSante stockholders will own approximately 65.0 percent of the outstanding common stock of the combined company and current Cell Genesys stockholders will own approximately 35.0 percent of the outstanding common stock of the combined company, assuming the 0.1615 exchange ratio is not adjusted and the number of outstanding shares of BioSante and Cell Genesys common stock remains unchanged until immediately prior to the effective time of the merger.

The number of shares of BioSante common stock that stockholders of Cell Genesys common stock will be entitled to receive in exchange for all shares of Cell Genesys common stock at the consummation of the merger will be equal to the exchange ratio set forth in the merger agreement that is applicable based upon the difference between Cell Genesys's net cash balance at the determination date and the target net cash amount applicable as of the date of the merger closing, all as set forth in the merger agreement. If Cell Genesys's net cash balance at the determination date is no more than \$500,000 greater than or no more than \$500,000 less than the applicable target net cash amount, then the exchange ratio will be 0.1615. The actual exchange ratio will be determined in accordance with the merger agreement and will be higher or lower than 0.1615 depending on whether the actual net cash balance of Cell Genesys is higher or lower than the applicable target net cash amount and the amount of the difference between the actual net cash balance of Cell Genesys as of the determination date and the applicable target net cash. The merger agreement provides for a range of 38 different exchange ratios dependent upon these variables from a maximum exchange ratio of

0.2424 if Cell Genesys's actual net cash balance is more than \$5,000,000 above the applicable target net cash amount to a

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minimum exchange ratio of 0.1036 if Cell Genesys's actual net cash balance is between \$4,750,001 to \$5,000,000 below the applicable target net cash amount.

The following table illustrates the exchange ratio for each share of Cell Genesys common stock at various differentials between the net cash balance of Cell Genesys at the determination date and the target net cash amount. This table assumes, for illustrative purposes only, that the date of the closing of the merger is on or between October 1, 2009 and October 31, 2009 and thus the target net cash amount applicable to the merger closing date, as set forth in the merger agreement, is \$21,250,000.

Cell Genesys's Net Cash At Closing As Calculated Pursuant to the Merger Agreement		Target Net Cash for Closing Date between October 1, 2009 and October 31, 2009		Difference between Cell Genesys's Net Cash and Target Net Cash		Exchange Ratio	Pro Forma Ownership of Outstanding Shares of Combined Company BioSante/Cell Genesys
\$	26,250,001	\$	21,250,000	\$	+5,000,001	0.2424	55.3%/44.7%
\$	23,750,000	\$	21,250,000	\$	+2,500,000	0.1943	60.7%/39.3%
\$	22,250,000	\$	21,250,000	\$	+1,000,000	0.1719	63.6%/36.4%
\$	21,750,000	\$	21,250,000	\$	+500,000	0.1615	65.0%/35.0%
\$	20,750,000	\$	21,250,000	\$	-500,000	0.1615	65.0%/35.0%
\$	20,250,000	\$	21,250,000	\$	-1,000,000	0.1485	66.9%/33.1%
\$	18,750,000	\$	21,250,000	\$	-2,500,000	0.1304	69.7%/30.3%
\$	16,250,000	\$	21,250,000	\$	-5,000,000	0.1036	74.3%/25.7%

See The Merger Agreement Merger Consideration and Adjustment beginning on page 109.

BioSante will issue a press release after the final determination of the exchange ratio announcing the final exchange ratio and Cell Genesys's net cash balance at the determination date.

There will be no adjustment to the total number of shares of BioSante common stock that Cell Genesys stockholders will be entitled to receive as a result of changes in the market price of BioSante common stock. Accordingly, the market value of the shares of BioSante common stock issued in connection with the merger will depend on the market value of the shares of BioSante common stock at the time of effectiveness of the merger, and could vary significantly from the market value on the date of this joint proxy statement/prospectus.

Cell Genesys Stock Options and Warrants (see page 111)

All options to purchase shares of Cell Genesys common stock, other than certain designated options held by Cell Genesys's current officers on the date of the merger agreement, will become fully vested and exercisable until immediately prior to the effective time of the merger. Upon the effective time of the merger, such unexercised options other than the certain designated options held by Cell Genesys's current officers on the date of the merger agreement will terminate and will no longer be outstanding. At the effective time of the merger, the certain designated options held by Cell Genesys's current officers on the date of the merger agreement that are outstanding immediately prior to the merger will be assumed by BioSante and will remain outstanding following the merger, but will be converted into and become options to purchase shares of

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BioSante common stock on terms substantially identical to those in effect immediately prior to the merger, except for adjustments to the underlying number of shares and the exercise price based on the final exchange ratio determined pursuant to the terms of the merger agreement.

Other than the warrant subject to a certain warrant exchange agreement dated May 17, 2009, which will be cashed out pursuant to the terms thereof prior to the merger, at the effective time of the merger, Cell Genesys warrants outstanding and unexercised on the effective time of the merger will be assumed by BioSante to the extent such obligations survive the merger under the terms of the respective Cell Genesys warrants, but will be converted into and become warrants to purchase shares of BioSante common stock on

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terms substantially identical to those in effect prior to the merger, except for adjustments to the underlying number of shares and the exercise price based on the final exchange ratio used in the merger.

Cell Genesys Convertible Senior Notes (see page 112)

As a result of the merger, BioSante will assume the \$1.2 million in principal amount of 3.125% convertible senior notes due in November 2011 and the \$20.8 million in principal amount of 3.125% convertible senior notes due in May 2013 issued by Cell Genesys, which notes will become convertible into shares of BioSante common stock in accordance with the terms of the indentures and with adjustments to the underlying number of shares and the conversion price based on the final exchange ratio used in the merger. The merger agreement provides that BioSante will take all reasonably necessary actions to ensure that BioSante is in compliance with the terms of both the indenture dated as of October 20, 2004 for the 3.125% convertible senior notes due in November 2011 issued by Cell Genesys and the indenture dated June 24, 2009 for the 3.125% convertible senior notes due in May 2013 issued by Cell Genesys, including in each case the execution of a supplemental indenture with the applicable trustee under each indenture.

Conditions to Completion of the Merger (see page 113)

BioSante and Cell Genesys expect to complete the merger after all conditions to the merger in the merger agreement are satisfied or, if permissible, waived, including after BioSante and Cell Genesys receive stockholder approvals at the special meetings of the BioSante and Cell Genesys stockholders. BioSante and Cell Genesys currently expect to complete the merger in the late third or fourth quarter of 2009. However, it is possible that factors outside of BioSante's or Cell Genesys's control could require BioSante and Cell Genesys to complete the merger at a later time or not complete it at all. Each party's obligation to complete the merger is subject to the satisfaction or waiver (if permissible) by the parties, at or prior to the merger, of various conditions, which include the following:

- the effectiveness of, and the absence of any stop order with respect to, the registration statement on Form S-4 of which this joint proxy statement/prospectus forms a part;
- the adoption and approval of the merger agreement and merger by the requisite vote of the Cell Genesys stockholders;
- the adoption and approval of the merger agreement and merger and the issuance of BioSante common stock pursuant to the merger agreement by the requisite vote of the BioSante stockholders;
- the absence of any legal prohibition to completing the merger;

- the approval for listing on NASDAQ of the shares of BioSante common stock issuable in the merger; and
- the due execution and delivery of the supplemental indentures as described above under the heading "The Merger Agreement - Cell Genesys Convertible Senior Notes" beginning on page 112, by all required parties.

In addition, each party's obligation to complete the merger is further subject to the satisfaction or waiver (if permissible) by that party of the following additional conditions:

- the representations and warranties of the other party in the merger agreement relating to its authority to enter into the merger agreement being true and correct and relating to its capital structure being true and correct except for de minimis errors, in each case as of the date of the merger agreement and as of the effective time of the merger;

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- all other representations and warranties of the other party in the merger agreement being true and correct as of the date of the merger agreement and as of the effective time of the merger or, if such representations and warranties address matters as of a particular date, then as of that particular date, except in each case where the failure of these representations and warranties to be true and correct, disregarding any materiality qualifications, would not reasonably be expected to have a material adverse effect on the party making the representations and warranties;
- the other party to the merger agreement having performed or complied with in all material respects all agreements and covenants required to be performed or complied with by it at or before the effective time of the merger;
- the other party having delivered a certificate signed by a duly authorized officer certifying to the satisfaction of such party of the above conditions in the merger agreement; and
- no material adverse effect on the other party shall have occurred and be continuing since the date of the merger agreement.

In addition, the obligation of BioSante to complete the merger is further subject to the satisfaction or waiver at or before the effective time of the merger of the condition that Cell Genesys's net cash as of the determination date be no more than \$5,000,000 less than the target net cash applicable as of the closing date of the merger.

No Solicitation (see page 114)

Cell Genesys agreed that, with certain exceptions, Cell Genesys and its subsidiaries and their respective officers, directors, employees and advisors will not:

- solicit, initiate or knowingly encourage, or take any other action to knowingly facilitate any acquisition proposal;
- enter into, continue or otherwise engage or participate in any discussions or negotiations regarding, or furnish to any person any non-public information with respect to, or otherwise knowingly cooperate, encourage or facilitate any effort or attempt to make or implement any proposal or inquiry that constitutes or could reasonably be expected to result in an acquisition proposal;

- approve, endorse or recommend, or propose publicly to approve, endorse or recommend, any acquisition proposal; or
- submit to a vote of its stockholders, approve, endorse, or recommend, or publicly announce an intention to approve, endorse or recommend, or enter into any letter of intent, agreement in principle, merger agreement, acquisition agreement or similar agreement relating to an acquisition proposal.

The merger agreement does not, however, prohibit Cell Genesys from considering a bona fide acquisition proposal from a third party if certain specified conditions are met. See The Merger Agreement No Solicitation beginning on page 114 for a discussion of the prohibitions on solicitations of acquisition proposals.

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Termination of the Merger Agreement (see page 119)

Either BioSante or Cell Genesys can terminate the merger agreement, which would prevent the merger from being consummated, under certain circumstances as set forth below:

- by mutual written consent of BioSante and Cell Genesys;

- by BioSante or Cell Genesys, if the merger has not been completed by December 31, 2009, except that a party whose intentional failure to fulfill any obligation of the merger agreement or intentional breach of the merger agreement cannot seek termination for this reason;

- by BioSante or Cell Genesys, if a governmental entity has issued a final and non-appealable order, decree or ruling or taken any other action that permanently restrains, restricts, enjoins or otherwise prohibits the merger, except that the right to terminate the merger agreement for this reason is not available to any party who has not used reasonable best efforts to cause such order, decree or ruling to be lifted;

- by BioSante or Cell Genesys, if Cell Genesys stockholders fail to adopt the merger agreement at the Cell Genesys stockholder meeting or if BioSante stockholders fail to adopt the merger agreement or approve the issuance of shares of BioSante common stock pursuant to the merger at the BioSante stockholder meeting;

- by BioSante or Cell Genesys, if the other party has breached any of its representations, warranties, covenants or other agreements contained in the merger agreement or if any representation or warranty has become inaccurate, in either case such that the conditions to the closing of the merger would not be satisfied, provided that if such breach or inaccuracy is curable, then the merger agreement will not terminate pursuant to this provision as a result of a particular breach or inaccuracy until the expiration of a 30-day period after delivery of notice of such breach or inaccuracy if such breach has not been cured or waived by the non-breaching party;

- by BioSante, if any of the following occur, each a Cell Genesys triggering event :
 - if prior to the Cell Genesys stockholder meeting the Cell Genesys board of directors has withdrawn or made a change, or publicly proposed to withdraw or make a change, in its recommendation to its stockholders to adopt the merger agreement in a manner adverse to BioSante; or

- if Cell Genesys fails to include in this joint proxy statement/prospectus Cell Genesys's board recommendation to its stockholders in favor of adoption of the merger agreement;
- by Cell Genesys, if any of the following occur, each a BioSante triggering event :
 - if prior to the BioSante stockholder meeting the BioSante board of directors has withdrawn or made a change, or publicly proposed to withdraw or make a change, in its recommendation to its stockholders to adopt the merger agreement and to approve the issuance of shares of BioSante common stock in the merger in a manner adverse to Cell Genesys; or
 - if BioSante fails to include in this joint proxy statement/prospectus BioSante's board recommendation to its stockholders in favor of adoption of the merger agreement and approval of the issuance of shares of BioSante common stock in the merger;

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- by Cell Genesys, if Cell Genesys enters into a superior proposal in accordance with the terms of the merger agreement. For a more detailed description of Cell Genesys's ability to terminate the merger agreement in connection with a superior proposal, see the section entitled "The Merger Agreement - No Solicitation" beginning on page 114.

Termination Fees and Expenses (see page 120)

If the merger agreement is terminated under certain circumstances, BioSante or Cell Genesys will be required to pay the other party a termination fee of \$1.0 million. The merger agreement also provides that under specified circumstances, BioSante or Cell Genesys may be required to reimburse the other party up to \$500,000 for the other party's expenses in connection with the transaction. Any expenses paid by such party will be credited against the termination fee if the termination fee subsequently becomes payable by such party.

Management Following the Merger (see page 187)

Following the merger, the board of directors of the combined company will be comprised of eight members, including each of the six current members of the BioSante board of directors, Louis W. Sullivan, M.D., Stephen M. Simes, Fred Holubow, Peter Kjaer, Ross Mangano and Edward C. Rosenow III, M.D., and two members of the current Cell Genesys board of directors, Stephen A. Sherwin, M.D. and John T. Potts, Jr., M.D. Pursuant to the merger agreement, David W. Carter, Nancy M. Crowell, James M. Gower, Thomas E. Shenk, Ph.D., Eugene L. Step, Inder M. Verma, Ph.D. and Dennis L. Winger, currently members of the Cell Genesys board of directors, will resign immediately prior to the completion of the merger. Dr. Sullivan, BioSante's chairman of the board, will continue as chairman of the board of the combined company.

Following the merger, the executive officers of the combined company will be the current executive officers of BioSante:

- Stephen M. Simes - Vice Chairman, President and Chief Executive Officer
- Phillip B. Donenberg - Chief Financial Officer, Treasurer and Secretary

Interests of BioSante's Directors and Officers in the Merger(see page 98)

In considering the recommendation of the BioSante board of directors to BioSante stockholders to vote in favor of the merger agreement and the transactions contemplated thereby, including the merger and the issuance of shares of BioSante common stock in the merger, and the other matters to be acted upon by BioSante stockholders at the BioSante special meeting, BioSante stockholders should be aware that members of the BioSante board of directors and BioSante's officers have interests in the merger that may be different from, or in addition to, or conflict with, the interests of BioSante stockholders. At the effective time of the merger and as a result of the merger, the board of directors of the combined

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company will be comprised of the six individuals that are current members of the BioSante board of directors and two additional individuals that are current members of the Cell Genesys board of directors, Stephen A. Sherwin, M.D. and John T. Potts, Jr., M.D. In addition, at the effective time of the merger and as a result of the merger, the executive officers of the combined company will be the current executive officers of BioSante: Stephen M. Simes as vice chairman, president and chief executive officer and Phillip B. Donenberg as chief financial officer, treasurer and secretary. None of BioSante's directors or officers have any other interests in the merger that may be different from, or in addition to, or conflict with, the interests of BioSante stockholders.

Interests of Cell Genesys's Directors and Officers in the Merger (see page 98)

In considering the recommendations of the Cell Genesys board of directors to Cell Genesys stockholders to vote in favor of the merger agreement and the transactions contemplated thereby, including the merger, and the other matters to be acted upon by Cell Genesys stockholders at the Cell Genesys special

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meeting, Cell Genesys stockholders should be aware that members of the Cell Genesys board of directors and Cell Genesys's executive officers have interests in the merger that may be different from, or in addition to, or conflict with, the interests of Cell Genesys stockholders. These interests include retention payments, change in control and severance payments and treatment of stock options held by Cell Genesys's directors and executive officers.

Voting Agreements (see page 124)

In connection with the execution of the merger agreement, Stephen A. Sherwin, M.D., who held less than one percent of the outstanding shares of Cell Genesys common stock as of the record date, entered into an agreement that provides, among other things, he will vote in favor of the adoption of the merger agreement and grants to BioSante an irrevocable proxy to vote all of his shares in favor of the adoption of the merger agreement and against certain transactions or certain actions made in opposition to, or in competition with, the adoption of the merger agreement.

In connection with the execution of the merger agreement, certain of BioSante's officers and directors, who held approximately 7.6 percent of the outstanding shares of BioSante common stock as of the record date, entered into agreements with Cell Genesys that provide, among other things, that the stockholders will vote in favor of adoption of the merger agreement and the issuance of BioSante common stock in the merger and grant to Cell Genesys an irrevocable proxy to vote all of such stockholders' shares of BioSante common stock in favor of adoption of the merger agreement and the issuance of BioSante common stock in the merger and against certain transactions or certain actions made in opposition to, or in competition with, the proposals to adopt the merger agreement and issue BioSante common stock in connection with the merger.

Material U.S. Federal Income Tax Consequences of the Merger (see page 106)

While the matter is not free from doubt, BioSante and Cell Genesys intend to treat the merger as a taxable transaction for U.S. federal income tax purposes. No ruling has been or will be sought from the Internal Revenue Service, or IRS, as to the U.S. federal income tax treatment of the merger. Assuming the transaction qualifies as such, a U.S. holder (as defined in the section entitled "The Merger Material U.S. Federal Income Tax Consequences of the Merger" beginning on page 106) of Cell Genesys common stock generally will recognize gain or loss in an amount equal to the difference between (a) the sum of the fair market value of the BioSante common stock and any cash in lieu of fractional shares received in exchange for such Cell Genesys common stock and (b) the U.S. holder's tax basis in the Cell Genesys common stock surrendered. For additional information, see the section entitled "The Merger Material U.S. Federal Income Tax Consequences of the Merger" beginning on page 106.

Tax matters are complicated, and the tax consequences of the merger to a particular Cell Genesys stockholder will depend on such stockholder's circumstances. Accordingly, Cell Genesys stockholders are urged to consult their own tax advisors to determine the tax consequences of the merger applicable to a Cell Genesys stockholder, including the applicability and effect of federal, state, local, foreign and other tax laws.

Regulatory Approvals (see page 105)

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Neither BioSante nor Cell Genesys is required to make any filings or to obtain approvals or clearances from any antitrust regulatory authorities in the United States or other countries to consummate the merger. In the United States, BioSante must comply with applicable federal and state securities laws and NASDAQ rules and regulations in connection with the issuance of shares of BioSante common stock in the merger, including the filing with the SEC of the registration statement of which this joint proxy statement/prospectus is a part.

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Anticipated Accounting Treatment (see page 107)

The merger will be accounted for under U.S. generally accepted accounting principles, or U.S. GAAP, as an acquisition of the net assets of Cell Genesys, whereby the individual assets and liabilities of Cell Genesys will be recorded by BioSante as of the completion of the merger based on their estimated fair values. As Cell Genesys has ceased operations, the acquisition is not considered to be a business combination, and the allocation of the purchase price will not result in recognition of goodwill. Following the completion of the merger, the future net income (loss) of the combined company will reflect charges resulting from the purchase price allocation related to the merger, which will include adjustments to carrying values of the acquired net assets based on the fair value of consideration measured as of the completion of the merger.

Appraisal Rights (see page 108)

If the merger is completed, BioSante and Cell Genesys stockholders are not entitled to appraisal rights under Section 262 of the Delaware General Corporation Law.

Comparison of Stockholder Rights (see page 254)

Both BioSante and Cell Genesys are incorporated under the laws of the State of Delaware and, accordingly, the rights of the stockholders of each are currently, and will continue to be, governed by the Delaware General Corporation Law. If the merger is completed, Cell Genesys stockholders will become stockholders of BioSante, and their rights will be governed by the Delaware General Corporation Law, the certificate of incorporation of BioSante and the bylaws of BioSante. The rights of BioSante contained in the certificate of incorporation and bylaws of BioSante differ from the rights of Cell Genesys stockholders under the certificate of incorporation and bylaws of Cell Genesys, as more fully described under the section entitled *Comparison of Rights of Holders of BioSante Stock and Cell Genesys Stock* beginning on page 254.

Litigation Relating to the Merger (page 108)

Cell Genesys, the members of the Cell Genesys board of directors and BioSante are named as defendants in purported class action lawsuits brought by Cell Genesys stockholders challenging Cell Genesys's proposed merger with BioSante. The plaintiffs in such actions generally allege that (1) each member of the Cell Genesys board of directors breached his or her fiduciary duties to Cell Genesys and its stockholders by authorizing the sale of Cell Genesys to BioSante for what plaintiffs allege to have been an inadequate sales process resulting in inadequate consideration to Cell Genesys stockholders; (2) Cell Genesys directly aided and abetted the other defendants' alleged breach of fiduciary duties; and/or (3) BioSante aided and abetted the alleged breach of fiduciary duties by Cell Genesys's directors. These lawsuits generally seek, among other things, to rescind the merger agreement and enjoin the defendants from consummating the merger on the agreed-upon terms. Cell Genesys and BioSante believe the actions are without merit and intend to defend the actions vigorously.

Table of Contents**SELECTED HISTORICAL FINANCIAL INFORMATION AND UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION AND DATA****Selected Historical Financial Data of BioSante**

The selected financial data as of December 31, 2008 and 2007 and for the years ended December 31, 2008, 2007 and 2006 are derived from BioSante's audited financial statements and are included in this joint proxy statement/prospectus beginning on page F-4. The selected financial data as of December 31, 2006, 2005 and 2004 and for the years ended December 31, 2005 and 2004 are derived from BioSante's audited financial statements, which are not included in this joint proxy statement/prospectus. The statement of operations data for the six months ended June 30, 2009 and 2008, as well as the balance sheet data as of June 30, 2009 and 2008 are derived from BioSante's unaudited financial statements included in this joint proxy statement/prospectus beginning on page F-28. The financial data should be read in conjunction with

BioSante's Management's Discussion and Analysis of Financial Condition and Results of Operations and BioSante's financial statements and related notes appearing elsewhere in this joint proxy statement/prospectus. The historical results are not necessarily indicative of results to be expected in any future period.

BioSante's independent registered accounting firm has included an explanatory paragraph in its report on BioSante's 2008 financial statements found elsewhere in this joint proxy statement/prospectus that expresses substantial doubt about BioSante's ability to continue as a going concern. The selected financial data presented below does not include any adjustments to the amounts and classifications of assets and liabilities that may be necessary should BioSante be unable to continue as a going concern.

	For the Six Months Ended June 30,		Year Ended December 31,				
	2009	2008	2008	2007	2006	2005	2004
	(in thousands, except per share data)						
Statement of Operations Data:							
Revenue							
Licensing revenue	\$	\$ 9	\$ 3,384	\$ 199	\$ 14,136	\$ 45	\$ 10
Grant revenue	93	36	65	59	247	181	68
Royalty revenue	91	27	34	69			
Other revenue		17	298	166	55	32	
Total revenue	184	89	3,781	493	14,438	258	78
Interest income	12	449	588	1,095	429	401	250
Expenses							
Research and development	6,566	6,612	15,790	4,751	3,908	6,409	9,162
General and administration	2,238	2,919	5,125	4,331	4,550	3,801	3,080
Licensing expense			836		3,500		
Depreciation and amortization	63	22	43	90	118	101	102
Total expenses	8,867	9,553	21,794	9,172	12,076	10,311	12,344
Net (loss) income	\$ (8,671)	\$ (9,675)	\$ (17,425)	\$ (7,584)	\$ 2,791	\$ (9,651)	\$ (12,016)
	\$ (0.32)	\$ (0.36)	\$ (0.64)	\$ (0.30)	\$ 0.13	\$ (0.50)	\$ (0.70)

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	As of June 30,				As of December 31,									
	2009		2008		2008		2007		2006		2005		2004	
(in thousands)														
Balance Sheet Data:														
Cash, cash equivalents and short-term investments	\$	5,986	\$	22,755	\$	14,787	\$	30,655	\$	11,450	\$	9,102	\$	17,269
Total assets		9,529		24,330		17,679		31,241		22,371		9,575		17,827
Stockholders' equity		5,813		20,708		13,826		29,725		18,071		6,819		15,921

As discussed in Note 2, *Summary of Significant Accounting Policies* to the financial statements included in BioSante Pharmaceuticals, Inc.'s financial statements, effective January 1, 2006, BioSante changed its method of accounting for stock-based compensation pursuant to Statement of Financial Accounting Standards No. 123(R), *Share-Based Payment*.

Table of Contents**Selected Historical Financial Data of Cell Genesys**

The selected financial data as of December 31, 2008 and 2007 and for the years ended December 31, 2008, 2007 and 2006 are derived from Cell Genesys's audited financial statements, which have been audited by Ernst & Young LLP, independent registered public accounting firm, and are included in this joint proxy statement/prospectus beginning on page F-46. The selected financial data as of December 31, 2006, 2005 and 2004 and for the years ended December 31, 2005 and 2004, are derived from Cell Genesys's audited financial statements which have been audited by Ernst & Young LLP, independent registered public accounting firm and are not included in this joint proxy statement/prospectus. The statement of operations data for the six months ended June 30, 2009 and 2008, as well as the balance sheet data as of June 30, 2009 and 2008 are derived from Cell Genesys's unaudited financial statements included in this joint proxy statement/prospectus beginning on page F-72. The financial data should be read in conjunction with Cell Genesys's Management's Discussion and Analysis of Financial Condition and Results of Operations and Cell Genesys's financial statements and related notes appearing elsewhere in this joint proxy statement/prospectus. The historical results are not necessarily indicative of results to be expected in any future period.

	For the Six Months Ended June 30,		Year Ended December 31,					
	2009	2008	2008	2007	2006	2005	2004	
	(unaudited)	(unaudited)						
(in thousands, except per share data)								
Consolidated Statement of Operations Data:								
Revenue	\$ 747	\$ 29,984	\$ 94,571	\$ 1,380	\$ 1,364	\$ 4,584	\$ 11,458	
Total operating expenses	14,382*	64,543*	195,613*	126,532*	114,387*	111,097	110,061	
Gain from purchase and exchange of senior notes	5,893		42,668					
Gain/(loss) related to warrant liability	(3,699)	5,716	11,480					
Gain on sale of Abgenix, Inc. common stock					62,677	55,123	12,160	
Net loss	\$ (12,550)*	\$ (25,307)*	\$ (46,975)*	\$ (99,274)*	\$ (82,929)*	\$ (64,939)	\$ (97,411)	
Net loss attributed to common stockholders	\$ (12,550)*	\$ (25,307)*	\$ (46,975)*	\$ (99,274)*	\$ (82,929)*	\$ (64,939)	\$ (97,511)	
Basic and diluted net loss per common share	\$ (0.14)*	\$ (0.31)*	\$ (0.56)*	\$ (1.39)*	\$ (1.67)*	\$ (1.43)	\$ (2.23)	

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	As of June 30,				As of December 31,									
	2009		2008		2008		2007		2006		2005		2004	
	(unaudited)		(unaudited)											
(in thousands)														
Balance Sheet Data:														
Cash, cash equivalents and short-term investments, including restricted cash and investments	\$	35,555	\$	165,498	\$	86,101	\$	147,306	\$	154,074	\$	129,139	\$	174,971
Total assets		36,588		295,250		97,973		273,392		291,167		366,975		435,139
Total current liabilities		3,989		41,807		10,987		34,565		51,314		69,385		77,923
Other long-term obligations, excluding current portion				76,530		4,006		56,278		51,326		52,093		51,013
Convertible senior debt principal portion		22,017		145,000		70,867		145,000		145,000		145,000		145,000
Redeemable convertible preferred stock														1,897
Accumulated deficit		(550,640)		(516,422)		(538,090)		(491,115)		(391,841)		(308,912)		(243,973)
Total stockholders equity		8,742		31,913		12,113		37,549		43,527		100,497		159,306

* As discussed in *Note 1, Organization and Summary of Significant Accounting Policies* to the consolidated financial statements included in Cell Genesys's consolidated financial statements, effective January 1, 2006, Cell Genesys changed its method of accounting for stock-based compensation pursuant to Statement of Financial Accounting Standards No. 123(R), *Share-Based Payment*.

Table of Contents**Selected Unaudited Pro Forma Condensed Combined Consolidated Financial Data of BioSante and Cell Genesys**

The following selected unaudited pro forma condensed combined consolidated financial information has been prepared to give effect to the proposed merger of BioSante and Cell Genesys. The merger will be accounted for under U.S. generally accepted accounting principles as an acquisition of the net assets of Cell Genesys, whereby the individual assets and liabilities of Cell Genesys will be recorded by BioSante as of the completion of the merger based on their estimated fair values. As Cell Genesys has ceased substantially all of its operations, the acquisition is not considered by BioSante to be a business combination, and the allocation of the purchase price will not result in the recognition by BioSante of any goodwill. The total estimated purchase price (based on application of an assumed exchange ratio of 0.1615 to pro forma shares outstanding as of June 30, 2009) calculated as described in the notes to the unaudited pro forma condensed combined consolidated balance sheet included elsewhere in this joint proxy statement/prospectus, has been allocated to the tangible and intangible assets acquired and liabilities assumed in connection with the transaction, on the basis of initial estimates of their fair values. A final determination of these fair values, which cannot be made prior to the completion of the merger, will be based on the actual value of consideration paid, and valuations of the remaining net assets of Cell Genesys that exist as of the date of completion of the merger, which may differ from those portrayed in the unaudited pro forma consolidated balance sheet.

No unaudited pro forma condensed combined consolidated statement of operations has been presented, as substantially all of the operations of Cell Genesys have ceased prior to entering into the merger agreement, and the combined pro forma operating performance of both BioSante and Cell Genesys is not considered meaningful for purposes of illustrating the impact of the acquired net assets of Cell Genesys or the future operations of the combined company.

The following selected unaudited pro forma condensed combined consolidated balance sheet data are prepared for illustrative purposes only and are not necessarily indicative of the financial position of BioSante that would have resulted had the merger been consummated as of June 30, 2009. See Unaudited Pro Forma Condensed Combined Consolidated Financial Information.

The following selected unaudited pro forma condensed combined consolidated balance sheet data should be read in conjunction with the historical financial statements of BioSante and the historical consolidated financial statements of Cell Genesys included elsewhere in this joint proxy statement/prospectus.

	As of June 30, 2009
	(In Thousands)
Unaudited Pro Forma Condensed Combined Consolidated Balance Sheet Data:	
Cash and cash equivalents	\$ 33,556
Short-term investments	5,008
Short-term restricted cash	2,700
Total assets	46,032
Accounts payable	7,186
Accrued restructuring	5,279
Other accrued expenses	2,821
Convertible senior notes due 2013 and 2011 principal portion	22,017
Accumulated deficit	(115,054)
Stockholders' equity	8,729

Table of Contents**MARKET PRICE AND DIVIDEND INFORMATION****Market Price**

Shares of BioSante common stock and Cell Genesys common stock are each listed and traded on the NASDAQ Global Market. BioSante common stock is listed for trading under the symbol **BPAX** and Cell Genesys common stock is listed for trading under the symbol **CEGE**. From October 1, 2003 to November 2, 2007, shares of BioSante common stock were traded on the American Stock Exchange under the symbol **BPA**. Shares of BioSante class C special stock are not listed or traded on any national securities exchange or public trading market.

The following tables sets forth, for the periods indicated, the high and low daily sales prices per share of BioSante common stock and Cell Genesys common stock, in each case as reported on the NASDAQ Global Market (or, in the case of BioSante, the American Stock Exchange, if applicable) for each calendar quarter on which BioSante and Cell Genesys common stock was listed for trading on the NASDAQ Global Market.

BioSante Common Stock

Fiscal Year Ended December 31, 2006		High		Low
First Quarter	\$	4.69	\$	3.51
Second Quarter	\$	4.29	\$	1.91
Third Quarter	\$	2.42	\$	1.60
Fourth Quarter	\$	3.14	\$	1.55

Fiscal Year Ended December 31, 2007		High		Low
First Quarter	\$	6.25	\$	2.55
Second Quarter	\$	8.00	\$	5.28
Third Quarter	\$	6.71	\$	5.00
Fourth Quarter	\$	6.10	\$	3.50

Fiscal Year Ended December 31, 2008		High		Low
First Quarter	\$	5.05	\$	2.05
Second Quarter	\$	5.85	\$	3.50
Third Quarter	\$	5.79	\$	3.26
Fourth Quarter	\$	4.85	\$	0.81

Fiscal Year Ended December 31, 2009		High		Low
First Quarter	\$	2.33	\$	1.03
Second Quarter	\$	2.67	\$	1.30
Third Quarter (through August 18, 2009)	\$	2.70	\$	1.45

Cell Genesys Common Stock

Fiscal Year Ended December 31, 2006		High		Low	
First Quarter	\$	7.98	\$	5.36	
Second Quarter	\$	7.79	\$	4.92	
Third Quarter	\$	5.24	\$	4.32	
Fourth Quarter	\$	4.69	\$	3.39	

Fiscal Year Ended December 31, 2007		High		Low	
First Quarter	\$	4.20	\$	2.81	
Second Quarter	\$	6.86	\$	3.35	
Third Quarter	\$	4.07	\$	3.22	
Fourth Quarter	\$	3.74	\$	2.17	

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Fiscal Year Ended December 31, 2008		High		Low	
First Quarter	\$	2.98	\$	1.81	
Second Quarter	\$	4.53	\$	2.60	
Third Quarter	\$	3.40	\$	0.59	
Fourth Quarter	\$	0.61	\$	0.10	

Fiscal Year Ended December 31, 2009		High		Low	
First Quarter	\$	0.5299	\$	0.175	
Second Quarter	\$	0.90	\$	0.25	
Third Quarter (through August 18, 2009)	\$	0.43	\$	0.22	

The table below sets forth the closing sale prices of BioSante common stock and Cell Genesys common stock as reported on the NASDAQ Global Market each on June 29, 2009, the last trading day prior to the public announcement of the transaction, and on August 18, 2009. The table also shows the implied value of one share of Cell Genesys common stock, which was calculated by multiplying the closing price of BioSante common stock on those dates by 0.1615, the exchange ratio set forth in the merger agreement if Cell Genesys's net cash is within \$500,000 of the target net cash on the determination date. See Merger Agreement Merger Consideration and Adjustment beginning on page 109 for a description of the calculation of Cell Genesys's net cash, the target net cash, and the determination date. The market prices of BioSante and Cell Genesys common stock on those dates will fluctuate between the date of this joint proxy statement/prospectus and the time of the Cell Genesys special meeting, the BioSante special meeting, and the completion of the merger. No assurance can be given concerning the market prices of BioSante common stock or Cell Genesys common stock before the completion of the merger or the market price of BioSante common stock after the completion of the merger. The merger consideration and exchange ratio are determined in accordance with the merger agreement and will not be adjusted for changes in the market value of the common stock of BioSante or Cell Genesys. One result of this is that the market value of the BioSante common stock that Cell Genesys stockholders will receive in the merger may vary significantly from the prices shown in the table below.

	BioSante Common Stock		Cell Genesys Common Stock		Implied Per Share Value of Cell Genesys Common Stock*	
June 29, 2009	\$	2.15	\$	0.31	\$	0.347
August 18, 2009	\$	2.04	\$	0.3731	\$	0.329

* Assumes an exchange ratio of 0.1615, the exchange ratio set forth in the merger agreement if Cell Genesys's net cash is within \$500,000 of the target net cash on the determination date. Pursuant to the merger agreement, the exchange ratio will be different if Cell Genesys's net cash is not within \$500,000 of the target net cash on the determination date. See Merger Agreement Merger Consideration and Adjustment beginning on page 109 for a description of the calculation of Cell Genesys's net cash, the target net cash and the determination date.

Cell Genesys stockholders should obtain current market quotations for shares of BioSante common stock and Cell Genesys common stock in deciding whether to vote for adoption of the merger agreement and the transactions contemplated thereby, including the merger.

Record Holders

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As of August 15, 2009, BioSante had 306 holders of record of BioSante common stock and six record holders of BioSante class C special stock.

As of August 15, 2009, Cell Genesys had 588 holders of record of Cell Genesys common stock.

For detailed information regarding the beneficial ownership of certain stockholders of the combined company upon consummation of the merger, see the section entitled "Principal Stockholders of Combined Company" in this joint proxy statement/prospectus.

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Dividends

BioSante has never declared or paid cash dividends on its capital stock and does not intend to pay any cash dividends in the foreseeable future. Any future determination to pay cash dividends will be at the discretion of the BioSante board of directors and will depend upon BioSante's financial condition, operating results, capital requirements, deployment of resources and ability to engage in strategic transactions, whether or not the merger is consummated, and such other factors as the BioSante board of directors deems relevant.

Cell Genesys has never declared or paid cash dividends on its capital stock and does not intend to pay any cash dividends in the foreseeable future.

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RISK FACTORS

In addition to the other information included in this joint proxy statement/prospectus, BioSante and Cell Genesys stockholders should carefully consider the following risk factors before deciding whether to vote in favor of the adoption of the merger agreement and the approval of the transactions contemplated thereby, including the merger. If any of the risks described below actually occurs, the respective businesses, operating results, financial condition or stock prices of BioSante, Cell Genesys or the combined company could be materially adversely affected. In addition, if the merger is completed, the combined company's business immediately following the merger will be the business conducted by BioSante immediately prior to the merger. As a result, the risks described below under Risks Related to BioSante are the most significant risks to the combined company if the merger is completed.

Risks Related to the Merger

The exchange ratio in the merger agreement is subject to adjustment based on Cell Genesys's net cash 10 days prior to the anticipated closing date, which could further dilute the ownership of either the BioSante or Cell Genesys stockholders in the combined company.

Subject to the terms and conditions of the merger agreement, at the effective time of and as a result of the merger, each share of common stock of Cell Genesys issued and outstanding immediately prior to the effective time of the merger will be converted into the right to receive 0.1615 of a share of BioSante common stock, subject to potential adjustment as described in the merger agreement depending upon the amount of net cash of Cell Genesys, less certain expenses and liabilities, 10 calendar days prior to the anticipated closing date of the merger. If the net cash of Cell Genesys 10 days prior to the anticipated closing date is more than \$500,000 greater than or less than the target net cash set forth in the merger agreement, then the exchange ratio will be adjusted as follows:

- If the net cash of Cell Genesys is more than \$500,000 greater than the target net cash set forth in the merger agreement, the merger agreement provides for an adjustment to the exchange ratio to increase the number of shares of BioSante common stock that Cell Genesys stockholders will be entitled to receive pursuant to the merger, which would further dilute the ownership of the current BioSante stockholders in the combined company.
- If the net cash of Cell Genesys is more than \$500,000 less than the target net cash set forth in the merger agreement, the merger agreement provides for an adjustment to the exchange ratio to decrease the number of shares of BioSante common stock that Cell Genesys stockholders will be entitled to receive pursuant to the merger, which would further dilute the ownership of the current Cell Genesys stockholders in the combined company.

The items that will constitute Cell Genesys's net cash at the determination date set forth in the merger agreement are subject to a number of factors, many of which are outside the control of BioSante and some of which are outside the control of Cell Genesys. For a more detailed discussion of the calculation of Cell Genesys's net cash at the determination date set forth in the merger agreement and to view a table that illustrates how changes in Cell Genesys's net cash at the determination date will affect the exchange ratios, see The Merger Agreement Merger Consideration and Adjustment beginning on page 109.

The exchange ratio is not adjustable based on the market price of BioSante common stock so the merger consideration at the closing may have a greater or lesser value than at the time the merger agreement was signed.

Although the exchange ratio set forth in the merger agreement is potentially adjustable upward or downward depending upon Cell Genesys's net cash at the determination date set forth in the merger agreement, the exchange ratio and the number of shares to be issued by BioSante, is not adjustable based on

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the market price of BioSante or Cell Genesys common stock and the merger agreement may not be terminated for any such changes. If the market price of BioSante common stock declines from the market price on the date of the merger agreement prior to the closing of the merger, Cell Genesys stockholders could receive merger consideration with substantially lower value. Similarly, if the market price of BioSante common stock increases from the market price on the date of the merger agreement prior to the closing of the merger, Cell Genesys stockholders could receive merger consideration with considerably more value than their shares of Cell Genesys common stock and BioSante stockholders immediately prior to the merger will not be compensated for the increased market value of BioSante common stock. Because the exchange ratio does not adjust as a result of changes in the value of BioSante common stock, for each one percentage point that the market value of BioSante common stock rises or declines, there is a corresponding one percentage point rise or decline, respectively, in the value of the total merger consideration issued to Cell Genesys stockholders. For example, on June 29, 2009, the date of the execution of the merger agreement, the closing price of BioSante common stock, as reported on the NASDAQ Global Market, was \$2.15 per share. Assuming that a total of approximately 17.8 million shares of BioSante common stock are issuable to Cell Genesys stockholders in connection with the merger at an assumed price per share equal to the execution date closing price of BioSante common stock, the aggregate merger consideration for Cell Genesys stockholders would be valued at approximately \$38.3 million. If, however, the closing price of BioSante common stock on the date of closing of the merger declines from the closing price on the date of the merger agreement to, for example, \$1.72 per share, a decline of 20 percent, the aggregate merger consideration to be issued to Cell Genesys stockholders in the merger would decrease from approximately \$38.3 million to approximately \$30.6 million, a decline of \$7.7 million, or 20 percent.

The exchange ratio is not adjustable based on issuances by BioSante or Cell Genesys of additional shares of BioSante common stock or Cell Genesys common stock upon the exercise of options or warrants or the conversion of convertible securities or otherwise, which issuances would result in additional dilution to BioSante and Cell Genesys stockholders.

As of August 15, 2009, Cell Genesys had outstanding options to purchase an aggregate of approximately 2.7 million shares of Cell Genesys common stock, warrants to purchase an aggregate of approximately 4.2 million shares of Cell Genesys common stock and an aggregate of \$22.0 million in convertible senior notes that are convertible into an aggregate of approximately 30.7 million shares of Cell Genesys common stock. As of August 15, 2009, BioSante had outstanding options to purchase an aggregate of approximately 2.7 million shares of BioSante common stock, warrants to purchase an aggregate of approximately 5.0 million shares of BioSante common stock and an aggregate of 391,286 shares of BioSante class C special stock that are convertible into an equal number of shares of BioSante common stock. Although Cell Genesys is prohibited under the terms of the merger agreement from issuing additional equity securities other than pursuant to the exercise of outstanding options or warrants or the conversion of outstanding convertible notes, BioSante is not. On August 14, 2009, BioSante issued 6.0 million shares of BioSante common stock and warrants to purchase 2.4 million shares of BioSante common stock in a registered direct offering. It is possible that prior to the completion of the merger BioSante may issue additional equity securities in order to raise additional financing. The exchange ratio is not adjustable based on issuances by BioSante or Cell Genesys of additional shares of BioSante common stock or Cell Genesys common stock for any reason. Therefore, any such issuances by BioSante or Cell Genesys would result in additional dilution to BioSante and Cell Genesys stockholders.

The merger is subject to certain conditions to closing that could result in the merger not being consummated or being delayed, either of which could negatively impact the market price of BioSante and Cell Genesys common stock and their respective future businesses and operating results.

Consummation of the merger is subject to a number of customary conditions, including, but not limited to, the approval of the merger agreement by BioSante and Cell Genesys stockholders. If any of the conditions to the merger are not satisfied or, where waiver is permissible, not waived, the merger will not be consummated. Failure to complete the merger could result in a number of adverse effects, including:

- preventing BioSante and Cell Genesys from realizing any benefits from the merger;

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- requiring BioSante and Cell Genesys to incur significant transaction costs without realizing any benefits of the merger, and depending upon the circumstances of the failure to complete the merger, requiring Cell Genesys to pay BioSante a \$1.0 million termination fee or expense reimbursement of up to \$500,000 or requiring BioSante to pay Cell Genesys a \$1.0 million termination fee or expense reimbursement of up to \$500,000;
- a decline in the market prices of BioSante and Cell Genesys common stock to the extent the market prices of BioSante and Cell Genesys common stock positively reflect a market assumption that the merger will occur;
- uncertainty surrounding the future direction of the product offerings, available alternatives and strategy of BioSante or Cell Genesys on a standalone basis or a negative perception by the market of BioSante and Cell Genesys generally; and
- the diversion of the attention of BioSante's and Cell Genesys's management to the merger instead of their respective operations and the pursuit of other opportunities that could have been beneficial to their respective businesses.

Any delay in the consummation of the merger or any uncertainty about the consummation of the merger also could impact negatively the market price of BioSante and Cell Genesys common stock and their respective future businesses and operating results or prevent, delay or eliminate realization of some or all of the anticipated benefits of the merger. It is possible that the merger will not be consummated or the consummation may be delayed or consummated on different terms than those contemplated by the merger agreement and as described in this joint proxy statement/prospectus.

The announcement and pendency of the merger may have and could impact or cause disruptions in BioSante's business, which could have an adverse effect on its business, operating results and financial condition and, if the merger is completed, the business, operating results and financial condition of the combined company.

The announcement and pendency of the merger may have and could cause disruptions in or otherwise negatively impact BioSante's business, operating results and financial condition and if the merger is completed, the business, operating results and financial condition of the combined company. Among others:

- the attention of BioSante's management may be directed toward the completion of the merger and transaction-related considerations and may be diverted from day-to-day business operations; and

- vendors, suppliers or other business partners may seek to modify or terminate their business relationships with BioSante or the combined company.

These disruptions could be exacerbated by a delay in the completion of the merger or termination of the merger agreement and could have an adverse effect on BioSante's business, operating results or financial condition, and if the merger is completed, the business, operating results or financial condition of the combined company.

BioSante and Cell Genesys have incurred and will continue to incur significant transaction costs in connection with the merger, some of which will be required to be paid even if the merger is not completed.

BioSante and Cell Genesys have incurred and will continue to incur significant transaction costs in connection with the merger. These costs are primarily associated with the fees of their respective attorneys, accountants and financial advisors. Most of these costs will be paid by the party incurring the costs even if the merger is not completed. In addition, if the merger agreement is terminated due to certain triggering events specified in the merger agreement, BioSante or Cell Genesys may be required to pay the other party a

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termination fee of \$1.0 million. The merger agreement also provides that under specified circumstances, BioSante or Cell Genesys may be required to reimburse the other party \$500,000 for its expenses in connection with the transaction, which would be credited against the termination fee if the termination fee subsequently becomes payable by BioSante or Cell Genesys, respectively. If the merger is completed, the combined company will bear the transaction costs of both BioSante and Cell Genesys in connection with the merger, including financial advisor, legal and accounting fees and expenses.

Certain directors and executive officers of Cell Genesys and BioSante have interests in the merger that may be different from, or in addition to, or conflict with interests of Cell Genesys and BioSante stockholders generally.

Some directors and executive officers of BioSante and Cell Genesys may have interests in the merger that differ from, are in addition to or conflict with interests of BioSante and Cell Genesys stockholders, respectively. For example, the executive officers of Cell Genesys who provided information to the Cell Genesys board of directors relating to the merger, have severance benefit arrangements, rights to acceleration of stock options or other equity awards and other benefits on a change in control of Cell Genesys and rights to ongoing indemnification that provide them with interests in the merger that may differ from Cell Genesys stockholders generally. In addition, the chief executive officer and chairman of the board of Cell Genesys, and another director, are expected to become directors of the combined company and receive equity and cash compensation consistent with BioSante's standard compensation practices for directors. Cell Genesys stockholders should be aware of these interests when considering the recommendation of the Cell Genesys board of directors that they vote in favor of adopting the merger agreement and the transactions contemplated thereby, including the merger. See *Interests of Cell Genesys Directors and Officers in the Merger* beginning on page 98. The only interests that the directors and executive officers of BioSante have in the merger are that such individuals will continue in their current positions with the combined company. BioSante stockholders also should be aware of these interests when considering the recommendation of the BioSante board of directors that they vote in favor of adopting the merger agreement and the transactions contemplated thereby, including the merger and the issuance of BioSante common stock in the merger. See *Interests of BioSante Directors and Officers in the Merger* beginning on page 98.

The deal-protection provisions of the merger agreement may deter alternative transactions which could be advantageous to BioSante or Cell Genesys when compared to the terms and conditions of the merger transaction described in this joint proxy statement/prospectus, and, in certain circumstances, may require Cell Genesys or BioSante to pay the other party a \$1.0 million termination fee or reimburse such party \$500,000 for its expenses.

As a result of certain deal-protection provisions of the merger agreement, it is possible that a third party who might be interested in pursuing an alternative transaction with BioSante or Cell Genesys would be discouraged from doing so. Any such proposal might be advantageous to the stockholders of BioSante or Cell Genesys when compared to the merger transaction described in this joint proxy statement/prospectus. In particular, provisions of the merger agreement which require the payment of a \$1.0 million termination fee or reimbursement of up to \$500,000 of expenses to the other party may deter third parties from proposing alternative business transactions that might result in greater value to BioSante or Cell Genesys stockholders than the merger. In addition, in the event the merger agreement is terminated by BioSante or Cell Genesys in circumstances that may obligate BioSante or Cell Genesys to pay a termination fee or reimburse the other party up to \$500,000 for its expenses, BioSante's or Cell Genesys's stock price may decline as result of this reimbursement, its financial condition could be adversely affected and/or a potential competing third party proposing an alternative transaction may propose less favorable terms than it might otherwise have proposed.

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Certain directors and executive officers of BioSante and Cell Genesys have entered into voting agreements that require them to vote in favor of the adoption of the merger agreement and the transactions contemplated thereby and against any competing business transaction, which could discourage third parties from making an alternative business transaction proposal to BioSante or Cell Genesys and deprive the stockholders of such company of the benefit of a more advantageous business transaction.

Certain directors and executive officers of BioSante and Cell Genesys, who in the aggregate beneficially owned approximately 7.6 percent of the issued and outstanding shares of BioSante common stock and less than 1 percent of the issued and outstanding shares of Cell Genesys common stock, respectively, as of the record date, have entered into voting agreements as further described in the section entitled "Voting Agreements" beginning on page 124 of this joint proxy statement/prospectus, pursuant to which they have agreed, during the term of such agreements and subject to certain exceptions, to vote their shares of common stock in favor of the adoption of the merger agreement and the transactions contemplated thereby and against any competing business transaction. In addition, Tang Capital Partners, LP, which according to public filings as of July 1, 2009 held 9,502,089 shares, or 8.7 percent, of Cell Genesys common stock, agreed pursuant to the terms of a settlement and exchange agreement with Cell Genesys to vote any shares of Cell Genesys common stock owned by it only (i) pro rata with the votes of other Cell Genesys stockholders or (ii) at its option in accordance with the recommendation of the Cell Genesys board of directors. The existence of these voting agreements may discourage third parties from making an alternative business transaction proposal to BioSante or Cell Genesys and deprive the stockholders of such company the benefit of a more advantageous business transaction.

Charges resulting from the allocation of the purchase consideration may adversely affect the market value of the combined company's common stock following the merger.

The merger will be accounted for under U.S. generally accepted accounting principles, or U.S. GAAP, as an acquisition of the net assets of Cell Genesys, whereby the individual assets and liabilities of Cell Genesys will be recorded by BioSante as of the completion of the merger based on their estimated fair values. Following the completion of the merger, the future net income (loss) of the combined company will reflect charges resulting from the purchase price allocation related to the merger, which will include adjustments to carrying values of the acquired net assets based on the fair value of consideration measured as of the completion of the merger. The purchase price adjustments and potential corresponding charges could have a material impact on the combined company's results of operations which could have an adverse impact on the market value of the combined company's common stock.

BioSante and Cell Genesys may waive one or more of the conditions to the merger without resoliciting stockholder approval for the merger.

Each of the conditions to BioSante's and Cell Genesys's obligations to complete the merger may be waived, in whole or in part, to the extent legally allowed, either unilaterally or by agreement of BioSante and Cell Genesys. The boards of directors of BioSante and Cell Genesys will evaluate the materiality of any such waiver to determine whether amendment of this joint proxy statement/prospectus and resolicitation of proxies is necessary. In the event that the board of directors of BioSante or Cell Genesys determines any such waiver is not significant enough to require resolicitation of stockholders, it will have the discretion to complete the merger without seeking further stockholder approval. Approval of each company's stockholders cannot be waived.

Litigation is pending against Cell Genesys, the members of the Cell Genesys board of directors and BioSante challenging the merger and an adverse judgment in any of those lawsuits may prevent the merger from becoming effective within the expected timeframe or at all.

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Cell Genesys, the members of the Cell Genesys board of directors and BioSante are named as defendants in four purported class action lawsuits brought by Cell Genesys stockholders challenging Cell

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Genesys's proposed merger with BioSante, seeking to rescind the merger agreement and an injunction prohibiting the parties from completing the merger. If the plaintiffs in any of these cases are successful in obtaining an injunction prohibiting the parties from completing the merger on the agreed upon terms, the injunction may prevent the completion of the merger in the expected timeframe (if at all). Even if the plaintiffs in these actions are not successful, the costs of defending against such claims could adversely affect the financial condition of BioSante or Cell Genesys to the extent not covered by insurance. For more information about litigation related to the merger, see *Litigation Relating to the Merger* beginning on page 108.

*If any of the events described in **Risks Related to BioSante** occur, those events could cause the potential benefits of the merger not to be realized.*

Following the effective time of the merger, BioSante's business is expected to constitute the business and assets of the combined company. As a result, the risks described below in the section entitled *Risks Related to BioSante* beginning on page 27 are among the most significant risks to the combined company if the merger is completed. To the extent any of the events in such risks occur, those events could cause the potential benefits of the merger not to be realized and the market price of the combined company's common stock to decline.

Risks Related to BioSante

*In determining whether to approve the merger, you should carefully read the following risk factors. BioSante and Cell Genesys anticipate that immediately following the merger the business of the combined company will be the business conducted by BioSante immediately prior to the merger. As a result, the following risks, and the risks factors set forth under the heading **Risks Related to the Combined Company**, are the most significant that you will face if the merger is completed.*

Risks Related to BioSante's Financial Condition and Capital Requirements

BioSante has a history of operating losses, expects continuing losses and may never become profitable.

BioSante has a history of operating losses. BioSante incurred a net loss of \$8.7 million for the six months ended June 30, 2009 and a net loss of \$17.4 million for the year ended December 31, 2008. As of June 30, 2009, BioSante's accumulated deficit was \$80.6 million. Substantially all of BioSante's revenue to date has been derived from upfront and milestone payments earned on licensing and sub-licensing transactions, revenue earned from subcontracts with various parties and royalty revenue. BioSante expects to incur substantial and continuing losses for the foreseeable future as its own product development programs continue and various preclinical and clinical trials commence or continue, including in particular its Phase III clinical study program for LibiGel. The amount of these losses may vary significantly from year-to-year and quarter-to-quarter and will depend on, among other factors:

- the progress, timing, cost and results of BioSante's preclinical and clinical development programs, including in particular its Phase III clinical study program for LibiGel, and its other product development efforts;

- patient recruitment and enrollment in BioSante's current and future clinical studies, including in particular its Phase III clinical study program for LibiGel;
- the commercial success and net sales of Elestrin;
- BioSante's ability to license LibiGel or its other products for development and commercialization;
- the cost, timing and outcome of regulatory reviews of BioSante's proposed products;

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- the rate of technological advances;
- ongoing determinations of the potential markets for and commercial success of BioSante's proposed products;
- the timing and cost of various cash and non-cash general and administrative expenses;
- the success, progress, timing and costs of BioSante's business development efforts to implement business collaborations, licenses and other business combinations or transactions, including its efforts to evaluate various strategic alternatives available with respect to its products and BioSante;
- the activities of BioSante's competitors; and
- BioSante's opportunities to acquire new products or take advantage of other unanticipated opportunities.

In order to generate new and significant revenues, BioSante successfully must develop its own proposed products and enter into collaborative agreements with others who successfully can commercialize them. Even if BioSante's proposed products and the products it may license or otherwise acquire are introduced commercially, they may never achieve market acceptance and BioSante may not generate additional revenues or achieve profitability in future years.

BioSante needs to raise substantial additional capital in the near future to fund its operations. If additional capital is not available, BioSante may have to curtail significantly or even cease its ongoing operations.

BioSante currently does not have sufficient resources to obtain regulatory approval of its proposed products or to complete the commercialization of any of its proposed products. BioSante expects the Phase III clinical study program of LibiGel to continue to require significant resources. As of June 30, 2009, BioSante had \$6.0 million in cash and cash equivalents. Given the poor economic conditions, BioSante reviewed every aspect of its operations for cost and spending reductions to assure its long term survival while maintaining the resources necessary to achieve its primary objectives of developing its proposed products and obtaining regulatory approval of such products, including in particular LibiGel. To save costs, in April 2009, BioSante decided to delay screening new subjects for its LibiGel Phase III safety study. Those women already enrolled continue in the study. BioSante intends to reinitiate screening and enrollment in the safety study at an appropriate time once it has closed the proposed merger with Cell Genesys. Currently, BioSante continues to screen for and enroll new subjects in the LibiGel Phase III efficacy trials. This change in BioSante's clinical study screening may delay the eventual submission of the LibiGel NDA.

One of the primary reasons BioSante is proposing to merge with Cell Genesys is BioSante's need for additional financing to continue its Phase III clinical studies for LibiGel and the lack of other currently available acceptable alternatives for BioSante to access capital, especially in light of the state of the markets for equity offerings at the time of the execution of the merger agreement, which historically has been BioSante's method for raising additional financing. If the merger is not completed, BioSante would need to raise substantial additional funds through private or public equity offerings, partnerships with pharmaceutical companies, debt financing or other arrangements in the near future and may be unable to do so within the timeframe in which it would be required to do so and at acceptable terms. If the merger is completed, BioSante expects that the cash resources of the combined company expected to be available at the closing of the merger would provide the combined company sufficient capital to maintain its projected business operations through at least the next 12 months, including continued Phase III clinical development of LibiGel. Even if the merger is completed, however, the combined company likely will need to raise additional financing to continue its Phase III clinical studies for LibiGel, unless LibGel is licensed or sold to another company.

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BioSante's future capital requirements will depend upon numerous factors, including:

- its ability to complete the merger with Cell Genesys and acquire the cash and cash equivalents of Cell Genesys;
- the success, progress, timing and costs of its business development efforts to implement business collaborations, licenses and other business combinations or transactions;
- the progress, timing, cost and results of its preclinical and clinical development programs, including in particular its Phase III clinical study program for LibiGel, and its other product development efforts;
- patient recruitment and enrollment in its current and future clinical studies, including in particular its Phase III clinical study program for LibiGel;
- the commercial success and net sales of Elestrin;
- its ability to license LibiGel or its other products for development and commercialization;
- the cost, timing and outcome of regulatory reviews of its proposed products;
- the rate of technological advances;
- the commercial success of its proposed products;
- its general and administrative expenses; and

- the activities of its competitors.

BioSante has on file an effective shelf registration statement that allows it to raise up to \$75 million from the sale of common stock, preferred stock, warrants or units comprised of the foregoing. However, under applicable SEC rules, so long as BioSante has a public float of less than \$75 million, it can only offer to sell under the registration statement up to one-third of its public float during any 12 month period. Recently, the credit markets and the financial services industry have been experiencing a period of unprecedented turmoil and upheaval characterized by the bankruptcy, failure, collapse or sale of various financial institutions and an unprecedented level of intervention from the United States federal government. These events have made equity and debt financing more difficult to obtain, and may negatively impact BioSante's ability to complete financing transactions. In addition, the stock market in general, and the NASDAQ Global Market and the market for life sciences companies in particular, have experienced extreme price and volume fluctuations that may have been unrelated or disproportionate to the operating performance of listed companies. There have been dramatic fluctuations in the market prices of securities of biopharmaceutical companies such as BioSante's. Broad market and industry factors may seriously harm the market price of BioSante common stock, regardless of its operating performance, and may adversely impact its ability to raise additional funds. Due to such market conditions, as well as the status of its product development programs, BioSante can provide no assurance that additional financing will be available on terms favorable to it, or at all. If adequate funds are not available or are not available on acceptable terms when BioSante needs them, BioSante may be required to delay, scale back or eliminate some or all of its programs designed to obtain regulatory approval of its proposed products, including most importantly, as mentioned above, its Phase III clinical study program for LibiGel. Failure to obtain adequate financing also may cause BioSante to curtail significantly or even cease its ongoing operations.

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Raising additional funds by issuing securities or through licensing arrangements may cause dilution to existing BioSante stockholders, restrict BioSante's operations or require BioSante to relinquish proprietary rights.

If BioSante raises additional funds through the issuance of equity or convertible debt securities, the percentage ownership of BioSante stockholders could be significantly diluted, and these newly issued securities may have rights, preferences or privileges senior to those of existing BioSante stockholders. If BioSante incurs debt financing, a substantial portion of its operating cash flow may be dedicated to the payment of principal and interest on such indebtedness, thus limiting funds available for its business activities, and BioSante could be subject to covenants that restrict its ability to operate its business and make distributions to its stockholders. These restrictive covenants may include limitations on additional borrowing and specific restrictions on the use of BioSante's assets, as well as prohibitions on the ability of BioSante to create liens, pay dividends, redeem its stock or make investments. As an alternative to raising additional financing by issuing securities, BioSante may choose to sublicense LibiGel, Elestrin (outside the territories already sublicensed) or another product to a third party who may finance a portion or all of the continued development and, if approved, commercialization, sell certain assets or rights BioSante has under its existing license agreements or enter into other business collaborations or combinations, including the possible sale of its company. If BioSante raises additional funds through licensing arrangements, BioSante may be required to relinquish greater or all rights to its proposed products at an earlier stage of development or on less favorable terms than BioSante otherwise would choose.

The committed equity financing facility that BioSante entered into with Kingsbridge Capital Limited may not be available to BioSante if BioSante elects to make a draw down.

In December 2008, BioSante entered into a committed equity financing facility, or CEFF, with Kingsbridge. The CEFF entitles BioSante to sell and obligates Kingsbridge to purchase, from time to time over a period of two years, up to the lesser of (1) an aggregate of \$25 million in or (2) 5,405,840 shares of BioSante common stock for cash consideration, subject to certain conditions and restrictions. Kingsbridge will not be obligated to purchase shares under the CEFF unless certain conditions are met, which include a minimum price for BioSante common stock of \$1.15 per share; the accuracy of representations and warranties made to Kingsbridge; compliance with laws; continued effectiveness of the registration statement registering the resale of shares of BioSante common stock issued or issuable to Kingsbridge; and the continued listing of BioSante stock on the NASDAQ Global Market. In addition, Kingsbridge is permitted to terminate the CEFF if it determines that a material and adverse event has occurred affecting BioSante's business, operations, properties or financial condition and if such condition continues for a period of 10 trading days from the date Kingsbridge provides BioSante notice of such material and adverse event. If BioSante is unable to access funds through the CEFF, or if the CEFF is terminated by Kingsbridge, BioSante may be unable to access capital on favorable terms or at all. As of the printing of this joint proxy statement/prospectus, BioSante had not sold any shares to Kingsbridge under the CEFF.

The report of BioSante's independent registered public accounting firm expresses substantial doubt about BioSante's ability to continue as a going concern which may adversely affect its ability to raise additional financing and close its proposed merger with Cell Genesys.

Because of continuing expenditures related to BioSante's research and development activities, including in particular the Phase III clinical study program for LibiGel, as well as additional expenditures incurred due to BioSante's efforts at pursuing strategic alternatives, including in particular the proposed merger with Cell Genesys, BioSante has incurred higher than anticipated expenses and liabilities. In addition, as of the initial filing of the registration statement of which this joint proxy statement/prospectus is a part, BioSante had not raised additional financing through an equity offering, which historically has been its primary method for raising additional financing. As a result, in connection with the re-issuance of BioSante's financial statements for the year ended December 31, 2008 as a result of the initial filing of the registration statement of which this joint proxy statement/prospectus is a part, BioSante's independent registered public accounting firm modified their report on BioSante's financial statements for the year ended December 31, 2008 to include an explanatory

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paragraph that expresses substantial doubt regarding BioSante's ability to continue as a going concern. BioSante's financial statements for the year ended December 31, 2008 and the unaudited condensed financial statements contained in this joint proxy statement/prospectus have been prepared assuming that BioSante will continue as a going concern, which contemplates the realization of assets and the settlement of liabilities in the normal course of business. The going concern paragraph in the audit report to BioSante's financial statements could adversely affect BioSante's relationships with third parties, which could further exacerbate its current liquidity issues and impact its ability to continue as a going concern, and negatively impact the trading price of its common stock. The recent inclusion of the going concern paragraph in the audit report to BioSante's financial statements also may influence BioSante's stockholders or the stockholders of Cell Genesys not to vote in favor of the approval and adoption of the proposed merger with Cell Genesys or may adversely affect BioSante's ability to obtain additional financing.

Risks Related to BioSante's Business

BioSante's proposed products are in the development stages and likely will not be commercially introduced for several years, if at all.

BioSante's proposed products are in the development stages and will require further development, preclinical and clinical testing and investment prior to commercialization in the United States and abroad. Other than Elestrin, none of BioSante's products have been introduced commercially nor does BioSante expect them to be for several years. Some of BioSante's products are not in active development. For example, at this time, BioSante believes that its estrogen/progestogen combination transdermal gel product sublicensed to Solvay Pharmaceuticals, B.V. is not in active development by Solvay, and BioSante does not expect its active development to occur at any time in the near future. BioSante cannot assure you that any of its proposed products will:

- be developed successfully;
- prove to be safe and effective in clinical studies;
- meet applicable regulatory standards or obtain required regulatory approvals;
- demonstrate substantial protective or therapeutic benefits in the prevention or treatment of any disease;
- be capable of being produced in commercial quantities at reasonable costs;
- obtain coverage and favorable reimbursement rates from insurers and other third-party payors; or

- be successfully marketed or achieve market acceptance by physicians and patients.

If BioSante fails to obtain regulatory approval to manufacture commercially or sell any of its future products, or if approval is delayed or withdrawn, BioSante will be unable to generate revenue from the sale of its products.

BioSante must obtain regulatory approval to sell any of its products in the United States and abroad. In the United States, BioSante must obtain the approval of the FDA for each product or drug that it intends to commercialize. The FDA approval process is typically lengthy and expensive, and approval is never certain. Products to be commercialized abroad are subject to similar foreign government regulation.

Generally, only a very small percentage of newly discovered pharmaceutical products that enter preclinical development are approved for sale. Because of the risks and uncertainties in biopharmaceutical development, BioSante's proposed products could take a significantly longer time to gain regulatory approval

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than BioSante expects or may never gain approval. If regulatory approval is delayed or never obtained, the credibility of BioSante's management, the value of its company and its operating results and liquidity would be adversely affected. Even if a product gains regulatory approval, the product and the manufacturer of the product may be subject to continuing regulatory review. In addition, even after obtaining regulatory approval, BioSante may be restricted or prohibited from marketing or manufacturing a product if previously unknown problems with the product or its manufacture are subsequently discovered. The FDA also may require BioSante to commit to perform lengthy post-approval studies, for which BioSante would have to expend significant additional resources, which could have an adverse effect on its operating results and financial condition.

To obtain regulatory approval to market BioSante's products, costly and lengthy pre-clinical studies and human clinical trials are required, and the results of the studies and trials are highly uncertain. As part of the FDA approval process, BioSante must conduct, at its own expense or the expense of current or potential licensees, clinical trials on humans on each of its proposed products. Pre-clinical studies on animals must be conducted on some of BioSante's proposed products. BioSante expects the number of pre-clinical studies and human clinical trials that the FDA will require will vary depending on the product, the disease or condition the product is being developed to address and regulations applicable to the particular product. BioSante may need to perform multiple pre-clinical studies using various doses and formulations before BioSante can begin human clinical trials, which could result in delays in its ability to market any of its products. Furthermore, even if BioSante obtains favorable results in pre-clinical studies on animals, the results in humans may be different.

After BioSante has conducted pre-clinical studies in animals, BioSante must demonstrate that its products are safe and effective for use on the target human patients in order to receive regulatory approval for commercial sale. The data obtained from pre-clinical and human clinical testing are subject to varying interpretations that could delay, limit or prevent regulatory approval. BioSante faces the risk that the results of its clinical trials in later phases of clinical trials may be inconsistent with those obtained in earlier phases. A number of companies in the biopharmaceutical industry have suffered significant setbacks in advanced clinical trials, even after experiencing promising results in early animal or human testing. Adverse or inconclusive human clinical results would prevent BioSante from filing for regulatory approval of BioSante's products. Additional factors that can cause delay or termination of BioSante's human clinical trials include:

- slow patient enrollment;
- timely completion of clinical site protocol approval and obtaining informed consent from subjects;
- longer treatment time required to demonstrate efficacy or safety;
- adverse medical events or side effects in treated patients;
- lack of effectiveness of the product being tested; and
- lack of funding.

Delays in BioSante's clinical trials could allow its competitors additional time to develop or market competing products and thus can be extremely costly in terms of lost sales opportunities and increased clinical trial costs.

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Although BioSante successfully has completed and reached agreement with the FDA under the SPA process for its Phase III safety and efficacy clinical trial program for LibiGel, BioSante still may not obtain FDA approval of LibiGel within a reasonable period of time or ever, which would harm its business and likely decrease its stock price.

BioSante anticipates that LibiGel, if approved by the FDA, could be a very successful product. However, LibiGel has not been approved for marketing by the FDA and is still subject to risks associated with its clinical development and obtaining regulatory approval. BioSante believes based on agreements with the FDA, including an SPA received in January 2008, that two Phase III safety and efficacy trials and one year of LibiGel exposure in a Phase III cardiovascular and breast cancer safety study with a four-year follow-up post-NDA filing and potentially post-FDA approval are the essential requirements for submission and, if successful, approval by the FDA of an NDA for LibiGel for the treatment of FSD, specifically, HSDD in menopausal women. The SPA process and agreement affirms that the FDA agrees that the LibiGel Phase III safety and efficacy clinical trial design, clinical endpoints, sample size, planned conduct and statistical analyses are acceptable to support regulatory approval. Further, it provides assurance that these agreed measures will serve as the basis for regulatory review and the decision by the FDA to approve an NDA for LibiGel. These SPA trials use BioSante's validated instruments to measure the clinical endpoints. The January 2008 SPA agreement covers the pivotal Phase III safety and efficacy trials of LibiGel in the treatment of FSD for surgically menopausal women. In July 2008, BioSante received another SPA for its LibiGel program in the treatment of FSD, specifically, HSDD in naturally menopausal women. The SPA agreements, however, are not guarantees of LibiGel approval by the FDA or approval of any permissible claims about LibiGel. In particular, SPA agreements are not binding on the FDA if previously unrecognized public health concerns later comes to light, other new scientific concerns regarding product safety or effectiveness arise, BioSante fails to comply with the protocol agreed upon, or the FDA's reliance on data, assumptions or information are determined to be wrong. Even after an SPA agreement is finalized, the SPA agreement may be changed by BioSante or the FDA on written agreement of both parties, and the FDA retains significant latitude and discretion in interpreting the terms of the SPA agreement and the data and results from any study that is the subject of the SPA agreement. In addition, the data obtained from clinical trials are susceptible to varying interpretations, which could delay, limit or prevent FDA regulatory approval.

Delays in the completion of these clinical trials, which can result from unforeseen issues, FDA interventions, problems with enrolling patients and other reasons, could delay significantly commercial launch and affect BioSante's product development costs. Moreover, results from these clinical studies may not be as favorable as the results BioSante obtained in prior, completed studies. BioSante cannot ensure that, even after extensive clinical trials, regulatory approval will ever be obtained for LibiGel.

Uncertainties associated with the impact of published studies regarding the adverse health effects of certain forms of hormone therapy could adversely affect the market for hormone therapy products and the trading price of BioSante common stock.

The market for hormone therapy products has been affected negatively by the Women's Health Initiative (WHI) study and other studies that have found that the overall health risks from the use of certain hormone therapy products exceed the benefits from the use of those products among healthy postmenopausal women. In July 2002, the NIH released data from its WHI study on the risks and benefits associated with long-term use of oral hormone therapy by healthy women. The NIH announced that it was discontinuing the arm of the study investigating the use of oral estrogen/progestin combination hormone therapy products after an average follow-up period of 5.2 years because the product used in the study was shown to cause an increase in the risk of invasive breast cancer. The study also found an increased risk of stroke, heart attacks and blood clots and concluded that overall health risks exceeded benefits from use of combined estrogen plus progestin for an average of 5.2 year follow-up among healthy postmenopausal women. Also in July 2002, results of an observational study sponsored by the National Cancer Institute on the effects of estrogen therapy were announced. The main finding of the study was that postmenopausal women who used estrogen therapy for 10 or more years had a higher risk of developing ovarian cancer than women who never used hormone therapy.

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In October 2002, a significant hormone therapy study being conducted in the United Kingdom also was halted. BioSante's products differ from the products used in the WHI study and the primary products observed in the National Cancer Institute and United Kingdom studies. In March 2004, the NIH announced that the estrogen-alone study was discontinued after nearly seven years because the NIH concluded that estrogen alone does not affect (either increase or decrease) heart disease, the major question being evaluated in the study. The findings indicated a slightly increased risk of stroke as well as a decreased risk of hip fracture and breast cancer. Preliminary data from the memory portion of the WHI study suggested that estrogen alone may possibly be associated with a slight increase in the risk of dementia or mild cognitive impairment.

Researchers continue to analyze data from both arms of the WHI study and other studies. Recent reports indicate that the safety of estrogen products may be affected by the age of the woman at initiation of therapy. There currently are no studies published comparing the safety of BioSante's products against other hormone therapies. The markets for female hormone therapies for menopausal symptoms have declined as a result of these published studies. The release of any follow-up or other studies that show adverse effects from hormone therapy, including in particular, hormone therapies similar to BioSante's products, also would adversely affect its business and likely decrease its stock price.

If clinical trials for BioSante's proposed products are prolonged or delayed, BioSante may be unable to commercialize its proposed products on a timely basis, which would require it to incur additional costs and delay its receipt of any revenue from potential product sales or licenses.

BioSante may encounter problems with its completed, ongoing or planned clinical trials for its proposed products that will cause it or any regulatory authority to delay or suspend those clinical trials or delay the analysis of data derived from them. A number of events, including any of the following, could delay the completion of, or terminate, BioSante's ongoing and planned clinical trials for its proposed products and negatively impact its ability to obtain regulatory approval or enter into collaborations for, or market or sell, a particular proposed product:

- conditions imposed on BioSante by the FDA or any foreign regulatory authority regarding the scope or design of its clinical trials;
- delay in developing, or its inability to obtain, a clinical dosage form, insufficient supply or deficient quality of its proposed products or other materials necessary to conduct its clinical trials;
- negative or inconclusive results from clinical trials, or results that are inconsistent with earlier results, that necessitate additional clinical study or termination of a clinical program;
- serious and/or unexpected product-related side effects experienced by subjects in clinical trials; or
- failure of its third-party contractors or its investigators to comply with regulatory requirements or otherwise meet their contractual obligations to BioSante in a timely manner.

Regulatory authorities, clinical investigators, institutional review boards, data safety monitoring boards and the sites at which BioSante's clinical trials are conducted all have the power to stop its clinical trials prior to completion. BioSante's clinical trials for its products may not begin as planned, may need to be restructured, and may not be completed on schedule, if at all. This is particularly true if BioSante no longer has the financial resources to dedicate to its clinical trial program.

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BioSante entered into an exclusive sublicense agreement Azur Pharma International II, Limited for the marketing of Elestrin in the United States as a result of which BioSante is dependent upon Azur for the marketing and sale of Elestrin.

In December 2008, BioSante entered into an exclusive sublicense agreement with Azur for the marketing of Elestrin in the United States pursuant to which BioSante received an upfront license payment and has the right to receive certain sales-based milestone payments, plus royalties on sales of Elestrin. As a result of this agreement, Elestrin is subject to not only general market acceptance of the product, but also the success of Azur in marketing and selling the product. Sales of Elestrin by BioSante's former sublicensee, Nycomed US Inc. (which acquired Bradley Pharmaceuticals, Inc. in February 2008), were minimal and did not result in BioSante's receipt of any meaningful royalty revenue. Azur launched sales and marketing activities related to Elestrin in April 2009. Royalty revenues from sales of Elestrin were \$90,934 for the six months ended June 30, 2009. BioSante cannot assure you that Azur will be successful in marketing Elestrin or that Azur will remain focused on the commercialization of Elestrin or will not otherwise breach the terms of its agreement with BioSante, especially if Azur does not experience significant Elestrin sales. Any breach by Azur of its obligations under BioSante's agreement or a termination of the agreement could adversely affect the success of Elestrin if BioSante is unable to sublicense the product to another party on substantially the same or better terms or continue the future commercialization of the product itself.

Elestrin, which is FDA approved, and BioSante's other proposed products, if they receive FDA approval, may not achieve expected levels of market acceptance, which could have a material adverse effect on BioSante's business, financial position and operating results and could cause the market value of BioSante common stock to decline.

The commercial success of BioSante's FDA-approved product, Elestrin, and its other proposed products, if they receive the required regulatory approvals, is dependent upon market acceptance by physicians and patients. Levels of market acceptance for BioSante's products could be affected by several factors, including:

- the availability of alternative products from competitors;
- the price of BioSante's products relative to that of its competitors;
- the timing of market entry; and
- the ability to market its products effectively.

Some of these factors are not within BioSante's control, especially if it has transferred all of the marketing rights associated with the product, as BioSante has with Elestrin to Azur. Elestrin and BioSante's proposed products may not achieve expected levels of market acceptance. Additionally, continuing studies of the proper utilization, safety and efficacy of pharmaceutical products are being conducted by the industry, government agencies and others. Such studies, which increasingly employ sophisticated methods and techniques, can call into question the utilization, safety and efficacy of previously marketed products. In some cases, these studies have resulted, and may in the future result, in the

discontinuance of product marketing. These situations, should they occur, could have a material adverse effect on BioSante's business, financial position and results of operations, and the market value of BioSante common stock could decline.

BioSante and its sublicensees depend on third-party manufacturers to produce BioSante's proposed products and if these third parties do not successfully manufacture these products its business would be harmed.

BioSante has no manufacturing experience or manufacturing capabilities for the production of its proposed products for clinical trials or commercial sale. In order to continue to develop proposed products,

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apply for regulatory approvals and commercialize its proposed products following approval, BioSante or its sublicensees must be able to manufacture or contract with third parties to manufacture its products in clinical and commercial quantities, in compliance with regulatory requirements, at acceptable costs and in a timely manner. The manufacture of BioSante's products may be complex, difficult to accomplish and difficult to scale-up when large-scale production is required. Manufacture may be subject to delays, inefficiencies and poor or low yields of quality products. The cost of manufacturing BioSante's products may make them prohibitively expensive. If supplies of any of BioSante's products become unavailable on a timely basis or at all or are contaminated or otherwise lost, clinical trials by it could be seriously delayed.

To the extent that BioSante or its sublicensees seek to enter into manufacturing arrangements with third parties, BioSante and such sublicensees will depend upon these third parties to perform their obligations in a timely and effective manner and in accordance with government regulations. Contract manufacturers may breach their manufacturing agreements because of factors beyond BioSante's control or may terminate or fail to renew a manufacturing agreement based on their own business priorities at a time that is costly or inconvenient for BioSante. If third-party manufacturers fail to perform their obligations, BioSante's competitive position and ability to generate revenue may be adversely affected in a number of ways, including:

- BioSante and its collaborators may not be able to initiate or continue clinical trials of product candidates that are under development;
- BioSante and its collaborators may be delayed in submitting applications for regulatory approvals for its product candidates; and
- BioSante and its collaborators may not be able to meet commercial demands for any approved products.

BioSante has very limited staffing and will continue to be dependent upon key employees.

BioSante's success is dependent upon the efforts of a small management team and staff. BioSante has employment arrangements in place with both of its two executive officers, but neither of its executive officers is legally bound to remain employed for any specific term. BioSante does not have key man life insurance policies covering its executive officers or any of its other employees. If key individuals leave BioSante, it could be adversely affected if suitable replacement personnel are not recruited quickly.

There is competition for qualified personnel in all functional areas, which makes it difficult to attract and retain the qualified personnel necessary for the development and growth of BioSante's business. BioSante's future success depends upon its ability to continue to attract and retain qualified personnel.

Failure to maintain effective internal controls in accordance with Section 404 of the Sarbanes-Oxley Act of 2002 could have a material adverse effect on BioSante's stock price.

Section 404 of the Sarbanes-Oxley Act of 2002 requires BioSante's management to assess and its independent registered public accounting firm to provide an opinion on the effectiveness of its internal controls over financial reporting. The Committee of Sponsoring Organizations of the Treadway Commission provides a framework for companies to assess and improve their internal control systems. If BioSante is unable to maintain effective internal controls, BioSante might be subject to sanctions or investigations by regulatory authorities, such as the Securities and Exchange Commission or the NASDAQ Stock Market. Any such action could adversely affect BioSante's financial results, financial position and the market price of BioSante common stock. In addition, if one or more material weaknesses is identified in BioSante's internal controls over financial reporting, BioSante will be unable to assert that its internal controls over financial reporting is effective. If BioSante is unable to assert that its internal controls over financial reporting is effective (or if its independent registered public accounting firm is unable to express an opinion or issues an adverse opinion on the effectiveness of its internal controls over financial reporting), BioSante could lose investor confidence in

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the accuracy and completeness of its financial reports, which in turn could have an adverse effect on its stock price. If BioSante fails to maintain the adequacy of its internal controls, as such standards are modified, supplemented or amended from time to time, BioSante may not be able to ensure that it can conclude on an ongoing basis that it has effective internal controls over financial reporting in accordance with Section 404 of the Sarbanes-Oxley Act. Failure to achieve and maintain effective internal controls over financial reporting could have an adverse effect on BioSante common stock price.

Risks Related to BioSante's Industry

Because BioSante's industry is very competitive and many of its competitors have substantially greater capital resources and more experience in research and development, manufacturing and marketing than BioSante, BioSante may not succeed in developing its proposed products and bringing them to market.

Competition in the pharmaceutical industry is intense. Potential competitors in the United States and abroad are numerous and include pharmaceutical, chemical and biotechnology companies, most of which have substantially greater capital resources and more experience in research and development, manufacturing and marketing than BioSante. Academic institutions, hospitals, governmental agencies and other public and private research organizations are also conducting research and seeking patent protection and may develop and commercially introduce competing products or technologies on their own or through joint ventures. BioSante cannot assure you that its competitors, some of whom are its development collaborators, will not succeed in developing similar technologies and products more rapidly than BioSante does, commercially introducing such technologies and products to the marketplace prior to BioSante, or that these competing technologies and products will not be more effective or successful than any of those that BioSante currently is developing or will develop.

Because the pharmaceutical industry is heavily regulated, BioSante faces significant costs and uncertainties associated with its efforts to comply with applicable regulations. Should BioSante fail to comply, it could experience material adverse effects on its business, financial position and results of operations, and the market value of BioSante common stock could decline.

The pharmaceutical industry is subject to regulation by various federal and state governmental authorities. For example, BioSante must comply with FDA requirements with respect to the development of its proposed products and its clinical trials, and if any of its proposed products are approved, the manufacture, labeling, sale, distribution, marketing, advertising and promotion of its products. Failure to comply with FDA and other governmental regulations can result in fines, disgorgement, unanticipated compliance expenditures, recall or seizure of products, total or partial suspension of production and/or distribution, suspension of the FDA's review of NDAs, enforcement actions, injunctions and criminal prosecution. Under certain circumstances, the FDA also has the authority to revoke previously granted drug approvals. Despite BioSante's efforts at compliance, there is no guarantee that BioSante may not be deemed to be deficient in some manner in the future. If BioSante were deemed to be deficient in any significant way, its business, financial position and results of operations could be materially affected and the market value of BioSante common stock could decline.

Risks Related to BioSante's Intellectual Property

BioSante licenses the technology underlying most of its products and a portion of its CaP technology from third parties and may lose the rights to license them, which could have a material adverse effect on its business, financial position and operating results and could cause

the market value of its common stock to decline.

BioSante licenses certain of the technology underlying its products from Antares Pharma, Inc., a portion of its CaP technology from the University of California and the Pill-Plus from Wake Forest University. BioSante may lose its right to license these technologies if it breaches its obligations under the license

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agreements. Although BioSante intends to use its reasonable best efforts to meet these obligations, if BioSante violates or fails to perform any term or covenant of the license agreements or with respect to the University of California's license agreement within 60 days after written notice from the University of California, the other party to these agreements may terminate these agreements or certain projects contained in these agreements. The termination of these agreements, however, will not relieve BioSante of its obligation to pay any royalty or license fees owed at the time of termination. BioSante's failure to retain the right to license the technology underlying its proposed products or CaP technology could harm its business and future operating results. For example, if BioSante were to enter into a sublicense agreement with a third party under which BioSante agrees to sublicense its hormone therapy technology or CaP technology for a license fee, the termination of the main license agreement with Antares Pharma, Inc., the University of California or Wake Forest University could either, depending upon the terms of the sublicense agreement, cause BioSante to breach its obligations under the sublicense agreement or give the other party a right to terminate that agreement, thereby causing BioSante to lose future revenue generated by the sublicense fees.

BioSante has licensed some of its products to third parties and any breach by these parties of their obligations under these sublicense agreements or a termination of these sublicense agreements by these parties could adversely affect the development and marketing of its licensed products. In addition, these third parties also may compete with BioSante with respect to some of its proposed products.

BioSante has licensed its CaP technology for use as a facial line filler to Medical Aesthetics Technology Corporation and some of its hormone therapy product to third parties, including Azur, Solvay Pharmaceuticals, B.V., Teva Pharmaceuticals USA, Inc., Pantarhei Bioscience B.V. and PharmaSwiss SA. All of these parties, except for Azur as to development, have agreed to be responsible for continued development, regulatory filings and manufacturing and marketing associated with the products. In addition, BioSante in the future may enter into additional similar license agreements. BioSante's products that it has licensed to others thus are subject to not only customary and inevitable uncertainties associated with the drug development process, regulatory approvals and market acceptance of products, but also depend on the respective licensees for timely development, obtaining required regulatory approvals, commercialization and otherwise continued commitment to the products. BioSante's current and future licensees may have different and, sometimes, competing priorities. BioSante cannot assure you that its partners or any future third party to whom BioSante may license its proposed products will remain focused on the development and commercialization of its partnered products or will not otherwise breach the terms of its agreements with them, especially since these third parties also may compete with BioSante with respect to some of its proposed products. For example, at this time, BioSante believes that its estrogen/progestogen combination transdermal hormone therapy gel product licensed to Solvay is not in active development by Solvay, and BioSante does not expect its active development to occur at any time in the near future.

If BioSante is unable to protect its proprietary technology, it may not be able to compete as effectively.

The pharmaceutical industry places considerable importance on obtaining patent and trade secret protection for new technologies, products and processes. BioSante's success will depend, in part, upon its ability to obtain, enjoy and enforce protection for any products it develops or acquires under United States and foreign patent laws and other intellectual property laws, preserve the confidentiality of its trade secrets and operate without infringing the proprietary rights of third parties. BioSante relies on patent protection, as well as a combination of copyright and trademark laws and nondisclosure, confidentiality and other contractual arrangements to protect its proprietary technology. However, these legal means afford only limited protection and may not adequately protect BioSante's rights or permit it to gain or keep any competitive advantage.

Where appropriate, BioSante seeks patent protection for certain aspects of its technology. However, BioSante's owned and licensed patents and patent applications may not ensure the protection of its intellectual property for a number of other reasons:

- BioSante does not know whether its licensor's patent applications will result in issued patents.

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- Competitors may interfere with BioSante's patents and patent process in a variety of ways. BioSante's issued patents and those that may be issued in the future may be challenged, invalidated or circumvented, which could limit its ability to stop competitors from marketing related products. Competitors may claim that they invented the claimed invention before BioSante or may claim that BioSante is infringing on their patents and therefore BioSante cannot use its technology as claimed under its patent. Competitors also may have BioSante's patents reexamined by demonstrating to the patent examiner that the invention was not original or novel or was obvious.
- BioSante is engaged in the process of developing proposed products. Even if BioSante receives a patent, it may not provide much practical protection. There is no assurance that third parties will not be able to design around BioSante's patents. If BioSante receives a patent with a narrow scope, then it will be easier for competitors to design products that do not infringe on its patent. Even if the development of BioSante's proposed products is successful and approval for sale is obtained, there can be no assurance that applicable patent coverage, if any, will not have expired or will not expire shortly after this approval. Any expiration of the applicable patent could have a material adverse effect on the sales and profitability of BioSante's proposed products.
- Litigation also may be necessary to enforce patent rights BioSante holds or to protect trade secrets or techniques BioSante owns. Intellectual property litigation is costly and may adversely affect BioSante's operating results. Such litigation also may require significant time by BioSante's management. In litigation, a competitor could claim that BioSante's issued patents are not valid for a number of reasons. If the court agrees, BioSante would lose protection on products covered by those patents.
- BioSante also may support and collaborate in research conducted by government organizations or universities. BioSante cannot guarantee that it will be able to acquire any exclusive rights to technology or products derived from these collaborations. If BioSante does not obtain required licenses or rights, BioSante could encounter delays in product development while it attempts to design around other patents or it may be prohibited from developing, manufacturing or selling products requiring these licenses. There is also a risk that disputes may arise as to the rights to technology or products developed in collaboration with other parties.

BioSante also relies on unpatented proprietary technology. It is unclear whether efforts to secure BioSante's trade secrets will provide useful protection. BioSante relies on the use of registered trademarks with respect to the brand names of some of its products. BioSante also relies on common law trademark protection for some brand names, which are not protected to the same extent as its rights in the use of its registered trademarks. BioSante cannot assure you that it will be able to meaningfully protect all of its rights in its unpatented proprietary technology or that others will not independently develop substantially equivalent proprietary products or processes or otherwise gain access to its unpatented proprietary technology. BioSante seeks to protect its know-how and other unpatented proprietary technology, in part with confidentiality agreements and intellectual property assignment agreements with its employees and consultants. However, such agreements may not be enforceable or may not provide meaningful protection for BioSante's proprietary information in the event of unauthorized use or disclosure or other breaches of the agreements or in the event that its competitors discover or independently develop similar or identical designs or

other proprietary information. Enforcing a claim that someone else illegally obtained and is using BioSante's trade secrets, like patent litigation, is expensive and time consuming, and the outcome is unpredictable. In addition, courts outside the United States are sometimes less willing to protect trade secrets.

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Claims by others that BioSante's products infringe their patents or other intellectual property rights could adversely affect BioSante's financial condition.

The pharmaceutical industry has been characterized by frequent litigation regarding patent and other intellectual property rights. Patent applications are maintained in secrecy in the United States and also are maintained in secrecy outside the United States until the application is published. Accordingly, BioSante can conduct only limited searches to determine whether its technology infringes the patents or patent applications of others. Any claims of patent infringement asserted by third parties would be time-consuming and could likely:

- result in costly litigation;
- divert the time and attention of BioSante's technical personnel and management;
- cause product development delays;
- require BioSante to develop non-infringing technology; or
- require BioSante to enter into royalty or licensing agreements.

Although patent and intellectual property disputes in the pharmaceutical industry often have been settled through licensing or similar arrangements, costs associated with these arrangements may be substantial and often require the payment of ongoing royalties, which could hurt BioSante's potential gross margins. In addition, BioSante cannot be sure that the necessary licenses would be available to it on satisfactory terms, or that BioSante could redesign its products or processes to avoid infringement, if necessary. Accordingly, an adverse determination in a judicial or administrative proceeding, or the failure to obtain necessary licenses, could prevent BioSante from developing, manufacturing and selling some of BioSante's products, which could harm its business, financial condition and operating results.

Risks Related to Cell Genesys

In determining whether to approve the merger, you should carefully read the following risk factors. BioSante and Cell Genesys anticipate that immediately following the merger the business of the combined company will be the business conducted by BioSante immediately prior to the merger. As a result, the risk factors set forth under the heading "Risks Related to the Combined Company," are the most significant that you will face if the merger is completed. In addition, you should read and consider the risks associated with the business of Cell Genesys because these risks also may relate to BioSante following completion of the merger.

Cell Genesys no longer has any product candidates in clinical or preclinical development from which the company can potentially generate any revenue from product sales.

As a result of terminating both the VITAL-1 and VITAL-2 trials Cell Genesys ended further development of GVAX immunotherapy for prostate cancer. Cell Genesys no longer has any product candidates in clinical or preclinical development. Cell Genesys does not expect to generate any revenue from product sales of its product candidates for at least the next several years, if ever.

The commercial value of Cell Genesys' s patents is uncertain.

As of June 30, 2009, following a series of decisions to reduce expenses related to the maintenance and prosecution of its patents, Cell Genesys had 95 U.S. and non-U.S. patents issued or granted to it or available for use by it based on licensing arrangements and 82 U.S. and non-U.S. applications pending in Cell Genesys' s name or available for use by it based on licensing arrangements. The patent positions of pharmaceutical and

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biotechnology firms, including Cell Genesys, are generally uncertain and involve complex legal and factual questions. Cell Genesys believes that there will continue to be significant litigation in the industry regarding patent and other intellectual property rights. Cell Genesys cannot be certain whether any given patent application filed by it or its licensors will result in the issuance of a patent or if any given patent issued to Cell Genesys or its licensors will later be challenged and invalidated. Nor can Cell Genesys be certain whether any given patent that may be issued to it or its licensors will provide any significant proprietary protection to Cell Genesys's products and business. Others may have filed patent applications or received patents and may file additional patent applications and obtain additional patents that may prevent patents being issued to Cell Genesys or its licensors or limit the scope of those patents. Depending upon their filing date, patent applications in the United States are confidential until the patent applications are published, typically eighteen months after their filing date, or patents are issued. Outside the United States, patent applications are confidential until they are published, typically eighteen months after their first filing date. In addition, publication of discoveries in the scientific or patent literature tends to lag behind actual discoveries by several to many months. Accordingly, Cell Genesys cannot be sure that it or its licensors were the first creator of inventions covered by Cell Genesys's or its licensors' pending patent applications or issued patents or that Cell Genesys or its licensors were the first to file patent applications for these inventions. In addition, because patents have a limited life, subject to potential extensions, patents issued to Cell Genesys or its licensors may have expired prior to or have limited term remaining after the first commercial sale of a related product. As a result, the commercial value of these patents might be limited. The alternatives Cell Genesys is exploring include the sale of its assets, but Cell Genesys may not be able to sell its intellectual property at attractive prices or for any price, or Cell Genesys's competitors may challenge its ownership.

Cell Genesys may have to engage in litigation to determine the scope and validity of third party patents and proprietary rights, which, if it does not prevail, could harm its business, results of operations, financial condition, cash flow and future prospects.

Third parties may have filed patent applications and obtained patents and may in the future file patent applications and obtain patents relating to Cell Genesys's products and technologies. Cell Genesys is aware of competing intellectual property relating to its technologies and products. From time to time Cell Genesys has received communications from third parties claiming to have conflicting rights relating to components of its products and technologies. Regardless of their ultimate merit, any infringement or other intellectual property claims against Cell Genesys's products and technologies may be expensive and time-consuming to litigate and may divert management attention. If any such claim were successful, Cell Genesys could be required to obtain licenses to a third party's technologies, patents or other proprietary rights or to their biological or chemical reagents in order to develop and market Cell Genesys's products. Moreover, Cell Genesys may choose to voluntarily seek such a license in order to avoid the expense and uncertainty of fully defending its position. In either event, such a license may not be available to Cell Genesys on acceptable terms or on any terms, and Cell Genesys may have to discontinue that portion of its business, or such third party may seek an injunction to prevent Cell Genesys from practicing their proprietary technology. In addition, to the extent Cell Genesys licenses its intellectual property to other parties, Cell Genesys may incur expenses as a result of contractual agreements in which Cell Genesys indemnifies those licensing its technologies against losses incurred if practicing its intellectual property infringes upon the proprietary rights of others. The failure to license any technologies or biological or chemical reagents required to develop or commercialize Cell Genesys's technologies or products at reasonable cost may harm Cell Genesys's business, results of operations, financial condition, cash flow and future prospects.

Cell Genesys may have to engage in litigation, which could result in substantial cost or distraction, to enforce or defend its patents and which, if Cell Genesys not prevail, could harm its business and make it more vulnerable to competition.

In the future, Cell Genesys may have to engage in litigation to enforce or defend its proprietary rights and patents. To determine who was first to make an invention claimed in a U.S. patent application or patent and thus be entitled to a patent, the USPTO can declare an interference proceeding. In the United States,

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patents may be revoked or invalidated in court actions or in reexamination proceedings in front of the USPTO. In Europe, patents can be revoked through opposition or nullity proceedings. Such litigation or proceedings could result in substantial cost or distraction to Cell Genesys. These proceedings could potentially result in an adverse decision as to Cell Genesys' s or its licensors' patent applications and patents.

Cell Genesys cannot predict the outcome of interference, reexamination, opposition or nullity proceedings or patent litigation that it may become involved with in the future. An adverse result in any of these proceedings could have an adverse effect on Cell Genesys' s intellectual property position in the technologies to which the patent applications or patents involved in the proceedings are directed and on its business in related areas. If Cell Genesys loses in any such proceeding, its patents or patent applications that are the subject matter of the proceeding may be invalidated or may not be issued as patents. Cell Genesys also may be required to obtain a license from the prevailing party.

Cell Genesys' s ability to protect and control unpatented trade secrets, know-how and other technological innovation is limited.

Cell Genesys has a limited ability to protect and control unpatented trade secrets, know-how and other technological innovation. Others may independently develop similar or better proprietary information and techniques and disclose them publicly. Also, others may gain access to Cell Genesys' s trade secrets, and Cell Genesys may not be able to meaningfully protect its rights to its unpatented trade secrets. In addition, confidentiality agreements and other measures may not provide meaningful protection for Cell Genesys' s trade secrets in the event of unauthorized use or disclosure of such information. Failure to protect and control such trade secrets, know-how and innovation could harm the value of Cell Genesys' s unpatented trade secrets, know-how and other technological innovation.

Inventions or processes discovered by Cell Genesys' s outside scientific collaborators or consultants may not become Cell Genesys' s property, which may affect its competitive position.

In the past Cell Genesys has relied on the continued availability of outside scientific collaborators to perform research for Cell Genesys. As these scientific collaborators are not Cell Genesys employees, the company has had limited control over their activities. Cell Genesys' s arrangements with these collaborators, as well as those with Cell Genesys' s scientific consultants, provide that any rights Cell Genesys obtains as a result of their research efforts will be subject to the rights of the research institutions for which they work. For these reasons, inventions or processes discovered by Cell Genesys' s scientific collaborators or consultants may not become Cell Genesys' s property.

If Cell Genesys fails to maintain an effective system of internal controls, it may not be able to accurately report its financial results, maintain investor confidence or prevent fraud.

Effective internal controls are necessary for Cell Genesys to provide reliable financial reports, maintain investor confidence and prevent fraud. As part of Cell Genesys' s examination of its internal systems in response to Sarbanes-Oxley requirements, Cell Genesys has discovered in the past, and may in the future discover, areas of its internal controls that could be improved. None of these issues have risen to the level that Cell Genesys was unable to attest to the effectiveness of its internal controls when Cell Genesys was required to do so. Cell Genesys cannot be certain that any measures that it takes to improve its internal controls will ensure that it implements and maintains adequate controls over its financial processes and reporting in the future. In addition, as a result of its recent restructuring, Cell Genesys has significantly reduced its number of employees, having only nine employees as of June 30, 2009, and there can be no guarantee that it will be able to retain employees with the requisite expertise to maintain an effective system of internal controls. Any failure to implement required new or improved controls, or

difficulties encountered in their implementation, could harm Cell Genesys's operating results or cause it to fail to meet its reporting obligations. Inferior internal controls could also cause investors to lose confidence in Cell Genesys's reported financial information, which could have a negative effect on the trading price of Cell Genesys common stock.

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Cell Genesys in the future may be exposed to product liability claims, which could harm its business, results of operations, financial condition and cash flow.

Clinical trials or marketing of any of Cell Genesys's potential products, including the recently terminated VITAL-1 and VITAL-2 trials of GVAX immunotherapy for prostate cancer, may expose Cell Genesys to liability claims resulting from the use of its products. These claims might be made by clinical trial participants and associated parties, consumers, health care providers, sellers of Cell Genesys's products or others. A claim, particularly resulting from a clinical trial, or a product recall could harm Cell Genesys's business, results of operations, financial condition, cash flow and future prospects.

Accounting pronouncements may impact Cell Genesys's reported results of operations and financial position.

U.S. generally accepted accounting principles and related implementation guidelines and interpretations can be highly complex and involve subjective judgments. Changes in these rules or their interpretation, the adoption of new pronouncements or the application of existing pronouncements to changes in Cell Genesys's business could significantly alter Cell Genesys's reported financial statements and results of operations.

Cell Genesys is subject to federal, state, local and foreign laws and regulations, and complying with these may cause Cell Genesys to incur significant costs.

Cell Genesys's research, product development and manufacturing activities have involved the controlled use of hazardous materials, and Cell Genesys may incur significant costs as a result of the need to comply with numerous laws and regulations. Cell Genesys is subject to laws and regulations enforced by the FDA, the DEA, the CDHS, foreign health authorities and other regulatory statutes including the Occupational Safety and Health Act, the Environmental Protection Act, the Toxic Substances Control Act, the Food, Drug and Cosmetic Act, the Resource Conservation and Recovery Act, and other current and potential federal, state, local and foreign laws and regulations governing the use, manufacture, storage, handling and disposal of Cell Genesys's products, materials used to develop and manufacture such products, and resulting waste products.

Cell Genesys cannot completely eliminate the risk of contamination or injury, by accident or as the result of intentional acts from these materials. In the event of an accident, Cell Genesys could be held liable for any damages that result, and any resulting liability could exceed its resources. Cell Genesys does not carry insurance for potential exposures which could result from these risks. Cell Genesys may also be required to incur significant costs to comply with environmental laws and regulations in the future. Cell Genesys is also subject to laws generally applicable to businesses, including but not limited to, federal, state and local regulations relating to wage and hour matters, employee classification, mandatory healthcare benefits, unlawful workplace discrimination and whistle-blowing. Any actual or alleged failure to comply with any regulation applicable to its business or any whistle-blowing claim, even if without merit, could result in costly litigation, regulatory action or otherwise harm Cell Genesys's business, results of operations, financial condition, cash flow and future prospects.

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Risks Related to the Combined Company

*In determining whether to approve the adoption of the merger agreement and the transactions contemplated thereby, BioSante and Cell Genesys stockholders should carefully read the following risk factors. Following the merger, BioSante and Cell Genesys anticipate that the business of the combined company will be the business conducted by BioSante prior to the merger. As a result, the risk factors set forth under the heading **Risks Related to BioSante**, together with the following risks, are the most significant BioSante and Cell Genesys stockholders will face if the merger is completed.*

Upon completion of the merger, the combined company will have substantial indebtedness, which increases the vulnerability of the combined company to general adverse economic and industry conditions and may limit the combined company's ability to pursue strategic alternatives and react to changes in its business and industry.

Upon completion of the merger, the combined company will have a significant amount of debt and no significant source of revenues. As of June 30, 2009, Cell Genesys had outstanding \$20.8 million aggregate principal amount of convertible senior notes due in May 2013 and \$1.2 million aggregate principal amount of convertible senior notes due in November 2011. It is anticipated that upon completion of the merger, the combined company will have \$22.0 million aggregate principal amount of outstanding convertible notes, \$1.2 million of which will be due in November 2011 and \$20.8 million of which will be due in May 2013. The annual interest payment on these notes is anticipated to be approximately \$0.7 million. This substantial indebtedness could harm the combined company's business, results of operations, financial condition, cash flow and future prospects. For example, it could:

- make it more difficult for the combined company to pay its debts and meet other financial obligations as they become due;
- require the combined company to dedicate a substantial portion of its cash flows to make principal and interest payments which will reduce the combined company's cash flow available for operations and future business opportunities;
- limit the combined company's ability to raise or borrow additional funds for future working capital, capital expenditures, research and development and other general corporate requirements;
- increase the combined company's vulnerability to general adverse economic and industry conditions;
- limit the combined company's ability to pursue strategic alternatives, including merger or acquisition transactions; and

- limit the combined company's flexibility to react to changes in its business and the industry in which it will operate.

The combined company may not have sufficient funds to pay principal and interest on its outstanding convertible notes as they become due, which would have a material adverse effect on the combined company's financial condition.

It is anticipated that upon completion of the merger, the combined company will have \$22.0 million aggregate principal amount of outstanding convertible notes, \$1.2 million of which will be due in November 2011 and \$20.8 million of which will be due in May 2013. The annual interest payment on these notes is anticipated to be approximately \$0.7 million. Although it is anticipated that upon completion of the merger, the combined company will have approximately \$21.5 million in cash and cash equivalents, assuming a closing date of October 31, 2009, the combined company will not have any significant source of revenues.

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Although the combined company intends to continue to seek additional financing, it is possible that the combined company may not have sufficient funds to pay the principal and interest on its convertible notes when they become due, especially if an event of default were to occur under the indentures governing the convertible notes.

The indentures to be assumed by the combined company contain covenants, which if not complied with, could result in an event of default and the acceleration of all amounts due under the notes.

The indentures contain covenants, such as the requirement to pay accrued interest on May 1 and November 1 of each year, the requirement to repurchase the notes upon a fundamental change, as defined in the indenture, if a note holder so elects and the requirement to file periodic reports electronically with the SEC, which if not complied with, could result in an event of default and the acceleration of all amounts due under the notes. Upon the occurrence of an event of default under the indentures, the trustee has available a range of remedies customary in these circumstances, including declaring all such indebtedness, together with accrued and unpaid interest thereon, to be due and payable. Although it is possible we could negotiate a waiver with the trustee and the holders of the notes, such a waiver likely would involve significant costs. It is also possible that we could refinance our obligations under the notes; however, such a refinancing also would involve significant costs and likely result in increased interest rates.

The combined company likely will need to raise additional financing to fund its Phase III clinical study program for LibiGel, and if the combined company is unable to raise such financing when needed, it may have to curtail significantly or even cease its ongoing operations.

The combined company will not have sufficient resources to obtain regulatory approval of its proposed products or to complete the commercialization of any of its proposed products, including LibiGel. If the merger is completed, BioSante expects that the cash resources of the combined company expected to be available at the closing of the merger would provide the combined company sufficient capital to maintain its projected business operations through at least the next 12 months, including continued Phase III clinical development of LibiGel. Like BioSante, the combined company's future capital requirements will depend upon numerous factors, including:

- the progress, timing, cost and results of its preclinical and clinical development programs, including in particular its Phase III clinical study program for LibiGel, and its other product development efforts;
- patient recruitment and enrollment in its current and future clinical studies, including in particular its Phase III clinical study program for LibiGel;
- the commercial success and net sales of Elestrin;
- its ability to license LibiGel or its other products for development and commercialization;

- the cost, timing and outcome of regulatory reviews of its proposed products;
- the rate of technological advances;
- the commercial success of its proposed products;
- its general and administrative expenses;
- the timing and cost of obtaining third party reimbursement for its products;
- the activities of its competitors; and

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- the success, progress, timing and costs of its business development efforts to implement business collaborations, licenses and other business combinations or transactions.

Additional financing may not be available to the combined company on terms favorable to it, or at all. If adequate funds are not available or are not available on acceptable terms when the combined company needs them, the combined company may be required to delay, scale back or eliminate some or all of its programs designed to obtain regulatory approval of its proposed products, including most importantly, its Phase III clinical study program for LibiGel. Failure to obtain adequate financing also may cause the combined company to curtail significantly or even cease its ongoing operations.

After the completion of the merger, the combined company will possess not only all of the assets but also all of the liabilities of both BioSante and Cell Genesys. Discovery of previously undisclosed liabilities could have an adverse effect on the combined company's business, operating results and financial condition.

Acquisitions involve risks, including inaccurate assessment of undisclosed, contingent or other liabilities or problems. In October 2008, in view of the termination of both its VITAL-1 and VITAL-2 Phase III clinical trials, Cell Genesys placed on hold the further development of GVAX immunotherapy for prostate cancer. Cell Genesys subsequently implemented a substantial restructuring plan to wind down its business operations and seek strategic alternatives. Under the restructuring plan, Cell Genesys terminated approximately over 280 employees, closed two facilities and terminated the related leases. After the completion of the merger, the combined company will possess not only all of the assets, but also all of the liabilities of both BioSante and Cell Genesys. Although BioSante conducted a due diligence investigation of Cell Genesys and its known and potential liabilities and obligations and Cell Genesys conducted a due diligence investigation of its known and potential liabilities and obligations, it is possible that, undisclosed, contingent or other liabilities or problems may arise after the completion of the merger, which could have an adverse effect on the combined company's business, operating results and financial condition.

The combined company's stock price may be volatile, and the market price of its common stock may decline in value following the merger.

The market price of the combined company's common stock could be subject to significant fluctuations following the merger. Market prices for securities of early-stage pharmaceutical, biotechnology and other life sciences companies historically have been particularly volatile. Some of the factors that may cause the market price of the combined company's common stock to fluctuate include:

- general stock market and general economic conditions in the United States and abroad, not directly related to the combined company or its business;
- the ability of the combined company to obtain additional financing when needed and on acceptable terms;
- governmental agency actions, including in particular decisions or actions by the FDA or FDA advisory

committee panels with respect to the combined company's products or its competitors' products;

- the results of the combined company's current and any future clinical studies, including in particular the LibiGel Phase III clinical study program;
- the results of clinical trials conducted by others on products that would compete with the combined company's proposed products;
- the results and timing of regulatory reviews relating to the approval of the combined company's products, including in particular LibiGel;

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- failure of any of the combined company's products, if approved, to achieve commercial success;
- public concern as to the safety or efficacy of or market acceptance of products developed by the combined company or its competitors;
- the entry into, or termination of, key license and sublicense agreements;
- announcements by licensors or licensees of the combined company's technology;
- the initiation of, material developments in, or conclusion of litigation to enforce or defend any of the combined company's intellectual property rights;
- general and industry-specific economic conditions that may affect the combined company's research and development expenditures;
- issues in manufacturing the combined company's proposed products;
- the loss of key employees;
- the introduction of technological innovations or new commercial products by competitors of the combined company;
- changes in estimates or recommendations by securities analysts, if any, who cover the combined company's common stock;
- future sales of the combined company's securities;

- changes in the structure of health care payment systems;
- period-to-period fluctuations in the combined company's financial results, including its cash, cash equivalents and short-term investment balance, operating expenses, cash burn rate or revenues; and
- other potentially negative financial announcements, including delisting of the combined company's common stock from the NASDAQ Global Market, changes in accounting treatment or restatement of previously reported financial results, delays in the combined company's filings with the SEC or the combined company's failure to maintain effective internal control over financial reporting.

Also, certain dilutive securities such as warrants can be used as hedging tools which may increase volatility in the combined company's stock and cause a price decline. While a decrease in market price could result in direct economic loss for an individual investor, low trading volume could limit an individual investor's ability to sell the combined company's common stock, which could result in substantial economic loss as well. In addition, due in large part to the current global economic crisis many institutional investors that historically had invested in specialty pharmaceutical companies have ceased operations or further investment in these companies, which has negatively impacted trading volume for stocks such as the combined company's common stock.

Securities class action litigation is sometimes brought against a company following periods of volatility in the market price of its securities or for other reasons. Subsequent to the June 30, 2009 announcement of the proposed merger, Cell Genesy, the members of the Cell Genesy board of directors and BioSante were named as defendants in purported class action lawsuits brought by Cell Genesy stockholders challenging the proposed merger. For additional information see the description under the heading "Litigation relating to the Merger." The combined company may become the target of similar litigation. Securities litigation, whether with or without merit, could result in substantial costs

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and divert management's attention and resources, which could harm the combined company's business and financial condition, as well as the market price of its common stock.

If the combined company fails to meet the continued listing standards of the NASDAQ Global Market, its common stock may be delisted which could have a material adverse effect on the liquidity of its common stock.

In order for the combined company's common stock to be eligible for continued listing on the NASDAQ Global Market after the completion of the merger, the combined company will need to remain in compliance with certain listing standards, including a \$1.00 minimum closing bid price per share requirement, a minimum stockholders' equity requirement and certain corporate governance standards. There can be no assurance that the combined company will meet all requirements for continued listing on the NASDAQ Global Market. If the combined company's common stock were to be delisted from the NASDAQ Global Market, the combined company could apply to list its common stock on the NASDAQ Capital Market or its common stock could be traded in the over-the-counter market on an electronic bulletin board established for unlisted securities, such as the Pink Sheets or the OTC Bulletin Board. Any delisting could adversely affect the market price of, and liquidity of the trading market for, the combined company's common stock, its ability to obtain financing for the continuation of its operations and could result in the loss of confidence by investors.

A substantial number of shares of the combined company's common stock will be eligible for future sale in the public market. The sale of these shares could cause the market price of the combined company's common stock to fall.

Upon completion of the merger, it is anticipated that the combined company will have approximately 50.8 million shares of common stock outstanding, 391,286 shares of class C special stock outstanding, options and warrants to purchase an aggregate of approximately 8.3 million shares and \$22.0 million principal amount of convertible notes that will be convertible into approximately 5.0 million shares of common stock of the combined company, assuming the 0.1615 exchange ratio is not adjusted and the number of outstanding shares of BioSante and Cell Genesys common stock remains unchanged until immediately prior to the effective time of the merger. A substantial number of such shares, when the combined company issues them upon exercise or conversion, will be available for immediate resale in the public market. If existing stockholders of BioSante and Cell Genesys sell, or indicate an intention to sell, substantial amounts of combined company common stock in the public market after the merger, the trading price of the common stock of the combined company could decline.

Exercise of outstanding and future options and warrants and the conversion of outstanding convertible notes and any future equity issuances will dilute the combined company's stockholders and could decrease the market price of the combined company's common stock.

Upon completion of the merger, it is anticipated that the combined company will have approximately 50.8 million shares of common stock outstanding, 391,286 shares of class C special stock outstanding, options and warrants to purchase an aggregate of approximately 8.3 million shares outstanding and \$22.0 million principal amount of convertible notes that will be convertible into approximately 5.0 million shares of common stock of the combined company, assuming the 0.1615 exchange ratio is not adjusted and the number of outstanding shares of BioSante and Cell Genesys common stock remains unchanged until immediately prior to the effective time of the merger. The existence of the outstanding options and warrants and the conversion of convertible notes may adversely affect the market price of the combined company's common stock and the terms under which the combined company could obtain additional equity capital. In addition, the combined company may grant additional options and warrants and issue additional convertible equity securities in the future, which would further dilute its then current stockholders and could decrease the market price of its common stock.

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It is anticipated that on a long-term basis, in the absence of recurring operating or licensing revenues, the combined company will need to finance a large portion of its operating cash requirements, by issuing and selling equity securities. The combined company will have a shelf registration statement to sell, subject to certain limitations, up to approximately \$75 million of its securities, some or all of which may be shares of its common stock or securities convertible into or exercisable for shares of its common stock, and all of which would be available for resale in the market. Any issuances by the combined company of equity securities may be at or below the prevailing market price of the combined company's common stock and may have a dilutive impact on its existing stockholders. These issuances or other dilutive issuances also would cause the combined company's net income, if any, per share to decrease in future periods. As a result, the market price of the combined company's common stock could decrease.

Provisions in the combined company's charter documents and Delaware law could discourage or prevent a takeover, even if an acquisition would be beneficial to its stockholders.

Provisions of the combined company's certificate of incorporation and bylaws, as well as provisions of Delaware law, could make it more difficult for a third party to acquire the combined company, even if doing so would be beneficial to its stockholders. These provisions include:

- authorizing the issuance of blank check preferred shares that could be issued by the combined company's board of directors to increase the number of outstanding shares and thwart a takeover attempt;
- prohibiting cumulative voting in the election of directors, which would otherwise allow less than a majority of stockholders to elect director candidates; and
- advance notice provisions in connection with stockholder proposals that may prevent or hinder any attempt by the combined company's stockholders to bring business to be considered by the combined company's stockholders at a meeting or replace the combined company's board of directors.

BioSante and Cell Genesys have never paid dividends on their capital stock, and do not anticipate that the combined company will pay any cash dividends in the foreseeable future.

BioSante and Cell Genesys have not paid any cash dividends on any of their classes of capital stock to date, and the current expectation is that the combined company will retain its future earnings to fund the development and growth of the combined company business. As a result, capital appreciation, if any, of the common stock of the combined company will be your sole source of gain, if any, for the foreseeable future.

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CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

This joint proxy statement/prospectus contains certain forward-looking information about BioSante, Cell Genesys and the combined company that is intended to be covered by the safe harbor for forward-looking statements provided by the Private Securities Litigation Reform Act of 1995. Forward-looking statements are statements that are not historical facts. Words such as expect, believe, will, may, might, anticipate, continue, plan, estimate, intend, should, can, likely, could, predict, project, forecast, potential, possible and similar e identify forward-looking statements. Forward-looking statements in this joint proxy statement/prospectus include, but are not limited to statements about:

- the expected benefits of and potential value created by the proposed merger for the stockholders of BioSante and Cell Genesys;
- the amount of cash and cash equivalents that will be available to fund the combined company's business after the merger and the length of time that BioSante anticipates such cash and cash equivalents will be available to fund the combined company's operating plan after the merger;
- the likelihood of the satisfaction of certain conditions to the completion of the merger and whether and when the merger will be consummated;
- the amount of shares BioSante expects to issue in the merger and the post-capitalization of the combined company after the merger;
- each of BioSante's and Cell Genesys's results of operations, financial condition and businesses and their objectives, plans and expectations; and
- information about the combined company and the expected impact of the proposed merger on the combined company and its future business, operating results and financial condition.

These statements are subject to risks and uncertainties, including the risks described in this joint proxy statement/prospectus under the section Risk Factors, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements in this joint proxy statement/prospectus. Forward-looking statements are not guarantees of performance. These statements are based upon the current beliefs and expectations of management of BioSante and Cell Genesys and are subject to a number of factors that could cause actual outcomes and results to be materially different from those projected or anticipated.

In light of these risks, uncertainties, assumptions and factors, the forward-looking events discussed in this joint proxy statement/prospectus may not occur. Readers are cautioned not to place undue reliance on these forward-looking statements which speak only as of the date hereof. Except to the extent required by applicable law or regulation, neither BioSante nor Cell Genesys undertakes any obligation to update or publish revised forward-looking statements to reflect events or circumstances after the date hereof or the date of the forward-looking statements or to reflect the occurrence of unanticipated events.

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THE SPECIAL MEETING OF BIOSANTE STOCKHOLDERS

General

This joint proxy statement/prospectus is being furnished to stockholders of BioSante on or about [], 2009.

BioSante is sending this joint proxy statement/prospectus to its stockholders in connection with the solicitation of proxies by the BioSante board of directors for use at the BioSante special meeting and any adjournments or postponements of the special meeting.

Date, Time and Place

The special meeting of BioSante stockholders will be held at [] a.m., local time, on [], 2009, at [].

Purposes of the BioSante Special Meeting

The purposes of the BioSante special meeting are to consider and act upon the following matters:

1. To consider and to vote upon a proposal to adopt the Agreement and Plan of Merger dated as of June 29, 2009 by and between BioSante and Cell Genesys, a copy of which is attached as Annex A to this joint proxy statement/prospectus, and the transactions contemplated thereby, including the merger and the issuance of shares of BioSante common stock in the merger.
2. To consider and to vote upon a proposal to approve an amendment to BioSante's certificate of incorporation to increase the number of shares of BioSante common stock BioSante is authorized to issue from 100 million to 200 million and to increase the number of shares of BioSante capital stock BioSante is authorized to issue by 100 million, to reflect the increase in the authorized BioSante common stock.
3. To consider and to vote upon a proposal to approve an adjournment of the BioSante special meeting, if necessary, to solicit additional proxies if there are not sufficient votes in favor of BioSante Proposal Nos. 1 and 2.

Stockholders also will consider and act on any other matters as may properly come before the BioSante special meeting or any adjournment or postponement thereof, including any procedural matters incident to the conduct of the special meeting.

Recommendations of the BioSante Board of Directors

The BioSante board of directors has determined and believes that the agreement and plan of merger and the transactions contemplated thereby, including the merger and the issuance of shares of BioSante common stock in the merger, is advisable, fair to, and in the best interests of BioSante and its stockholders and unanimously has approved such proposal. The BioSante board of directors unanimously recommends that BioSante stockholders vote **FOR** BioSante Proposal No. 1 to approve the agreement and plan of merger and the transactions contemplated thereby, including the merger and the issuance of shares of BioSante common stock in the merger.

The BioSante board of directors has determined and believes that the amendment to BioSante's certificate of incorporation effecting the increase in the authorized shares of common stock, as described in this joint proxy statement/prospectus, is advisable, fair to, and in the best interests of BioSante and its stockholders and unanimously has approved such proposal. The BioSante board of directors recommends unanimously that

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BioSante stockholders vote **FOR** BioSante Proposal No. 2 to approve the amendment to BioSante's certificate of incorporation effecting the increase in the authorized shares of common stock.

The BioSante board of directors has determined and believes that adjourning the BioSante special meeting, if necessary, to solicit additional proxies if there are not sufficient votes in favor of BioSante Proposal Nos. 1 and 2 is advisable, fair to, and in the best interest of, BioSante and its stockholders and unanimously has approved such proposal. The BioSante board of directors unanimously recommends that BioSante stockholders vote **FOR** BioSante Proposal No. 3 to adjourn the BioSante special meeting, if necessary, to solicit additional proxies if there are not sufficient votes in favor of BioSante Proposal Nos. 1 and 2.

Record Date and Voting Power

The close of business on [], 2009 has been fixed as the BioSante record date for the determination of BioSante stockholders entitled to notice of, and to vote at, the BioSante special meeting or any adjournments or postponements of the BioSante special meeting. Only holders of record of BioSante common stock and BioSante class C stock at the close of business on the BioSante record date are entitled to notice of, and to vote at, the BioSante special meeting. At the close of business on the record date, BioSante had [] shares of common stock and 391,286 shares of class C special stock outstanding and entitled to vote. Each share of BioSante common stock and class C special stock entitles the holder thereof to one vote on each matter submitted for stockholder approval. See Principal Stockholders of BioSante for information regarding persons known to management of BioSante to be the beneficial owners of more than 5 percent of the outstanding shares of BioSante common stock and class C special stock.

Voting and Revocation of Proxies

The proxy accompanying this joint proxy statement/prospectus is solicited on behalf of the BioSante board of directors for use at the BioSante special meeting.

If you are a stockholder of record of BioSante as of the applicable record date referred to above, you may vote in person at the BioSante special meeting or vote by proxy over the Internet, by telephone or using the enclosed proxy card. Whether or not you plan to attend the BioSante special meeting, BioSante urges you to vote by proxy to ensure your vote is counted. You still may attend the BioSante special meeting and vote in person if you already have voted by proxy.

BioSante stockholders of record as of the close of business on [], 2009 may submit their proxies:

- **through the Internet**, by visiting the website established for that purpose at <https://www.proxyvote.com> and following the instructions (please note you must type an `s` after `http`); or

- **by telephone**, by calling the toll-free number [] in the United States, Canada or Puerto Rico on a touch-tone phone (or [] from elsewhere), providing the unique 10-digit control number shown on the enclosed proxy card and following the recorded instructions; or
- **by mail**, by marking, signing and dating the enclosed proxy card and returning it in the postage-paid envelope provided or returning it pursuant to the instructions provided in the proxy card.

If your shares are held in street name, you must request a legal proxy from your nominee as proof of ownership in order to vote in person at your special meeting. **If you hold your shares in street name, please refer to your proxy card or the information forwarded by your bank, broker or other holder of record to see which options are available to you.**

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All properly executed proxies that are not revoked will be voted at the BioSante special meeting and at any adjournments or postponements of the BioSante special meeting in accordance with the instructions contained in the proxy. If a holder of BioSante capital stock executes and returns a proxy and does not specify otherwise, the shares represented by that proxy will be voted **FOR** BioSante Proposal No. 1 to approve the merger agreement and the transactions contemplated thereby, including the merger and the issuance of shares of BioSante common stock in the merger; **FOR** BioSante Proposal No. 2 to approve an amendment to BioSante's certificate of incorporation to effect the increase in the authorized shares of BioSante common stock described in this joint proxy statement/prospectus; **FOR** BioSante Proposal No. 3 to adjourn the BioSante special meeting, if necessary, if a quorum is present, to solicit additional proxies if there are not sufficient votes in favor of BioSante Proposal Nos. 1 and 2 in accordance with the recommendation of the BioSante board of directors.

Any BioSante stockholder of record voting by proxy, other than those stockholders who have executed a voting agreement and irrevocable proxy, has the right to revoke the proxy at any time before the polls close at the BioSante special meeting by sending a written notice stating that it would like to revoke its proxy to the Secretary of BioSante, by voting again over the Internet or by telephone, by providing a duly executed proxy card bearing a later date than the proxy being revoked or by attending the BioSante special meeting and voting in person. Attendance alone at the BioSante special meeting will not revoke a proxy. A beneficial owner of BioSante common stock that holds shares in street name must follow directions received from the bank, broker or other nominee that holds the shares to change its voting instructions.

Quorum and Required Vote

The presence at the BioSante special meeting, in person or by proxy, of the holders of a majority ([] shares) of the outstanding shares of BioSante common stock and a majority (195,644 shares) of the outstanding shares of BioSante class C special stock as of the record date will constitute a quorum for the transaction of business at the BioSante special meeting. In general, shares of BioSante common stock and shares of BioSante class C special stock represented by a properly signed and returned proxy card will be counted as shares present and entitled to vote at the BioSante special meeting for purposes of determining a quorum. Shares represented by proxies marked Abstain or Withheld are counted in determining whether a quorum is present. In addition, a broker non-vote is considered in determining whether a quorum is present. A broker non-vote is a proxy returned by a broker on behalf of its beneficial owner customer that is not voted on a particular matter because voting instructions have not been received by the broker from the customer, and the broker does not have discretionary authority to vote on behalf of such customer on such matter. If a quorum is not present at the BioSante special meeting, BioSante expects that the BioSante special meeting will be adjourned or postponed to solicit additional proxies.

A description of the vote required to approve each proposal being submitted to a vote of BioSante stockholders is included with the description of each proposal. For BioSante Proposal Nos. 1 and 2, a failure to vote by proxy or in person at the BioSante special meeting, or an abstention, vote withheld or broker non-vote for such proposals, will have the same effect as a vote against the approval of such proposals. For BioSante Proposal No. 1, a failure to submit a proxy card or vote at the BioSante special meeting, or an abstention, vote withheld or broker non-votes will have no effect on the outcome of such proposals.

The approval of the merger agreement and the transactions contemplated by it is not conditioned upon approval of the amendment to BioSante's certificate of incorporation to increase the number of authorized shares of BioSante common stock. However, the approval of the amendment to BioSante's certificate of incorporation is conditioned upon approval of the merger agreement. Therefore, the proposal to amend BioSante's certificate of incorporation will only be effected if the merger agreement is approved by the stockholders of BioSante and Cell Genesys.

In connection with the execution of the merger agreement, certain of BioSante's directors and officers, who collectively held approximately 7.6 percent of the outstanding shares of BioSante common stock as of the record date,

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entered into a voting agreement with Cell Genesys, pursuant to which each stockholder agreed to vote all of their shares of BioSante common stock in favor of adoption of the merger agreement and the transactions contemplated thereby, including the merger and the issuance of shares of BioSante common stock in the merger, and against certain transactions or certain actions that would delay, prevent or nullify the merger or the transactions contemplated thereby.

Solicitation of Proxies

In addition to solicitation by mail, the directors, officers, employees and agents of BioSante may solicit proxies from BioSante stockholders by personal interview, telephone, telegram or other electronic means. BioSante and Cell Genesys will share equally the costs of the solicitation of proxies by BioSante from BioSante stockholders. Arrangements also will be made with brokerage firms and other custodians, nominees and fiduciaries who are record holders of BioSante common stock for the forwarding of solicitation materials to the beneficial owners of BioSante common stock and class C special stock. BioSante will reimburse these brokers, custodians, nominees and fiduciaries for the reasonable out-of-pocket expenses they incur in connection with the forwarding of solicitation materials.

BioSante has retained [], a proxy solicitation firm, to assist in the solicitation of proxies for the merger for a fee of approximately \$[].

Delivery of Proxy Materials to Households Where Two or More Stockholders Reside

Some banks, brokers and other nominee record holders may be participating in the practice of householding proxy statements. This means that only one copy of this joint proxy statement/prospectus to any BioSante stockholder may have been sent to multiple stockholders in each household. BioSante will promptly deliver a separate copy of this joint proxy statement/prospectus to any BioSante stockholder upon written or oral request to BioSante's Investor Relations Department, BioSante Pharmaceuticals, Inc., 111 Barclay Boulevard, Lincolnshire, Illinois 60069, telephone: (847) 478-0500 ext. 120.

Other Matters

As of the date of this joint proxy statement/prospectus, the BioSante board of directors does not know of any business to be represented at the BioSante special meeting other than as set forth in the notice accompanying this joint proxy statement/prospectus. If any other matters should properly come before the BioSante special meeting, or any adjournment or postponement of the BioSante special meeting it is intended that the shares represented by proxies will be voted with respect to such matters in accordance with the judgment of the person voting the proxies.

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THE SPECIAL MEETING OF CELL GENESYS STOCKHOLDERS

General

This joint proxy statement/prospectus is being furnished to stockholders of Cell Genesys on or about [], 2009.

Cell Genesys is sending this joint proxy statement/prospectus to its stockholders in connection with the solicitation of proxies by the Cell Genesys board of directors for use at the Cell Genesys special meeting and any adjournments or postponements of the special meeting.

Date, Time and Place

The special meeting of Cell Genesys stockholders will be held at [] a.m., local time, on [], 2009, at [].

Purposes of the Cell Genesys Special Meeting

The purposes of the Cell Genesys special meeting are to consider and act upon the following matters:

1. To consider and to vote upon a proposal to adopt the Agreement and Plan of Merger dated as of June 29, 2009 by and between BioSante and Cell Genesys, a copy of which is attached as Annex A to this joint proxy statement/prospectus, and the transactions contemplated thereby, including the merger.

2. To consider and to vote upon a proposal to approve an adjournment of the Cell Genesys special meeting, if necessary, to solicit additional proxies if there are not sufficient votes in favor of Cell Genesys Proposal No. 1.

Stockholders also will consider and act on any other matters as may properly come before the Cell Genesys special meeting or any adjournment or postponement thereof, including any procedural matters incident to the conduct of the special meeting.

Recommendations of the Cell Genesys Board of Directors

The Cell Genesys board of directors has determined and believes that the agreement and plan of merger and the transactions contemplated thereby, including the merger, is advisable, fair to, and in the best interests of Cell Genesys and its stockholders and unanimously has approved such proposal. The Cell Genesys board of directors recommends unanimously that Cell Genesys stockholders vote **FOR** Cell Genesys Proposal No. 1 to approve the agreement and plan of merger and the transactions contemplated thereby, including the merger.

The Cell Genesys board of directors has determined and believes that adjourning the Cell Genesys special meeting, if necessary, to solicit additional proxies if there are not sufficient votes in favor of Cell Genesys Proposal No. 1 is advisable, fair to, and in the best interest of, Cell Genesys and its stockholders and unanimously has approved such proposal. The Cell Genesys board of directors recommends unanimously that Cell Genesys stockholders vote **FOR** Cell Genesys Proposal No. 2 to adjourn the Cell Genesys special meeting, if necessary, to solicit additional proxies if there are not sufficient votes in favor of Cell Genesys Proposal No. 1.

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Record Date and Voting Power

The close of business on [], 2009 has been fixed as the Cell Genesys record date for the determination of Cell Genesys stockholders entitled to notice of, and to vote at, the Cell Genesys special meeting or any adjournments or postponements of the Cell Genesys special meeting. Only holders of record of Cell Genesys common stock at the close of business on the Cell Genesys record date are entitled to notice of, and to vote at, the Cell Genesys special meeting. At the close of business on the record date, Cell Genesys had [] shares of common stock outstanding and entitled to vote. Each share of Cell Genesys common stock entitles the holder thereof to one vote on each matter submitted for stockholder approval. See Principal Stockholders of Cell Genesys for information regarding persons known to management of Cell Genesys to be the beneficial owners of more than 5 percent of the outstanding shares of Cell Genesys common stock.

Voting and Revocation of Proxies

The proxy accompanying this joint proxy statement/prospectus is solicited on behalf of the Cell Genesys board of directors for use at the Cell Genesys special meeting.

If you are a stockholder of record of Cell Genesys as of the applicable record date referred to above, you may vote in person at the Cell Genesys special meeting or vote by proxy over the Internet, by telephone or using the enclosed proxy card. Whether or not you plan to attend the Cell Genesys special meeting, Cell Genesys urges you to vote by proxy to ensure your vote is counted. You still may attend the Cell Genesys special meeting and vote in person if you already have voted by proxy.

Cell Genesys stockholders of record as of the close of business on [], 2009 may submit their proxies:

- **through the Internet**, by visiting the website established for that purpose at <https://www.proxyvote.com> and following the instructions (please note you must type an s after http); or
- **by telephone**, by calling the toll-free number [] in the United States, Canada or Puerto Rico on a touch-tone phone (or [] from elsewhere), providing the unique 10-digit control number shown on the enclosed proxy card and following the recorded instructions; or
- **by mail**, by marking, signing and dating the enclosed proxy card and returning it in the postage-paid envelope provided or returning it pursuant to the instructions provided in the proxy card.

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If your shares are held in street name, you must request a legal proxy from your nominee as proof of ownership in order to vote in person at your special meeting. **If you hold your shares in street name, please refer to your proxy card or the information forwarded by your bank, broker or other holder of record to see which options are available to you.**

All properly executed proxies that are not revoked will be voted at the Cell Genesys special meeting and at any adjournments or postponements of the Cell Genesys special meeting in accordance with the instructions contained in the proxy. If a holder of Cell Genesys common stock executes and returns a proxy and does not specify otherwise, the shares represented by that proxy will be voted **FOR** Cell Genesys Proposal No. 1 to approve the merger agreement and the transactions contemplated thereby, including the merger; **FOR** Cell Genesys Proposal No. 2 to adjourn the Cell Genesys special meeting, if necessary, if a quorum is present, to solicit additional proxies if there are not sufficient votes in favor of Cell Genesys Proposal No. 1 in accordance with the recommendation of the Cell Genesys board of directors.

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Any Cell Genesys stockholder of record voting by proxy, other than those stockholders who have executed a voting agreement and irrevocable proxy, has the right to revoke the proxy at any time before the polls close at the Cell Genesys special meeting by sending a written notice stating that it would like to revoke its proxy to the Secretary of Cell Genesys, by voting again over the Internet or by telephone, by providing a duly executed proxy card bearing a later date than the proxy being revoked or by attending the Cell Genesys special meeting and voting in person. Attendance alone at the Cell Genesys special meeting will not revoke a proxy. A beneficial owner of Cell Genesys common stock that holds shares in street name must follow directions received from the bank, broker or other nominee that holds the shares to change its voting instructions.

Quorum and Required Vote

The presence at the Cell Genesys special meeting, in person or by proxy, of the holders of a majority ([] shares) of the outstanding shares of Cell Genesys common stock entitled to vote as of the record date will constitute a quorum for the transaction of business at the Cell Genesys special meeting. In general, shares of Cell Genesys common stock represented by a properly signed and returned proxy card will be counted as shares present and entitled to vote at the Cell Genesys special meeting for purposes of determining a quorum. Shares represented by proxies marked Abstain or Withheld are counted in determining whether a quorum is present. In addition, a broker non-vote is considered in determining whether a quorum is present. A broker non-vote is a proxy returned by a broker on behalf of its beneficial owner customer that is not voted on a particular matter because voting instructions have not been received by the broker from the customer, and the broker does not have discretionary authority to vote on behalf of such customer on such matter. If a quorum is not present at the Cell Genesys special meeting, Cell Genesys expects that the Cell Genesys special meeting will be adjourned or postponed to solicit additional proxies.

A description of the vote required to approve each proposal being submitted to a vote of Cell Genesys stockholders is included with the description of each proposal. For Cell Genesys Proposal No. 1, a failure to vote by proxy or in person at the Cell Genesys special meeting, or an abstention, vote withheld or broker non-vote for such proposal, will have the same effect as a vote against the approval of such proposal. For Cell Genesys Proposal No. 2, a failure to submit a proxy card or vote at the Cell Genesys special meeting, or an abstention, vote withheld or broker non-votes will have no effect on the outcome of such proposal.

In connection with the execution of the merger agreement, Cell Genesys's Chairman of the Board and Chief Executive Officer, Stephen A. Sherwin, M.D., who held 474,621 shares of Cell Genesys common stock or approximately less than one percent of the outstanding shares of Cell Genesys common stock as of the close of business on June 29, 2009, entered into a voting agreement with BioSante, pursuant to which he agreed to vote his shares of Cell Genesys common stock in favor of the merger, the merger agreement and the transactions contemplated by the merger agreement and against certain transactions or certain actions that would delay, prevent or nullify the merger or the transaction contemplated by the merger agreement.

Pursuant to that certain Settlement and Exchange Support Agreement dated as of May 10, 2009 by and between Cell Genesys and Tang Capital Partners, LP, referred to as Tang, Tang is required, at every meeting of Cell Genesys stockholders prior to the second anniversary of the Settlement and Exchange Support Agreement, to vote all shares of Cell Genesys common stock it beneficially owns in the same proportion as the votes that are collectively cast by all of the other Cell Genesys stockholders with respect to any matter. Notwithstanding the foregoing, Tang retains the option to vote or direct the vote of all shares of Cell Genesys common stock it beneficially owns in accordance with the recommendation of the Cell Genesys board of directors. According to a Schedule 13D/A filed by Tang with the SEC on July 1, 2009, Tang reported owning approximately 9.5 million of Cell Genesys common stock, or approximately 8.7 percent of the outstanding shares.

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Solicitation of Proxies

In addition to solicitation by mail, the directors, officers, employees and agents of Cell Genesys may solicit proxies from Cell Genesys stockholders by personal interview, telephone, telegram or other electronic means. BioSante and Cell Genesys will share equally the costs of the solicitation of proxies by Cell Genesys from Cell Genesys's stockholders. Arrangements also will be made with brokerage firms and other custodians, nominees and fiduciaries who are record holders of Cell Genesys common stock for the forwarding of solicitation materials to the beneficial owners of Cell Genesys common stock. Cell Genesys will reimburse these brokers, custodians, nominees and fiduciaries for the reasonable out-of-pocket expenses they incur in connection with the forwarding of solicitation materials.

Cell Genesys has retained [], a proxy solicitation firm, to assist in the solicitation of proxies for the merger for a fee of approximately \$[].

Delivery of Proxy Materials to Households Where Two or More Stockholders Reside

Some banks, brokers and other nominee record holders may be participating in the practice of householding proxy statements. This means that only one copy of this joint proxy statement/prospectus to any Cell Genesys stockholder may have been sent to multiple stockholders in each household. Cell Genesys will promptly deliver a separate copy of this joint proxy statement/prospectus to any Cell Genesys stockholder upon written or oral request to Cell Genesys's transfer agent, Computershare Trust Company, N.A. (in writing: P.O. Box 43078, Providence, Rhode Island 02940-3078; or by telephone: 1-781-575-2879).

Other Matters

As of the date of this joint proxy statement/prospectus, the Cell Genesys board of directors does not know of any business to be represented at the Cell Genesys special meeting other than as set forth in the notice accompanying this joint proxy statement/prospectus. If any other matters should properly come before the Cell Genesys special meeting, or any adjournment or postponement of the Cell Genesys special meeting it is intended that the shares represented by proxies will be voted with respect to such matters in accordance with the judgment of the person voting the proxies.

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MATTERS BEING SUBMITTED TO A VOTE OF BIOSANTE STOCKHOLDERS

BioSante Proposal No. 1 Adoption of Agreement and Plan of Merger and the Transactions Contemplated Thereby, including the Merger and the Issuance of Shares of BioSante Common Stock in the Merger

General

At the BioSante special meeting, BioSante stockholders will be asked to adopt the Agreement and Plan of Merger dated as of June 29, 2009 by and between BioSante and Cell Genesys, a copy of which is attached as Annex A to this joint proxy statement/prospectus, and the transactions contemplated thereby, including the merger and the issuance of shares of BioSante common stock in the merger. As a result of the merger, BioSante will issue an aggregate of approximately 17.8 million shares of BioSante common stock to holders of Cell Genesys common stock and current BioSante stockholders will own approximately 65.0 percent of the outstanding common stock of the combined company and current Cell Genesys stockholders will own approximately 35.0 percent of the outstanding common stock of the combined company, assuming the 0.1615 exchange ratio is not adjusted and the number of outstanding shares of BioSante and Cell Genesys common stock remains unchanged until immediately prior to the effective time of the merger.

The terms of, reasons for and other aspects of the merger agreement, the merger and the issuance of shares of BioSante common stock in the merger are described in detail in the other sections of this joint proxy statement/prospectus. The full text of the merger agreement is attached to this joint proxy statement/prospectus as Annex A.

Vote Required; Recommendation of BioSante Board of Directors

The affirmative vote of holders of a majority of the BioSante common stock and class C special stock, voting as a single class, having voting power outstanding on the record date for the BioSante special meeting is required for approval of BioSante Proposal No. 1.

A failure to submit a proxy card or vote at the BioSante special meeting, or an abstention, vote withheld or broker non-vote will have the same effect as a vote against the approval of BioSante Proposal No. 1.

The BioSante board of directors unanimously recommends that BioSante stockholders vote FOR BioSante's Proposal No. 1 to adopt the agreement and plan of merger and the transactions contemplated thereby, including the merger and the issuance of shares of BioSante common stock in the merger.

BioSante Proposal No. 2 Approval of Amendment to BioSante's Certificate of Incorporation to Increase Authorized Capital Stock and Common Stock

General

At the BioSante special meeting, BioSante stockholders will be asked to approve an amendment to BioSante's certificate of incorporation to increase the total number of shares of BioSante common stock BioSante is authorized to issue from 100 million to 200 million and to increase the number of shares of BioSante capital stock BioSante is authorized to issue by 100 million, to reflect the increase in the authorized BioSante common stock. The full text of the amendment is attached to this joint proxy statement/prospectus as Annex D.

On the record date, BioSante had outstanding [] shares of BioSante common stock outstanding and 391,286 shares of BioSante class C special stock. In addition, an aggregate of [] shares

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of BioSante common stock were issuable upon the exercise of outstanding options and warrants. In addition, as a result of the merger, BioSante will issue approximately 17.8 million shares of BioSante common stock and reserve an additional 5.5 million shares of BioSante common stock for future issuance upon the exercise of options, warrants and convertible senior notes to be assumed by BioSante in connection with the merger, which number of shares assumes the 0.1615 exchange ratio is not adjusted. Although not necessary to complete the merger transaction, the BioSante board of directors believes that the availability of additional authorized shares of BioSante common stock will provide BioSante with the flexibility in the future to issue shares of BioSante common stock for general corporate purposes, such as raising additional capital and settling outstanding obligations, acquisitions of companies or assets and sales of stock or securities convertible into or exercisable for common stock. The BioSante board of directors also believes that this will provide BioSante with additional flexibility to meet business and financing needs as they arise. As of the printing of this joint proxy statement/prospectus, there are no specific plans, arrangements or understandings in existence for any issuance of BioSante common stock.

The BioSante board of directors will determine whether, when and on what terms the issuance of shares of BioSante common stock may be warranted in connection with any future actions. No further action or authorization by BioSante stockholders will be necessary before issuance of the additional shares of BioSante common stock authorized under BioSante's certificate of incorporation, except as may be required for a particular transaction by applicable law or regulatory agencies or by the rules of the NASDAQ Stock Market or any other stock market or exchange on which BioSante common stock may then be listed.

The additional shares of BioSante common stock, if issued, would have the same rights and privileges as the shares of BioSante common stock now issued. BioSante stockholders do not have any preemptive or similar rights to subscribe for or purchase any additional shares of BioSante common stock that may be issued in the future. Therefore, any issuance of additional shares of BioSante common stock would increase the number of outstanding shares of BioSante common stock and (unless such issuance was pro-rata among existing BioSante stockholders) the percentage ownership of existing BioSante stockholders would be diluted accordingly.

Although an increase in the authorized shares of BioSante common stock could, under certain circumstances, also be construed as having an anti-takeover effect (for example, by permitting easier dilution of the stock ownership of a person seeking to effect a change in the composition of the BioSante board of directors or contemplating a tender offer or other transaction resulting in the acquisition of BioSante by another company), the proposed increase in shares of BioSante common stock authorized is not in response to any effort by any person or group to accumulate BioSante common stock or to obtain control of BioSante by any means. In addition, the proposal is not part of any plan by the BioSante board of directors to recommend or implement a series of anti-takeover measures. Provisions of BioSante's certificate of incorporation and bylaws and Delaware law contain provisions that could have the effect of preventing, discouraging or delaying any change in control of BioSante. See Description of BioSante's Capital Stock Anti-Takeover Effects of Provisions of BioSante's Certificate of Incorporation and Bylaws and Delaware Law .

The approval of the merger agreement and the transactions contemplated by it is not conditioned upon approval of the amendment to BioSante's certificate of incorporation to increase the number of authorized shares of BioSante common stock. However, the approval of the amendment to BioSante's certificate of incorporation is conditioned upon approval of the merger agreement. Therefore, the proposal to amend BioSante's certificate of incorporation will only be effected if the merger agreement is approved by the stockholders of BioSante and Cell Genesys.

The proposed increase in the authorized shares of BioSante common stock would become effective immediately upon the filing of the amendment with the office of the Secretary of State of the State of Delaware. BioSante expects to file the amendment in this Proposal No. 2 with the Secretary of State of the State of Delaware promptly after the completion of the merger, subject to the approval of Proposal No. 1 by the stockholders of BioSante and Cell Genesys and the completion of the merger.

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Vote Required; Recommendation of BioSante Board of Directors

The affirmative vote of holders of a majority of the BioSante common stock and class C special stock, voting as a single class, and BioSante common stock, voting as a separate class, having voting power outstanding on the record date for the BioSante special meeting is required for approval of BioSante Proposal No. 2.

A failure to submit a proxy card or vote at the BioSante special meeting, or an abstention, vote withheld or broker non-vote will have the same effect as a vote against the approval of BioSante Proposal No. 2.

The BioSante board of directors unanimously recommends that BioSante stockholders vote FOR BioSante Proposal No. 2 to approve the amendment to BioSante's certificate of incorporation to increase the total number of shares of BioSante common stock BioSante is authorized to issue from 100 million to 200 million and to increase the number of shares of BioSante capital stock BioSante is authorized to issue by 100 million, to reflect the increase in the authorized BioSante common stock.

BioSante Proposal No. 3 Approval of Possible Adjournment of the BioSante Special Meeting

General

If BioSante fails to receive a sufficient number of votes to approve BioSante Proposals No. 1 and 2, BioSante may propose to adjourn the BioSante special meeting for a period of not more than 30 days, for the purpose of soliciting additional proxies to approve BioSante Proposals No. 1 and 2. BioSante currently does not intend to propose adjournment at the BioSante special meeting if there are sufficient votes to approve BioSante Proposal Nos. 1 and No. 2.

Vote Required; Recommendation of BioSante Board of Directors

The affirmative vote of holders of a majority of the BioSante common stock and class C special stock, voting as a single class, present in person or represented by proxy at the BioSante special meeting is required for approval of BioSante Proposal No. 3.

A failure to submit a proxy card or vote at the BioSante special meeting, or an abstention, vote withheld or broker non-vote will have no effect on the outcome of BioSante Proposal No. 3.

The BioSante board of directors unanimously recommends that BioSante stockholders vote FOR BioSante Proposal No. 3 to adjourn the special meeting, if necessary, to solicit additional proxies if there are not sufficient votes in favor of BioSante Proposals Nos. 1 and 2.

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MATTERS BEING SUBMITTED TO A VOTE OF CELL GENESYS STOCKHOLDERS

Cell Genesys Proposal No. 1 Adoption of Agreement and Plan of Merger and the Transactions Contemplated Thereby, Including the Merger

General

At the Cell Genesys special meeting, Cell Genesys stockholders will be asked to adopt the Agreement and Plan of Merger dated as of June 29, 2009 by and between BioSante and Cell Genesys, a copy of which is attached as Annex A to this joint proxy statement/prospectus, and the transactions contemplated thereby, including the merger. As a result of the merger, BioSante will issue an aggregate of approximately 17.8 million shares of BioSante common stock to holders of Cell Genesys common stock and current BioSante stockholders will own approximately 65.0 percent of the outstanding common stock of the combined company and current Cell Genesys stockholders will own approximately 35.0 percent of the outstanding common stock of the combined company, assuming the 0.1615 exchange ratio is not adjusted and the number of outstanding shares of BioSante and Cell Genesys common stock remains unchanged until immediately prior to the effective time of the merger.

The terms of, reasons for and other aspects of the merger agreement and the merger are described in detail in the other sections of this joint proxy statement/prospectus. The full text of the merger agreement is attached as Annex A to this joint proxy statement/prospectus.

Vote Required; Recommendation of Cell Genesys Board of Directors

The affirmative vote of holders of a majority of the Cell Genesys common stock having voting power outstanding on the record date for the Cell Genesys special meeting is required for approval of Cell Genesys Proposal No. 1.

A failure to submit a proxy card or vote at the Cell Genesys special meeting, or an abstention, vote withheld or broker non-vote will have the same effect as a vote against the approval of Cell Genesys Proposal No. 1.

The Cell Genesys board of directors unanimously recommends that Cell Genesys stockholders vote FOR Cell Genesys Proposal No. 1 to adopt the agreement and plan of merger and the transactions contemplated thereby, including the merger.

Cell Genesys Proposal No. 2 Approval of Possible Adjournment of the Cell Genesys Special Meeting

General

If Cell Genesys fails to receive a sufficient number of votes to approve Cell Genesys Proposal No. 1, Cell Genesys may propose to adjourn the Cell Genesys special meeting for a period of not more than 30 days, for the purpose of soliciting additional proxies to approve Cell Genesys Proposal No. 1. Cell Genesys currently does not intend to propose adjournment at the Cell Genesys special meeting if there are sufficient votes to approve Cell Genesys Proposal No. 1.

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Vote Required; Recommendation of Cell Genesys Board of Directors

The affirmative vote of holders of a majority of the Cell Genesys common stock present in person or represented by proxy at the Cell Genesys special meeting is required for approval of Cell Genesys Proposal No. 2.

A failure to submit a proxy card or vote at the Cell Genesys special meeting, or an abstention, vote withheld or broker non-vote will have no effect on the outcome of Cell Genesys Proposal No. 2.

The Cell Genesys board of directors unanimously recommends that Cell Genesys stockholders vote FOR Cell Genesys Proposal No. 2 to adjourn the special meeting, if necessary, to solicit additional proxies if there are not sufficient votes in favor of Cell Genesys Proposal No. 1.

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THE MERGER

*This section and the section entitled **The Merger Agreement** describe the material aspects of the merger, including the merger agreement. While BioSante and Cell Genesys believe that this description covers the material terms of the merger and the merger agreement, it may not contain all of the information that is important to you. You should read carefully this entire joint proxy statement/prospectus for a more complete understanding of the merger and the merger agreement, including the attached Annexes, and the other documents to which you are referred herein. See **Where You Can Find More Information**.*

Background of the Merger

Historical Background for BioSante

BioSante is a specialty pharmaceutical company focused on developing products for female sexual health, menopause, contraception and male hypogonadism. BioSante also is engaged in the development of its proprietary calcium phosphate nanotechnology, or CaP, primarily for aesthetic medicine, novel vaccines and drug delivery. BioSante's business operations to date have consisted mostly of licensing and research and development activities. Accordingly, BioSante has spent considerable resources developing a pipeline of proprietary and licensed products.

BioSante's lead product is LibiGel, a once daily transdermal testosterone gel in Phase III clinical development under an FDA agreed upon SPA for the treatment of female sexual dysfunction, or FSD. Because there is no pharmaceutical product currently approved in the United States for FSD, specifically hypoactive sexual desire disorder, or HSDD, BioSante's management believes, based on sales data for male sexual dysfunction products as well as published papers and third party primary market research sponsored by BioSante, that the estimated market for an FDA approved FSD product could exceed \$2.0 billion, and that if approved by the FDA, LibiGel could become the first FDA approved treatment specifically indicated for HSDD in menopausal women. While several therapies have been tested to treat FSD, thus far testosterone therapy appears to be the only treatment that results in a consistent significant increase in the number of satisfying sexual events in women, which represents one of the two key efficacy endpoints required by the FDA for pivotal clinical trials of FSD therapies. BioSante is not aware of another testosterone therapy product for the treatment of FSD in active clinical development in the U.S. other than LibiGel.

With respect to the required regulatory approval of LibiGel, BioSante believes based on agreements with the FDA, including an SPA received in January 2008, that two Phase III safety and efficacy trials and one year of LibiGel exposure in a Phase III cardiovascular and breast cancer safety study with a four-year follow-up post-NDA filing and potentially post-FDA approval are the essential requirements for submission and, if successful, approval by the FDA of a new drug application, or NDA, for LibiGel for the treatment of FSD, specifically, HSDD in surgically menopausal women.

Two LibiGel Phase III safety and efficacy clinical trials and one Phase III cardiovascular and breast cancer safety study currently are underway. Both Phase III safety and efficacy trials are double-blind, placebo-controlled trials that will enroll up to approximately 500 surgically menopausal women each for a six-month clinical trial. The Phase III safety study is a randomized, double-blind, placebo-controlled, multi-center, cardiovascular events driven study that will enroll between 2,400 and 3,100 women exposed to LibiGel or placebo for 12 months at which time BioSante intends to submit an NDA to the FDA. Following NDA submission and potential FDA approval, BioSante will continue to follow the subjects in the safety study for an additional four years.

BioSante's objective is to submit an NDA to the FDA seeking approval for a potential commercial launch in 2011. This timing, however, may be delayed depending upon BioSante's ability to raise additional financing to support its operations and close the proposed merger with Cell Genesys.

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BioSante expects the Phase III clinical study program of LibiGel to require significant resources. BioSante's management estimates that the Phase III clinical study program for LibiGel will require approximately \$30 - \$35 million in additional funds to reach submission of an NDA.

Substantially all of BioSante's revenue to date has been derived from upfront, milestone and royalty payments earned on licensing and sublicensing transactions and from subcontracts. To date, BioSante has used primarily equity financings, licensing income and interest income to fund its ongoing business operations and short-term liquidity needs. Since 1999, BioSante has completed eight public and private financings, raising an aggregate of approximately \$82 million in equity financings to fund BioSante's operations. BioSante completed its most recent equity financing in August 2009 when BioSante completed a \$12.0 million registered direct offering of shares of BioSante common stock and warrants to purchase shares of BioSante common stock. As a result of its past operations, BioSante had an accumulated deficit of approximately \$80.6 million as of June 30, 2009.

As of June 30, 2009, BioSante had approximately \$6.0 million in cash and cash equivalents. Given the harsh economic conditions, BioSante reviewed every aspect of its operations for cost and spending reductions to assure its long-term survival while maintaining the resources necessary to achieve its primary objectives of developing its proposed products and obtaining regulatory approval of such products, including in particular LibiGel. To save costs, in April 2009, BioSante decided to delay screening new subjects for its LibiGel Phase III safety study and to continue the study for those women already enrolled in the study. BioSante intends to reinstate screening and enrollment in the safety study at an appropriate time once it has closed the proposed merger with Cell Genesys. Currently, BioSante continues to screen for and enroll new subjects in the LibiGel Phase III efficacy trials. This change in BioSante's clinical study screening likely will delay the eventual submission of the LibiGel NDA.

Over the years, the BioSante board of directors and management, on an ongoing basis, has evaluated various strategic options to continue and expand BioSante's research and product development efforts and enhance value for BioSante stockholders. After receipt of the January 2008 SPA agreement for LibiGel, at a regular meeting of the BioSante board of directors held on March 11, 2008, the BioSante board of directors authorized and directed BioSante's management to explore more formally an exclusive license of LibiGel to a third party or a possible sale of BioSante. On April 25, 2008, at a special meeting of the BioSante board of directors, the board formed a subcommittee of the board, which we refer to as the strategic transaction committee, to oversee the formal process of evaluating strategic transactions, including specifically an exclusive license of LibiGel to a third party or a possible sale of BioSante, and to approve the final terms of BioSante's engagement of a financial advisor to assist BioSante in exploring such strategic transactions. The strategic transaction committee was comprised of Fred Holubow, Ross Mangano and Stephen Simes.

BioSante's management met with several investment banking firms regarding a possible engagement to assist BioSante in exploring a possible exclusive license of LibiGel to a third party or a possible sale of BioSante. On May 16, 2008, BioSante executed an engagement letter formally retaining Deutsche Bank Securities Inc. as BioSante's investment banking firm and financial advisor in connection with BioSante's then ongoing process to explore strategic alternatives in order to enhance value to its stockholders.

Beginning in May 2008, representatives of Deutsche Bank Securities Inc. contacted approximately 100 public and private companies regarding their interest in licensing LibiGel or acquiring BioSante. Approximately 10 of these companies received management presentations from BioSante and/or performed limited due diligence on BioSante. In mid-August 2008, however, almost all of these companies indicated that they were not interested at that time in licensing LibiGel or acquiring BioSante. Of the companies that indicated an interest, none of them were willing to submit a formal bid. BioSante's management, nonetheless, continued to work with Deutsche Bank Securities Inc. after such time to pursue the companies that indicated informally an interest in licensing LibiGel or acquiring BioSante and other third parties that were subsequently identified by BioSante as possible candidates for a possible business combination, license transaction or other

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transaction with BioSante. However, these efforts were unsuccessful and no transaction to license LibiGel or acquire BioSante was ever negotiated or completed.

Commencing in mid-August 2008, BioSante's management, with the assistance of another investment banking firm, Oppenheimer & Co., began to pursue in earnest alternatives for raising additional financing to fund BioSante's operations, including in particular its Phase III development program for LibiGel. The need for additional capital was of particular concern as approximately \$12.0 million of BioSante's investments were in auction rate securities for which there was no liquid market at that time. Possible financing alternatives that were considered by BioSante's management included a private investment public equity, or PIPE, transaction, a registered direct offering and/or a committed equity financing facility. BioSante's management did not consider pursuing any bank financing since such arrangements typically are dependent upon the lender being able to obtain a security interest in a significant amount of tangible assets to secure the financing, and BioSante, like several other biopharmaceutical companies that are engaged primarily in research and development activities, does not have significant tangible assets that could serve as collateral for a bank loan.

In mid-October 2008, BioSante obtained partial liquidity for its auction rate securities. As a result of settlement agreements between some of the banks and the Securities and Exchange Commission and state regulatory agencies, BioSante received \$9.0 million plus accrued interest in October 2008 and the remaining \$3.0 million plus accrued interest for its auction rate securities in January 2009.

Although BioSante obtained liquidity for its auction rate securities, BioSante's management still recognized that BioSante would need additional financing to continue its operations and in particular its Phase III clinical study program for LibiGel. Accordingly, BioSante's management continued to seek additional financing. However, because of then current market and overall poor economic conditions for raising additional financing and the inability of BioSante to raise additional financing by its traditional methods of private and public equity financings, BioSante's management began to explore alternative financing methods. These alternative financing methods included a possible merger with a company that had a low market capitalization in relation to its cash, cash equivalents and short-term investments, and obtaining access to a committed equity financing facility.

At the end of October 2008, BioSante's management began tracking publicly traded companies that had low market capitalizations in relation to their cash, cash equivalents and short-term investments. In the beginning of November 2008, BioSante began a process, with the assistance of its financial advisor, to contact these companies and attempt to arrange initial meetings to discuss potential merger opportunities. On November 21, 2008, at a special meeting of BioSante's strategic transaction committee, BioSante's management updated the committee as to management's efforts to raise financing by merging with a company that had a low market capitalization in relation to its cash, cash equivalents and short-term investments. It was the consensus of the strategic transaction committee that BioSante's management should continue to pursue such a possible transaction, along with any other possible alternatives that may exist for BioSante to raise additional financing.

At a regular meeting of the BioSante board of directors on December 15, 2008, BioSante's management updated the board as to management's efforts to raise additional financing by merging with a company that had a low market capitalization in relation to its cash, cash equivalents and short-term investments and the recommendation of BioSante's strategic transaction committee that BioSante's management should continue to pursue such a possible transaction. At this meeting, the BioSante board of directors authorized management to continue to pursue such a transaction and to work with the special transaction committee in negotiating the terms of any such proposed transaction.

From November 2008 to June 2009, approximately 50 companies that had a low market capitalization in relation to their cash, cash equivalents and short-term investments were contacted and meetings in person or via telephone with six of these companies (including Cell Genesys) to discuss a possible transaction were held.

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During this time, in addition to pursuing a merger transaction with a company that had a low market capitalization in relation to its cash, cash equivalents and short-term investments, BioSante's management often discussed with BioSante's financial advisor other possible alternatives for raising additional financing, including a PIPE transaction, a registered direct offering, a venture financing and a committed equity financing facility. During such discussions, BioSante's financial advisor indicated that it believed that the capital markets likely would not be receptive to a PIPE transaction or a registered direct offering by BioSante at the time due primarily to then challenging and difficult market and overall economic conditions.

In December 2008, BioSante entered into a committed equity financing facility with Kingsbridge Capital Limited in which Kingsbridge committed to purchase, subject to certain conditions and at BioSante's sole discretion, up to the lesser of \$25.0 million or approximately 5.4 million shares of BioSante common stock through the end of December 2010. The funds that can be raised under the facility depend on the then current price for BioSante common stock and the number of shares actually sold, which may not exceed an aggregate of approximately 5.4 million shares. Under the facility, BioSante may access capital by providing Kingsbridge with BioSante common stock at discounts ranging from 8 percent to 14 percent, depending on the average market price of BioSante common stock during the applicable pricing period. Kingsbridge is not obligated to purchase shares under the facility unless certain conditions are met, including a minimum price for BioSante common stock of \$1.15 per share and the continued effectiveness of a resale registration statement. To date, BioSante has not sold any shares to Kingsbridge under the facility, primarily because of the discount and the maximum individual drawdown capacity.

In early November 2008, an investment banking firm (other than Deutsche Bank Securities Inc. and Oppenheimer & Co.) contacted BioSante's management about the potential interest of an equity investment in BioSante by a venture capital fund. In mid-November 2008, BioSante's management and representatives of the venture capital fund discussed BioSante's business and a potential equity investment by the venture capital fund. On December 3, 2008, BioSante and the venture capital fund entered into a mutual confidentiality agreement. From December 2008 to March 2009, the venture capital fund performed a due diligence investigation into BioSante's business. On several occasions during this period, BioSante's management and representatives of the venture capital fund discussed via telephone and in person BioSante's business and the terms of a potential equity investment by the venture capital fund. At the end of March 2009, however, BioSante was informed that the venture capital fund was not interested in an equity investment in BioSante at that time.

From January 2009 to June 2009, BioSante's management continued to discuss with BioSante's financial advisor possible alternatives for raising financing, including a PIPE transaction and a registered direct offering. In furtherance of a registered direct offering, BioSante filed a registration statement on Form S-3 in mid-June 2009. However, due primarily to the continued economic recession and its effects on the capital markets, especially for thinly traded stocks like BioSante's, BioSante was unable to complete either a PIPE transaction or a registered direct offering on terms acceptable to BioSante.

During such period, BioSante's management also continued to pursue BioSante's strategy of seeking a merger with a company that had a low market capitalization in relation to its cash, cash equivalents and short-term investments by sending indications of interest to seven such companies. One of these companies was Cell Genesys.

Historical Background for Cell Genesys

Cell Genesys is a company that was focused on the development and commercialization of novel biological therapies for cancer patients. In August and October 2008, Cell Genesys announced the early termination of its two Phase III trials of GVAX immunotherapy for prostate cancer, Cell Genesys's lead product program to which it previously had devoted substantively all of its research, development and clinical efforts, and financial resources. Cell Genesys concluded that, without any near-term opportunity to conduct new Phase III trials of GVAX

immunotherapy for prostate cancer or any other product in Cell Genesys s

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portfolio, Cell Genesys would initiate a process of extensively restructuring its business to reduce its recurring expenses and liabilities and undertake an expansive review and assessment of its alternatives, including a review and assessment, among other things, of whether it would be in the interest of Cell Genesys and its stockholders to combine with or be acquired by a public or private company, continue as an independent company and allocate its resources to other biopharmaceutical product areas through in-licensing or acquisitions, sell Cell Genesys's assets or liquidate Cell Genesys.

Restructuring Efforts. As a result of eight months of restructuring efforts, Cell Genesys, among other things, had reduced its outstanding indebtedness under its convertible senior notes from an aggregate of approximately \$145 million to approximately \$22 million, reduced annualized interest expense on its outstanding convertible senior notes by approximately \$3.8 million, reduced its staff of 290 persons as of October 31, 2008 to nine people as of August 15, 2009, and terminated major facilities leases that had an aggregate outstanding obligation of approximately \$110 million through the expiration dates of the leases.

The Cell Genesys board of directors and management, with the assistance of Cell Genesys's financial advisor, evaluated various alternatives. As part of this process, Cell Genesys identified more than 100 potential public and private counterparties, contacted more than 60 of those potential counterparties, entered into confidentiality agreements and held discussions with 26 of these companies, received indications of interest from eight of these companies, and engaged in more extensive discussions and discussed proposed definitive terms with three companies, including BioSante.

As part of its restructuring plan, Cell Genesys took the following steps:

- Ended the development of GVAX immunotherapy for prostate cancer and oncolytic virus therapy products, closed or transferred all investigational new drug, or IND, filings with the FDA and closed all clinical trial sites and contracts related to those activities.
- Reduced its staff by approximately 60 percent from 290 people to 122 people as of October 31, 2008, by 65 percent to 97 people as of November 30, 2008, by 80 percent to 61 people as of December 31, 2008 and to nine people as of August 15, 2009, primarily as a result of eliminating all of its research and development, manufacturing, clinical and regulatory activities personnel.
- Repurchased in October 2008 an aggregate of approximately \$26.3 million face value of its 3.125% convertible senior notes due in November 2011, at an overall discount of approximately 60 percent from face value in a series of privately negotiated transactions with institutional holders of such notes, for aggregate consideration of approximately \$10.5 million in cash, plus accrued but unpaid interest, thereby reducing the annualized interest expense by approximately \$800,000.
- Repurchased in December 2008 an aggregate of approximately \$47.8 million face value of its 3.125% convertible senior notes due in November 2011, at an overall discount of 60 percent from face value in a tender offer for aggregate consideration of approximately \$19.1 million in cash, plus accrued but unpaid interest.

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- Terminated Cell Genesys's lease for its head office and research facility in South San Francisco, California as of January 2, 2009, following a payment of approximately \$14.7 million to the South San Francisco landlord in satisfaction and release of its \$86.0 million obligation through the lease's 2017 expiration date and temporarily relocated its manufacturing facility in Hayward, California.
- Repurchased in January 2009 \$2.6 million in face value of Cell Genesys's 3.125% convertible notes due in November 2011 at an overall discount of approximately 60 percent from face value for aggregate consideration of approximately \$1.0 million.

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- Terminated Cell Genesys's lease for its manufacturing facility in Hayward, California following a payment of approximately \$3.6 million and the issuance of 1.0 million shares of Cell Genesys common stock to the Hayward landlord in April 2009 in complete satisfaction of its remaining \$24.0 million lease obligation and relocated Cell Genesys's corporate headquarters to short-term office space in South San Francisco.
- Vacated its Memphis facility in February 2009 and did not renew the lease upon its expiration in April 2009.
- Completed termination of Cell Genesys's collaboration agreement with Takeda Pharmaceutical Company Limited for GVAX immunotherapy for prostate cancer, effective in the first quarter 2009.
- Substantially reduced the number of patents and terminated a number of license agreements in order to reduce costs, including without limitation the terminated agreements relating to the development and commercialization of oncolytic therapies with Novartis Pharma, AG and certain affiliates as well as a gene activation technology license agreement with sanofi-aventis.
- Terminated a committed equity financing facility with Kingsbridge Capital Limited due to a substantial decrease in the trading price of Cell Genesys common stock below the minimum purchase price of \$1.75 per share.
- In order to facilitate the pursuit of potential alternatives for Cell Genesys and to reduce the cash payment required under the terms of a warrant to purchase approximately 8.5 million shares of Cell Genesys common stock in the event Cell Genesys were to consummate certain transactions (including, without limitation, a merger with BioSante), entered into a warrant exchange agreement on May 17, 2009, resulting in the issuance of 8.0 million shares of Cell Genesys common stock and reducing the cash payment upon the consummation of such transactions to \$112,238 as of August 15, 2009 (the cash payment value was estimated to be approximately \$4.2 million on the last trading day prior to execution of such agreement and had exceeded \$5 million for 10 of the 20 trading days prior to execution of such agreement, reaching a high of approximately \$6.7 million on April 28, 2009).
- Completed in June 2009 a tender offer to exchange all of the then outstanding aggregate principal amount of Cell Genesys's 3.125% convertible notes due in November 2011, pursuant to which Cell Genesys repurchased an aggregate of \$67.1 million face value of Cell Genesys's 3.125% convertible notes due in November 2011 for approximately \$33.5 million in cash and \$0.3 million in accrued interest, 13.8 million shares of Cell Genesys common stock, and \$20.8 million of new 3.125% convertible senior notes due in May 2013. As a result of the tender offer, \$1.2 million of the 3.125% convertible notes due in November 2011 remain outstanding and the creditor derivative lawsuit filed by Tang Capital Partners, LP, referred to as Tang, on May 5, 2009 in the Court of Chancery of the State of Delaware against Cell Genesys and its directors and executive officers was withdrawn.

Review of Strategic Alternatives. The various alternatives discussed and considered by the Cell Genesys board of directors included combining with or being acquired by a public or private company, continuing as an independent company and allocating its resources to other biopharmaceutical product areas through in-licensing or acquisitions, selling Cell Genesys's assets and liquidating Cell Genesys.

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On September 19, 2008, at the first meeting of the Cell Genesys board of directors following the termination of VITAL-2, Dr. Stephen A. Sherwin, the Chairman and Chief Executive Officer of Cell Genesys, outlined management's preliminary review of potential alternatives for Cell Genesys based on different potential outcomes of the pending VITAL-1 futility analysis. With the VITAL-1 futility analysis still pending,

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the Cell Genesys board of directors met again on October 1, 2008 to review and discuss the potential alternatives available to Cell Genesys. The Cell Genesys board of directors next met on October 8, 2008 and again reviewed and discussed different alternatives presented by management based on the potential outcomes of the VITAL-1 futility analysis, preliminary steps required to assess alternatives for Cell Genesys, the timing of potentially engaging an investment banking firm to help evaluate alternatives available to Cell Genesys, and the fiduciary obligations of the Cell Genesys board of directors.

On October 15, 2008, the Cell Genesys board of directors met and was presented with the results of the VITAL-1 futility analysis, which indicated that VITAL-1 had less than a 30 percent chance of meeting its predefined primary endpoint of improved patient survival. The Cell Genesys board of directors then reviewed and discussed and approved restructuring and cost reduction activities for Cell Genesys and discussed and approved the retention of an investment banking firm. In addition, the Cell Genesys board of directors approved the formation of a new Cell Genesys finance committee, comprised of the following members of the Cell Genesys board of directors: Nancy M. Crowell, James M. Gower, Dennis L. Winger and alternate member David W. Carter. The Cell Genesys board of directors authorized the Cell Genesys finance committee to meet regularly with management and assist the Cell Genesys board of directors in evaluating alternatives.

On October 21, 2008, the Cell Genesys board of directors met and discussed the implementation of the restructuring plan, potential alternatives and possible financial advisors to assist Cell Genesys and the Cell Genesys board of directors in evaluating alternatives for Cell Genesys. Representatives of O Melveny & Myers LLP, referred to as OMM, and Shearman and Sterling, referred to as Shearman, gave a presentation regarding the fiduciary obligations of the Cell Genesys board of directors.

The trading price of Cell Genesys common stock had decreased significantly. On October 21, 2008, Cell Genesys received a NASDAQ Staff Deficiency Letter indicating that Cell Genesys had become non-compliant with the minimum \$1.00 bid price requirement for continued listing on The NASDAQ Global Market because the price of Cell Genesys common stock had closed below the minimum bid price of \$1.00 per share for a period of 30 consecutive business days. In light of extraordinary market conditions, NASDAQ has suspended enforcement of the rules and extended the suspension period with regard to the minimum bid price and market value of publicly held shares requirements several times, as a result of which Cell Genesys now has until January 20, 2010 to regain compliance.

On November 6, 2008, Cell Genesys engaged the investment banking firm, Lazard Frères & Co. LLC, referred to as Lazard, in connection with Cell Genesys's evaluation of alternatives.

The Cell Genesys board of directors met on November 6, 2008 and discussed the status of Cell Genesys's restructuring plan and its efforts to evaluate various alternatives for the company. Representatives of Lazard gave a presentation to the Cell Genesys board of directors describing and analyzing potential alternatives.

After being contacted by a public company referred to as Public Company A, Cell Genesys entered into a confidentiality agreement with Public Company A on October 27, 2008. Cell Genesys and Lazard spoke with Public Company A and its financial advisor on November 16, 2008. Following this initial meeting, representatives from Public Company A visited Cell Genesys's office on November 21, 2008 to discuss business diligence issues. On December 1, 2008, Cell Genesys received a written indication of interest from Public Company A.

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The Cell Genesys board of directors met on December 3, 2008, reviewed presentations by management and representatives of Lazard and discussed the status of the restructuring and Cell Genesys's efforts to explore various alternatives. OMM and Shearman advised the Cell Genesys board of directors regarding various legal and fiduciary issues to consider in evaluating alternatives.

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Cell Genesys entered into a confidentiality and non-disclosure agreement with a public company referred to as Public Company B on December 12, 2008. On December 19, 2008, Public Company B gave a corporate presentation to the Cell Genesys management team and representatives of Lazard.

On December 19, 2008, the Cell Genesys board of directors met and discussed the status of the restructuring and the status of Cell Genesys's efforts to explore various alternatives. Management and representatives of Lazard provided an update regarding the alternatives available to Cell Genesys.

On December 19, 2008, Lazard sent letters to potential counterparties, public and private, requesting an indication of interest. BioSante was not one of these parties. Three private companies submitted indications of interest in response to these letters in January 2009 and Lazard and Cell Genesys's management engaged these parties in discussions. However, after review by Cell Genesys's management in consultation with its financial and legal advisors and in light of the alternatives potentially available to Cell Genesys including liquidation, Cell Genesys and these parties subsequently determined that a transaction was either not feasible or sufficiently attractive and Cell Genesys determined that allocating further resources to continued discussions at that time was not in the best interest of Cell Genesys.

On January 16, 2009, the Cell Genesys board of directors met, reviewed presentations by management and representatives of Lazard and discussed the status of Cell Genesys's efforts to explore various alternatives.

On January 26, 2009, Lazard sent letters to Public Company A, Public Company B and other potential counterparties requesting proposals. On January 30, 2009, Cell Genesys received a written indication of interest from Public Company A.

On February 3, 2009, the Cell Genesys finance committee met, reviewed presentations by management and representatives of Lazard and discussed the status of Cell Genesys's restructuring efforts and its efforts to explore various alternatives. Representatives from Shearman provided the committee with an overview of certain legal considerations in connection with evaluating Cell Genesys's potential alternatives.

On February 13, 2009, Public Company A notified Cell Genesys that it no longer wished to pursue a merger due to the imminent consummation of a financing transaction and Cell Genesys and Public Company A agreed to terminate further discussions.

On March 3 and March 9, 2009, Dr. Sherwin and Sharon Tetlow, the senior vice president and chief financial officer of Cell Genesys, met with senior management personnel from Public Company B to discuss the terms of a possible merger of Public Company B and Cell Genesys, as well as other business and legal diligence matters.

On March 4, 2009, the Cell Genesys board of directors met, reviewed presentations by management and representatives of Lazard and discussed Cell Genesys's efforts to explore various alternatives.

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On March 6, 2009, Cell Genesys received an indication of interest from a private company and Lazard and Cell Genesys's management engaged in discussions with this party. However, after review by Cell Genesys's management in consultation with its financial and legal advisors, and in light of the alternatives potentially available to Cell Genesys at that time including liquidation, Cell Genesys subsequently determined that a transaction was not likely to be sufficiently attractive and Cell Genesys determined that allocating further resources to continued discussions at that time was not in the best interest of Cell Genesys.

On March 16, 2009, Public Company B submitted a revised acquisition proposal to Cell Genesys.

On March 19, 2009, the Cell Genesys finance committee met and reviewed the status of Cell Genesys's restructuring efforts and its efforts to explore various alternatives, including Cell Genesys's ongoing discussions with BioSante, Public Company B and other interested potential parties, and to consider the other alternatives available to Cell Genesys, including liquidation. Representatives of OMM and Shearman reviewed the proposed terms of an agreement to enter into exclusive negotiations with Public Company B for a

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period of 20 days, which Public Company B had indicated was a requirement to continue further discussions. The Cell Genesys finance committee authorized management to enter into an exclusivity agreement with Public Company B.

On March 23, 2009, Cell Genesys entered into an exclusivity agreement with Public Company B obligating Cell Genesys to negotiate with Public Company B in good faith and on an exclusive basis until April 12, 2009 with respect to a potential transaction. The same day, Public Company B circulated a draft merger agreement to Cell Genesys.

On March 25, 2009, Dr. Sherwin and Robert Tidwell, the senior vice president of corporate development, of Cell Genesys and Dr. Potts of the Cell Genesys board of directors visited Public Company B to conduct diligence and engage in further discussions. Also on March 25, 2009, while still subject to the exclusivity agreement with Public Company B, Cell Genesys received an indication of interest from another private company. However, after review by Cell Genesys's management in consultation with its financial and legal advisors and in light of the various alternatives available to Cell Genesys, including liquidation and the possibility of a transaction with Public Company B, Cell Genesys determined that discussions at that time would not be in the best interest of Cell Genesys.

On March 30, 2009, OMM and Shearman circulated a revised draft merger agreement to Public Company B's counsel. Public Company B's counsel responded on April 2, 2009, circulating a revised draft merger agreement to Cell Genesys and its advisors. Representatives of Public Company B and its counsel met in person with Ms. Tetlow, OMM and Shearman on April 3, 2009 at OMM's offices in San Francisco to discuss the draft merger agreement between Cell Genesys and Public Company B.

On April 4, 2009, the Cell Genesys board of directors met and discussed Cell Genesys's ongoing negotiations with Public Company B and other alternatives for Cell Genesys. On April 7, 2009, Dr. Sherwin and members of the board of directors with scientific backgrounds met to discuss diligence conducted on Public Company B.

On April 8, 2009, Dr. Sherwin and the chief executive officer of Public Company B met to discuss further the possibility of a potential transaction between Cell Genesys and Public Company B. After review by Cell Genesys's management in consultation with its financial and legal advisors, and in light of the various alternatives available to Cell Genesys including liquidation, Cell Genesys decided that further discussions with Public Company B at that time would not be in the best interest of Cell Genesys and the parties agreed to terminate further negotiations. Cell Genesys's exclusivity agreement with Public Company B expired on Sunday, April 12, 2009 and was not renewed by the parties.

Background of Development of Transaction between BioSante and Cell Genesys

On December 9, 2008, Phillip B. Donenberg, the Chief Financial Officer, Treasurer and Secretary of BioSante, contacted Lazard to express BioSante's interest in exploring a possible merger with Cell Genesys.

On February 19, 2009, a representative of Lazard spoke with Mr. Donenberg. The following day, February 20, 2009, BioSante and Cell Genesys entered into a mutual confidentiality agreement in order to allow the parties to explore and evaluate a possible transaction and conduct

initial due diligence.

On March 4, 2009, Mr. Simes and Mr. Donenberg of BioSante met with Dr. Sherwin and Ms. Tetlow of Cell Genesys and representatives of Lazard in San Francisco, California to discuss further BioSante's possible interest in a merger with Cell Genesys. BioSante's management team gave a corporate presentation to the Lazard representatives and Cell Genesys management team.

On March 5, 2009, BioSante's management and legal advisors were granted access to Cell Genesys's electronic data room and subsequently immediately commenced initial due diligence on Cell Genesys, including in particular its outstanding 3.125% convertible notes due in November 2011 and whether a merger between BioSante and Cell Genesys would accelerate payment of such notes.

On March 10, 2009, BioSante's management sent an exploratory initial indication of interest letter to Cell Genesys that proposed an acquisition of Cell Genesys in a stock-for-stock merger pursuant to which the exchange ratio would be fixed based on a 25 percent premium to the volume-weighted average price of Cell

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Genesys common stock for the 10 trading days preceding the signing of a definitive agreement. At that time, Cell Genesys' s balance of cash, cash equivalents and short-term investments exceeded \$70 million and Cell Genesys' s stock was trading at 23 cents per share and BioSante common stock was trading at \$1.26 per share.

On March 13, 2009, at a regular meeting of the BioSante board of directors, BioSante' s management updated the board as to BioSante' s efforts to pursue a merger with several companies that had a low market capitalization in relation to their cash, cash equivalents and short-term investments, including Cell Genesys. Mr. Simes summarized for the board the various indications of interest that BioSante' s management had sent to target companies and specifically the proposed indication of interest to Cell Genesys. At the meeting, the BioSante board of directors authorized BioSante' s management to continue to pursue its strategy of seeking a merger with a company that had a low market capitalization in relation to its cash, cash equivalents and short-term investments, as well as other financing alternatives that may become available.

Cell Genesys' s management, together with its advisors, reviewed the terms of the initial BioSante proposal. On March 16, 2009, Ms. Tetlow of Cell Genesys spoke with Mr. Donenberg of BioSante to inform him of Cell Genesys' s interest in further negotiations regarding BioSante' s acquisition proposal and to request that BioSante submit a revised acquisition proposal. Following Ms. Tetlow' s conversation with Mr. Donenberg, BioSante sent an updated indication of interest letter to Cell Genesys. In the letter, BioSante indicated a willingness subject to certain conditions to pursue a stock-for-stock merger pursuant to which the exchange ratio would be fixed based on a 25 percent premium to the volume-weighted average price of Cell Genesys common stock for the 10 trading days preceding the signing of the definitive agreement. BioSante also proposed to add two new members to the board of directors of the combined company, both of which would be designated by Cell Genesys.

On March 20, 2009, Cell Genesys informed BioSante and other parties that previously had submitted an indication of interest that it had decided to pursue an alternative transaction with another third party and had agreed to enter into a letter of exclusivity with such other third party.

On April 13, 2009, a representative of Lazard contacted a representative of BioSante' s financial advisor to communicate that Cell Genesys was no longer in exclusive negotiation with the other third party and to determine whether BioSante was still interested in a potential merger with Cell Genesys. At the direction of BioSante' s management, BioSante' s financial advisor communicated to Cell Genesys' s financial advisor that BioSante was still interested in a potential merger with Cell Genesys.

Also on April 13, 2009, the Cell Genesys finance committee met to discuss Cell Genesys' s efforts to explore alternatives.

On April 15, 2009, in accordance with the directives of BioSante, BioSante' s financial advisor reiterated to Cell Genesys' s financial advisor that BioSante was interested in pursuing negotiations of a possible acquisition of Cell Genesys in a stock-for-stock merger. Also on April 15, 2009, Ms. Tetlow contacted Mr. Donenberg to discuss BioSante' s interest in a potential merger with Cell Genesys and the process and timing of BioSante' s due diligence investigation of Cell Genesys.

On April 16, 2009, Cell Genesys' s management sent to BioSante' s management a draft merger agreement and a due diligence request for purposes of assisting Cell Genesys and its advisors in performing a due diligence investigation of BioSante. In response, BioSante' s management communicated to Cell Genesys' s management that BioSante was not interested in spending significant resources on a potential transaction without an exclusivity letter.

On April 16, 2009, Cell Genesys's management communicated to BioSante's management that if BioSante sent Cell Genesys a formal, more detailed written indication of interest containing the material terms pursuant to which BioSante was willing to acquire Cell Genesys in a merger transaction, the Cell Genesys board of directors might be willing to grant BioSante exclusivity for a certain limited period.

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On April 17, 2009, BioSante's management sent a formal, more detailed written indication of interest containing the material terms pursuant to which BioSante was willing to acquire Cell Genesys in a stock-for-stock merger in which all outstanding shares of Cell Genesys common stock would be converted into BioSante common stock at a fixed exchange ratio that would be determined using a 25 percent premium to the volume-weighted average price of Cell Genesys common stock during the 10 trading days preceding the signing and announcement of the definitive agreement.

From April 18, 2009 to May 20, 2009, BioSante's and Cell Genesys's respective managements and advisors performed additional due diligence. On April 19, 2009, Public Company B's counsel circulated a revised draft definitive merger agreement to Cell Genesys and OMM.

On April 20, 2009, Cell Genesys's management informed BioSante and its legal counsel of a letter sent to Cell Genesys by Tang in which Tang, among other things, expressed concern that Cell Genesys was exploring alternatives which included the sale or merger of Cell Genesys, claimed that Cell Genesys was insolvent, that its fiduciary duty was to maximize recovery for its creditors, not its stockholders, and requested that the retention payments for executives publicly announced on April 9, 2009 be reconsidered.

The Cell Genesys finance committee met on April 21, 2009 and discussed the most recent proposal from BioSante and the discussions with Public Company B, as well as Cell Genesys's other available alternatives, including liquidation. Representatives of Shearman provided the Cell Genesys finance committee with an overview of certain legal considerations in evaluating various alternatives.

On April 22, 2009, Mr. Simes of BioSante discussed the proposed transaction with Cell Genesys with members of the strategic transaction committee. Such members directed Mr. Simes to continue to proceed with the proposed transaction and to update the committee and the full BioSante board of directors as appropriate.

On April 22, 2009, BioSante's management again communicated to Cell Genesys's management that BioSante was not interested in spending significant resources on a potential transaction without an exclusivity agreement.

Also on April 22, 2009, the Cell Genesys board of directors met and reviewed the status of ongoing negotiations with BioSante and Public Company B, as well as other alternatives. Representatives of Lazard reviewed the process for identifying potential counterparties to a transaction, Dr. Sherwin and Ms. Tetlow reviewed the status of Cell Genesys's diligence and discussions with potential counterparties and Lazard presented various financial considerations for the Cell Genesys board of directors in connection with evaluating a transaction. The Cell Genesys board of directors also discussed the general parameters and effect of liquidation as compared to other alternatives. Further, the Cell Genesys board of directors reviewed and discussed criteria prepared by management with respect to considering various in-licensing opportunities and potential candidates in connection with the Cell Genesys board of directors's consideration of various alternatives. Dr. Potts gave a report on BioSante's business opportunities based on his discussions with independent experts in the field. In connection with pursuing further discussions with BioSante, the Cell Genesys board of directors authorized Cell Genesys to enter into an exclusivity agreement with BioSante providing for exclusive negotiations for an initial period not to exceed 20 business days.

Later on April 22, 2009, Cell Genesys's management communicated to BioSante's management that, if the material terms of the definitive merger agreement could be agreed upon as indicated by BioSante sending to Cell Genesys detailed comments to the draft merger agreement, Cell Genesys may be willing to grant BioSante exclusivity for a certain limited period.

In addition, on April 22, 2009, BioSante's management directed BioSante's legal counsel, Oppenheimer Wolff & Donnelly LLP, referred to as OWD, to commence a legal due diligence investigation

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of Cell Genesys and to begin reviewing the draft merger agreement sent to BioSante by Cell Genesys on April 16, 2009.

From April 22, 2009 until May 8, 2009, representatives of OWD conducted a legal due diligence investigation of Cell Genesys. From April 27, 2009 until May 8, 2009, representatives of Deloitte & Touche LLP, BioSante's independent registered public accounting firm, conducted a tax and accounting due diligence investigation of Cell Genesys. During such period, several telephone conference calls were held between representatives of OWD and legal counsel to Cell Genesys to discuss various aspects of the due diligence investigation.

On April 24, 2009, Cell Genesys management informed Public Company B that it was not currently interested in pursuing further discussions at that time. On the same day, BioSante sent Cell Genesys a revised draft merger agreement.

On April 25, 2009, the Cell Genesys finance committee met and discussed the status of Cell Genesys's discussions with potential counter parties, and reviewed a proposed exclusivity agreement from BioSante and various alternatives for Cell Genesys, including liquidation. The Cell Genesys finance committee approved entering into an exclusivity agreement and continuing negotiations with BioSante.

Later on April 25, 2009, Cell Genesys sent BioSante a draft exclusivity agreement and, on April 27, 2009, Cell Genesys and BioSante executed an agreement requiring that Cell Genesys negotiate with BioSante exclusively until May 9, 2009, unless either party earlier notified the other of its decision to terminate discussions.

On April 29, 2009, Dr Sherwin had an extensive discussion with Mr. Simes in which he reviewed BioSante's product development and business activities with particular emphasis on the prior and current clinical trials and history of communications with the FDA regarding BioSante's lead product LibiGel, the current status of other products in BioSante's portfolio, BioSante's CaP technology platform which includes the BioVant vaccine adjuvant, and the financial terms of the key in-licensing and out-licensing agreements entered into by BioSante. On the same day, representatives of OWD, OMM and Shearman held a telephone conference call to discuss the terms of the merger agreement.

On May 1, 2009, a special meeting of the BioSante board of directors was held. At the meeting, Mr. Simes provided a summary of the efforts of BioSante's management, with the assistance of Deutsche Bank Securities Inc., during the past year to seek strategic alternatives, including a license of LibiGel and a sale of BioSante, and, with the assistance of Oppenheimer & Co., to raise additional financing. Mr. Simes explained that largely as a result of the current economic recession and its effect on the capital markets, BioSante had been unable to complete a more traditional financing, such as a PIPE transaction or a registered direct equity offering. Mr. Simes next summarized the efforts of BioSante's management to seek alternative methods for raising additional financing, such as its strategy to merge with a company that had a low market capitalization in relation to its cash, cash equivalents and short-term investments. Mr. Simes reminded the board regarding BioSante's previous contacts with Cell Genesys as of the time of the board's last meeting in March 2009, updated the board as to the most recent developments with respect to a proposed transaction with Cell Genesys and summarized the then material terms of the proposed transaction. BioSante's financial advisor summarized for the board the efforts conducted, at the request of BioSante's management, in seeking additional financing and pursuing BioSante's strategy to merge with a company that had a low market capitalization in relation to its cash, cash equivalents and short-term investments. A representative of OWD next summarized for the board its fiduciary duties in connection with considering a merger with Cell Genesys. A copy of a memorandum describing the board's fiduciary duties was sent to the board members in advance of the meeting. The representative of OWD next summarized the proposed structure of the transaction and its material terms. A copy of the draft merger agreement was sent to the board members in advance of the meeting. The representative of OWD also explained the status and results to date of the due diligence investigation of Cell Genesys. A discussion of the transaction followed this review. At the conclusion of this

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discussion, the directors unanimously determined that BioSante's management should continue to proceed with the proposed transaction with Cell Genesys.

On May 5, 2009, Cell Genesys's management informed BioSante and its legal counsel of a letter sent to Cell Genesys by Tang's counsel which, among other things, reiterated its claim that Cell Genesys was insolvent, claimed that the authorization of retention payments violated the Cell Genesys board's fiduciary duties and threatened litigation. Also on May 5, 2009, representatives of OWD, OMM and Shearman held a telephone conference call to discuss the terms of the merger agreement, including the exchange ratio and potential adjustments to the exchange ratio, requirements of Cell Genesys for net cash less certain liabilities, the proposed treatment of an outstanding Cell Genesys warrant, the effect of the threatened litigation by Tang on BioSante's ability to refuse to close or terminate the agreement, representations by Cell Genesys, the covenant regarding the conduct of Cell Genesys's business prior to closing, termination rights and termination fees.

On May 5, 2009, Tang filed suit in The Court of Chancery of the State of Delaware against Cell Genesys and its directors and executive officers, pursuant to which Tang purported to be Cell Genesys's largest creditor as a holder of 67.6 percent of the outstanding principal amount of Cell Genesys's 3.125% convertible senior notes due in November 2011, and sought declaratory and injunctive relief for itself and on behalf of Cell Genesys. The complaint contained three claims for relief: (1) declaratory relief that Cell Genesys was insolvent, and therefore, the directors must manage Cell Genesys principally for the benefit of its creditors; (2) a derivative suit on behalf of the Cell Genesys stockholders, seeking declaratory relief for breach of the director's fiduciary duties to Cell Genesys by approving retention payments for Cell Genesys's executives and a related injunction to prevent such payments; and (3) relief enjoining such payment as fraudulent obligations and/or transfers. Prior to and after Tang's filing of the complaint, representatives of Tang, Shearman and OMM engaged in discussions with Cell Genesys and Tang Capital regarding entering into an exchange and settlement agreement on May 10, 2009, pursuant to which Cell Genesys agreed to commence with the exchange offer discussed above.

On May 8, 2009, following a review of numerous confidential documents provided by BioSante for purposes of due diligence, Dr. Sherwin discussed with Mr. Simes the design and current status of the LibiGel Phase III trials and plans for other potential clinical trials of the product, the process undertaken for LibiGel Phase III protocol review by the FDA and the review with the FDA of the contents of a potential registration filing for the product, the current status of and future plans for manufacturing LibiGel and the history of FDA communications regarding product manufacturing, the market potential and competitive landscape for LibiGel, the potential for future sales of Elestrin, BioSante's marketed product, and further details regarding certain of BioSante's in-licensing and out-licensing agreements. On the same day, BioSante and Cell Genesys amended their letter of exclusivity to extend the exclusivity period to May 23, 2009.

Also on May 8, 2009, a special meeting of the BioSante board of directors was held during which Mr. Simes updated the board as to the status of the transaction and developments since the last board meeting. Mr. Simes summarized the recent developments, including the formal complaint filed by Tang against Cell Genesys and its directors and officers and the substance of subsequent settlement discussions that had taken place between Cell Genesys's management and Tang. OWD provided a legal analysis of the merit of such claims and summarized the manner in which the litigation likely would evolve if BioSante and Cell Genesys were to enter into a definitive merger agreement. Members of the BioSante board of directors discussed the complaint, the terms of the subsequent settlement discussions between Cell Genesys and Tang and the effect of the complaint on BioSante's willingness to proceed with the potential transaction. OWD also provided a detailed executive summary of the due diligence investigation of Cell Genesys. An executive summary of the due diligence investigation report was provided to the members of the BioSante board of directors in advance of the meeting. Mr. Donenberg summarized the accounting and tax due diligence investigation conducted by Deloitte & Touche LLP and in so doing referred to a draft of due diligence report prepared by Deloitte & Touche LLP and sent to the directors prior to the meeting. After further discussion of the transaction, it was the consensus of the BioSante board of directors to authorize BioSante's management to continue to proceed

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with the proposed transaction with Cell Genesys so long as Cell Genesys would agree that the absence of any pending motion for immediate relief in connection with the then pending Tang litigation would be a condition to BioSante's obligation to close the transaction.

On May 13, 2009, the Cell Genesys finance committee met and discussed Cell Genesys's efforts to pursue alternatives for Cell Genesys.

On May 19, 2009, Dr. Sherwin and Mr. Simes met while attending the BIO 2009 meeting in Atlanta and confirmed interest in the discussion of a potential merger transaction, but agreed the parties would not be in a position to further evaluate such a potential transaction prior to completion of Cell Genesys's exchange offer.

On May 22, 2009, BioSante submitted a revised draft of the merger agreement to Cell Genesys. During a conference call on that same day, BioSante and Cell Genesys discussed their interest in continuing to negotiate a potential transaction, but that neither party would be in a position to evaluate whether any specific terms of a transaction would be in the best interest of such company and its stockholders until the results of Cell Genesys's exchange offer were available. Later that day, Cell Genesys and BioSante executed an amendment to their April 25 exclusivity agreement, extending the period of exclusive negotiations between the parties to June 12, 2009 and providing for automatic 10-day extensions thereafter subject to cancellation upon two days' notice by either party.

On June 9, 2009, a regular meeting of the BioSante board of directors was held during which Mr. Simes updated the board as to the status of the transaction and developments since the last board meeting, including the fact that Cell Genesys had commenced its exchange offer and that the exchange offer was scheduled to expire on June 22, 2009.

On June 9, 2009, the Cell Genesys finance committee met and discussed Cell Genesys's efforts to explore various alternatives.

On June 18, 2009, the Cell Genesys board of directors convened to discuss Cell Genesys's efforts to explore alternatives. During this meeting, representatives from Lazard gave a presentation to the Cell Genesys board of directors regarding the various alternatives Cell Genesys had been examining, including a merger with a public or private company, product acquisition and liquidation. Representatives of Shearman and OMM updated the Cell Genesys board of directors regarding the status of negotiations with BioSante and summarized the main legal issues under negotiation or to be negotiated. Dr. Sherwin and Mr. Tidwell provided the Cell Genesys board of directors with further information about BioSante based on management's due diligence review, including an overview of BioSante's products, technology, and clinical pipeline; a detailed review of the past clinical data and ongoing Phase III trials for its lead product, LibiGel, and the history of communications with the FDA; information about BioSante's management personnel and past record of achievement; a review of its key in-licensing and out-licensing agreements; an assessment of the market potential for its lead product; the state of its finances; and potential near-term milestones for its business.

On June 23, 2009, Cell Genesys's exchange offer expired. Upon the settlement of the exchange offer, approximately 109.6 million shares of Cell Genesys common stock were outstanding, Cell Genesys's cash and cash equivalents balance was approximately \$36 million and approximately \$20.1 million aggregate principal amount of new 3.125% convertible senior notes due in May 2013 and \$1.2 million of 3.125% convertible senior notes due in November 2011 were outstanding.

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On June 23, 2009, Ms. Tetlow contacted Mr. Donenberg to inform him of the results of the exchange offer and the resulting capitalization of Cell Genesys and to determine whether BioSante remained interested in pursuing a merger transaction. Mr. Donenberg indicated that BioSante was still interested in a possible

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merger transaction with Cell Genesys and subsequently members of senior management of Cell Genesys and BioSante resumed negotiations.

In a series of telephone conferences beginning on June 23, Dr. Sherwin and Ms. Tetlow of Cell Genesys negotiated various terms, including the exchange ratio, with Mr. Simes and Mr. Donenberg. Mr. Simes and Mr. Donenberg initially proposed an exchange ratio equivalent to a 1 percent premium over Cell Genesys's trading price prior to execution of a definitive agreement. In a subsequent call, Ms. Tetlow responded that the proposed exchange ratio was unacceptable and proposed an exchange ratio equivalent to a 25 percent pricing premium, consistent with BioSante's original proposal. Both parties agreed to discuss the matter further at a later date. BioSante and Cell Genesys subsequently conferred with their respective financial advisors and members of their respective boards of directors.

On June 24, 2009, BioSante indicated that it was not willing to offer an exchange ratio that represented a 25 percent premium to Cell Genesys's then current trading price given that Cell Genesys's cash balance was lower by approximately \$34 million and that Cell Genesys's stock price had appreciated from the time of BioSante's initial proposal. Mr. Donenberg proposed an exchange ratio that represented an 8 percent premium and Ms. Tetlow proposed an exchange ratio which represented a 17 percent premium. Mr. Donenberg and Ms. Tetlow then agreed later that day in principle to an exchange ratio that represented a 12 percent premium above the closing sale price of Cell Genesys common stock on the date a definitive agreement is entered into, subject to approval by the Cell Genesys and BioSante boards of directors.

On June 23, 2009, representatives of OWD reinitiated its legal due diligence investigation of Cell Genesys. From June 23, 2009 to June 29, 2009, several telephone conference calls and e-mails took place between representatives of OWD and legal counsel to Cell Genesys to discuss various aspects of the due diligence investigation and disclosure schedules to the merger agreement.

On June 24, 2009, representatives of OWD, OMM and Shearman held a telephone conference call to discuss the terms of the merger agreement, including the structure of the merger, the exchange ratio, potential adjustments to the exchange ratio for changes in the cash balance of Cell Genesys, the requirement of Cell Genesys to maintain minimum net cash less certain liabilities, the covenants regarding the conduct of Cell Genesys's business prior to closing, the employee benefits covenant, the parties' termination rights and fees and expenses that would be payable upon certain termination events.

Between June 24, 2009 and June 27, 2009, representatives from OWD, OMM, and Shearman exchanged drafts of the merger agreement and continued to negotiate the terms and conditions of the merger agreement, including the exchange ratio, potential adjustments to the exchange ratio, minimum net cash requirements for Cell Genesys and the employee benefits covenant.

On June 26, 2009, the BioSante board of directors held a special meeting to receive an update on the status of the proposed transaction with Cell Genesys. Mr. Simes summarized the status of the deal negotiations and developments since the board had last met on June 9, 2009. BioSante's financial advisor updated the BioSante board of directors as to the efforts conducted, at the request of BioSante's management, since August 2008 to assist BioSante in raising additional financing. A representative of OWD summarized the material terms of the merger agreement and voting agreements. A draft of the merger agreement and a memorandum describing the principal terms of the transaction documents were provided to the members of the BioSante board of directors in advance of the meeting. After discussion, the directors unanimously determined that BioSante's management should continue to proceed with the proposed transaction with Cell Genesys.

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On June 27 and 28, 2009, BioSante's and Cell Genesys's managements worked to resolve the remaining open points in the merger agreement, including the exchange ratio, potential adjustments to the exchange ratio, minimum net cash requirements for Cell Genesys, whether any directors of Cell Genesys would become directors of the combined company, the obligation of BioSante to honor contractual rights of

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Cell Genesys's current executive officers and employees to receive continued health insurance after the completion of the transaction and the tax treatment of payments to be received by Cell Genesys's executives in connection with the merger.

The Cell Genesys board of directors met on June 28, 2009 to review and assess the proposed merger and merger agreement with BioSante as well as the alternative options available to Cell Genesys. During this meeting, representatives from Lazard gave a presentation to the Cell Genesys board of directors regarding the financial terms of the proposed merger and the financial positions of both Cell Genesys and BioSante, and management's estimated range of liquidation values in the event of liquidation. Representatives from Shearman and OMM also gave a presentation to the Cell Genesys board of directors, discussing the fiduciary obligations of the Cell Genesys board of directors as well as an analysis of the terms and structure of the merger agreement, which had been distributed previously to the members of the Cell Genesys board of directors. Dr. Sherwin also reviewed his earlier presentation to the Cell Genesys board of directors regarding various aspects of BioSante's business. At the conclusion of the meeting, the Cell Genesys board of directors instructed management to finalize the merger agreement with BioSante.

After the market closed on June 29, 2009, Mr. Donenberg and Ms. Tetlow discussed Cell Genesys's expected cash balance post-closing, the premium to Cell Genesys's closing sale price that BioSante would be willing to pay in relation to the closing sale price of Cell Genesys common stock on that day in light of the expected cash balance and the specific exchange ratio of 0.1615. Subject to approval by their respective boards of directors, Mr. Donenberg and Ms. Tetlow agreed upon a 12% premium and the exchange ratio of 0.1615, subject to potential upward or downward adjustment for changes in Cell Genesys's net cash, less certain expenses and liabilities, prior to closing.

Later on June 29, 2009, the Cell Genesys board of directors convened to consider the proposed merger with BioSante. Representatives from Lazard updated the analysis presented at the June 28 Cell Genesys board of directors meeting and rendered its oral opinion to the Cell Genesys board of directors (which was confirmed in writing by delivery of Lazard's written opinion dated June 29, 2009), to the effect that, as of the date thereof and based upon and subject to the procedures followed, assumptions made, qualifications and limitations on the review undertaken and other matters considered by Lazard in preparing its opinion, the merger consideration to be paid to holders of Cell Genesys common stock was fair, from a financial point of view, to such holders. After this presentation and after reviewing and assessing the terms of the proposed merger agreement, and concluding that entering into the merger was in the best interests of Cell Genesys and its stockholders, the Cell Genesys board of directors unanimously approved the merger agreement and related agreements, and the transactions contemplated thereby, including the merger with BioSante.

Also on June 29, 2009, the BioSante board of directors held a special meeting to consider the proposed transaction with Cell Genesys. Mr. Simes summarized the status of the deal negotiations and developments since the board last met. BioSante's financial advisor again summarized for the board the efforts conducted, at the direction of BioSante's management, since August 2008 to assist BioSante in raising additional financing. A representative of OWD summarized the principal deal terms focusing, in particular, on changes to those terms since the meeting held by the BioSante board of directors on June 26, 2009. A draft of the merger agreement, a memorandum describing the principal terms of the transaction documents and proposed resolutions were provided to the members of the BioSante board of directors in advance of the meeting. The representative of OWD also provided a final oral due diligence report to the board. Also at this meeting, Oppenheimer & Co. reviewed with the BioSante board of directors its financial analysis of the 0.1615 exchange ratio and rendered to the BioSante board of directors an oral opinion, which was confirmed by delivery of a written opinion dated June 29, 2009, to the effect that, as of that date and based on and subject to the matters described in the opinion, the 0.1615 exchange ratio was fair, from a financial point of view, to BioSante. A representative of OWD summarized the proposed resolutions for the BioSante board of directors and reviewed with the BioSante board of directors its fiduciary duties applicable to the proposed transaction. At the conclusion of this discussion, the directors unanimously determined that the merger and the other transactions contemplated thereby were fair to, and in the best interests of, BioSante and its stockholders. The

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directors voted unanimously to approve and adopt all of the resolutions, including the approval and adoption of the merger agreement and the transactions contemplated thereby, including the merger and the issuance of shares of BioSante common stock in the merger, the approval of an amendment to BioSante's certificate of incorporation to increase the number of authorized shares of common stock and resolutions that authorized and directed BioSante's management to take certain actions in connection with execution of the merger agreement and voting agreement.

Also on June 29, 2009, certain stockholders of BioSante entered into voting agreements with Cell Genesys to vote in favor of adoption of the merger and approval of the merger agreement, and Dr. Sherwin entered into a voting agreement with BioSante pursuant to which he agreed to vote in favor of adoption of the merger agreement and approval of the merger.

Later that day, representatives of Cell Genesys, OMM and Shearman finalized the merger agreement with representatives of BioSante and OWD, and BioSante and Cell Genesys entered into the merger agreement.

On June 30, 2009, BioSante and Cell Genesys issued a joint press release announcing the proposed merger of Cell Genesys and BioSante.

Subsequent to the June 30, 2009 announcement of the proposed merger, Cell Genesys, the members of the Cell Genesys board of directors and BioSante were named as defendants in purported class action lawsuits brought by Cell Genesys stockholders challenging Cell Genesys's proposed merger with BioSante. For additional information see the description under the heading "Litigation Relating to the Merger."

BioSante Reasons for the Merger

In evaluating the merger, the BioSante board of directors consulted with BioSante's management and legal and financial advisors and, in reaching its decision to approve the merger and enter into the merger agreement, the BioSante board of directors considered a number of factors, including the following material factors which the BioSante board of directors viewed as generally supporting its decision to approve the merger and the merger agreement.

- BioSante's need for financing to continue its Phase III clinical studies for LibiGel and the lack of other currently available acceptable alternatives for BioSante to access capital, especially in light of the state of the capital markets for equity offerings at the time, which historically had been BioSante's method for raising additional financing to support its operations;
- the fact that the cash resources of the combined company expected to be available at the closing of the merger would provide BioSante sufficient capital to maintain its projected business operations through at least the next 12 months, including continued Phase III clinical development of LibiGel; and that without Cell Genesys's cash that is expected to be available to the combined company at the closing of the merger, BioSante would need to raise substantial additional funds immediately through private or public equity offerings, partnerships with pharmaceutical companies, debt financing or other arrangements in the near future, which if it were unable to do so within the required timeframe and at acceptable terms, would cause BioSante to curtail significantly its operations;

- the projected market size for LibiGel and the belief of the BioSante board of directors that if the Phase III clinical studies for LibiGel are successful, BioSante could be successful in gaining approval for LibiGel, licensing the marketing rights to LibiGel to a third party or in selling BioSante;

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- historical and current information concerning BioSante's business, financial performance, financial condition, operations and management, including financial projections of BioSante under various scenarios and its short and long-term strategic objectives and the risks associated therewith;
- the 0.1615 exchange ratio, which subject to adjustment for changes in Cell Genesys's net cash, would have resulted in BioSante stockholders holding approximately 60.4 percent of the outstanding shares of the combined company after the merger, assuming the number of outstanding shares of BioSante and Cell Genesys common stock remained unchanged until immediately prior to the effective time of the merger;
- the results of BioSante's due diligence investigations of Cell Genesys;
- the terms and conditions of the merger agreement, including without limitation the following:
 - the structure of the merger and the level of certainty as to the aggregate number of shares of BioSante common stock to be issued to Cell Genesys stockholders and the percentage of the total shares of BioSante common stock that current Cell Genesys stockholders will own after the merger provided by the exchange ratio which may be adjusted based on Cell Genesys's net cash as of the determination date, but will not be adjusted to reflect changes in the market value of BioSante common stock or Cell Genesys common stock;
 - the provisions in the merger agreement that prohibit Cell Genesys from soliciting other acquisition offers;
 - the limited number and nature of the conditions to the obligation of Cell Genesys to consummate the merger;
 - the ability of BioSante to seek additional financing or to effect other mergers, acquisitions or business combinations during the pendency of the merger with Cell Genesys;
 - the conclusion of the BioSante board of directors that the potential termination fee of \$1.0 million or the reimbursement of certain transaction expenses incurred in connection with the merger of up to \$500,000, payable by Cell Genesys to BioSante and the circumstances when such fee or expense reimbursement may be payable, were reasonable; and
 - the belief that the parties' respective representations, warranties and covenants, and the conditions to their respective obligations, are reasonable under the circumstances;

- the likelihood that the merger will be consummated on a timely basis and the likelihood that BioSante may not otherwise be able to raise additional sufficient financing prior to the completion of the merger on acceptable terms, which financing would be necessary in order to continue its operations as currently conducted, including its Phase III clinical study program for LibiGel;
- the fact that BioSante's management team and board of directors will continue in their current roles following the merger;
- the fact that the combined company will have access to Cell Genesys's GVAX Immunotherapies, specifically the commercial rights to any product arising from the ongoing physician investigator sponsored-INDs at the Sidney Kimmel Cancer Center at Johns Hopkins Hospital in pancreatic cancer, leukemia and breast cancer, which could enhance the value of the combined company's stock;

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- the fact that the combined company may be able to evaluate Cell Genesys's GVAX Immunotherapies in combination with BioSante's BioVant vaccine adjuvant to potentially enhance these immunotherapies and increase the value of the combined company's stock;
- the fact that the combined company will have a 16 percent equity ownership position in Ceregene, Inc., a former subsidiary of Cell Genesys which is developing gene therapies for neurodegenerative disorders and that successful developments by Ceregene could positively affect the combined company;
- the fact that the merger could enable stockholders of the combined company to enjoy greater liquidity from the larger stockholder base so as to allow them to buy and sell shares quickly and efficiently; and
- Oppenheimer & Co.'s opinion, and its financial presentation, dated June 29, 2009, to the BioSante board of directors as to the fairness, from a financial point of view and as of the date of the opinion, to BioSante of the 0.1615 exchange ratio, as described more fully below under the caption "Opinion of Oppenheimer & Co. Inc."

The BioSante board of directors weighed the factors described above which the BioSante board of directors viewed generally as supporting its decision to approve the merger and the merger agreement against a number of other factors identified in its deliberations weighing negatively against the merger, including without limitation the following material factors:

- the amount of time it likely will take to complete the merger and BioSante's need to raise additional financing in order to continue its Phase III clinical development of LibiGel and otherwise conduct its operations;
- the possibility that the merger might not be completed and the potential adverse effect of the public announcement of the merger on the reputation of BioSante and the ability of BioSante to obtain financing in the future in the event the merger is not completed;
- the possible negative effect of the public announcement of the merger on BioSante's stock price;
- the risk that the per share value of the consideration to be paid in the merger to Cell Genesys stockholders could increase significantly from the value prior to the announcement of the merger agreement because the exchange ratio will not be adjusted for changes in the market price of BioSante common stock or Cell Genesys common stock;
- the risk of diverting the attention of BioSante's management from other alternative financing opportunities and other strategic priorities to implement the merger and integrate each company's operations and infrastructure following the merger;

- the assumption by BioSante of all of Cell Genesys's obligations and liabilities, including those known and unknown, and the \$22.0 million principal amount of Cell Genesys's outstanding convertible senior notes which are expected to remain at closing;
- the fact that Cell Genesys's GVAX immunotherapy for prostate cancer Phase III clinical development program failed and was terminated by Cell Genesys and that BioSante may be unsuccessful in obtaining further value from GVAX Immunotherapies either through further internal development work or external collaborations;

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- the fact that Cell Genesys does not have any material assets other than its cash and cash equivalents and certain technologies and intellectual property licenses, including rights to a potential line of GVAX immunotherapies;
- the substantial transaction costs and expenses that have been incurred to date and are expected to be incurred in connection with the merger;
- the provisions of the merger agreement that require the payment of a \$1.0 million fee if the merger agreement is terminated by BioSante due to specified reasons;
- the administrative challenges associated with combining the two companies; and
- the other risks of the type and nature described under **Risk Factors** and the matters described under **Cautionary Statement Regarding Forward-Looking Statements**.

After consideration of these factors, the BioSante board of directors determined that these risks could be mitigated or managed by BioSante or Cell Genesys or by the combined company following the merger, were reasonably acceptable under the circumstances or, in light of the anticipated benefits, the risks were unlikely to have a materially adverse impact on the merger or on the combined company following the merger, and that, overall, these risks were significantly outweighed by the potential benefits of the merger.

Although this discussion of the information and factors considered by the BioSante board of directors is believed to include the material factors considered by the BioSante board of directors, it is not intended to be exhaustive and may not include all of the factors considered by the BioSante board of directors. In reaching its determination to approve the merger and approve and adopt the merger agreement, the BioSante board of directors did not find it useful and did not attempt to quantify or assign any relative or specific weights to the various factors that it considered in reaching its determination that the merger and the merger agreement are advisable and fair to and in the best interests of BioSante and its stockholders. Rather, the BioSante board of directors based its position and determination on the totality of the information presented to and factors considered by it. In addition, individual members of the BioSante board of directors may have given differing weights to different factors.

In considering the determination by the BioSante board of directors that the merger and the merger agreement are advisable and fair to and in the best interests of BioSante and its stockholders, you should be aware that certain BioSante directors and officers have arrangements that may cause them to have interests in the transaction that are different from, in addition to, or may conflict with the interests of BioSante stockholders generally. See **Interests of BioSante's Directors and Officers in the Merger**.

Cell Genesys Reasons for the Merger

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The Cell Genesys board of directors believes that the merger and the merger agreement are advisable and in the best interests of Cell Genesys and its stockholders. Accordingly, the Cell Genesys board of directors, at a meeting held on June 29, 2009, unanimously approved the merger and the merger agreement and unanimously recommends that Cell Genesys stockholders vote FOR adoption and approval of the merger agreement and the transactions contemplated thereby, including the merger. When Cell Genesys stockholders consider the recommendation of the Cell Genesys board of directors, Cell Genesys stockholders should be aware that Cell Genesys's directors may have interests in the merger that may be different from, in addition to, or conflict with the interests of Cell Genesys stockholders. These interests are described in Interests of Cell Genesys's Directors and Officers in the Merger.

In connection with its evaluation of the merger and its consideration of whether or not to adopt the merger agreement, the Cell Genesys board of directors consulted with, and received input from:

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- the executive officers of Cell Genesys regarding the results of the due diligence efforts undertaken by and on behalf of Cell Genesys, their evaluation of the merger and other potential alternatives and their recommendation that the Cell Genesys board of directors approve the merger, their analysis of the estimated amount available for distribution to creditors and stockholders in a liquidation, and their views on BioSante's product candidates, particularly with respect to its clinical trials and record of communications with the FDA, and BioSante's business, management, and historical, current and projected financial condition, results of operations, cash flow, business strategy, prospects and associated risks;
- representatives of Lazard, Cell Genesys's financial advisor, regarding the fairness from a financial point of view, of the merger consideration to be paid pursuant to the merger agreement to the holders of Cell Genesys common stock;
- members of the Cell Genesys board of directors with scientific backgrounds that had conducted scientific due diligence on BioSante's product candidates, including interviews with independent experts in the field; and
- representatives of O Melveny & Myers LLP and Shearman & Sterling LLP, Cell Genesys's outside legal counsel, regarding legal due diligence matters, the board's fiduciary duties and the terms of the merger agreement and other agreements.

In the course of determining that the merger and the merger agreement are advisable and in the best interests of Cell Genesys and its stockholders, the Cell Genesys board of directors considered a number of factors in making its determination, including the following material factors which the Cell Genesys board of directors viewed as generally supporting its decision to approve the merger and the merger agreement:

Merger Consideration. The Cell Genesys board of directors considered the merger consideration and various related financial considerations, including:

- the all-stock nature of the transaction and the exchange ratio of 0.1615 shares of the combined company that Cell Genesys stockholders will receive for each Cell Genesys share, subject to adjustment based on Cell Genesys's net cash, if the merger is consummated, which provides the opportunity for Cell Genesys stockholders to obtain an equity interest in and to participate in the possible capital appreciation in the value of the common stock of the combined company;
- the fact that the value placed on Cell Genesys with respect to the merger consideration represented a significant premium over Cell Genesys's estimated cash available for distribution to Cell Genesys stockholders (after satisfying all outstanding obligations, including its \$22.0 million principal amount of convertible senior notes) of between \$6 million and \$16 million if Cell Genesys were to liquidate;
- the exchange ratio, which, subject to adjustment for changes in Cell Genesys's net cash, represented at that time approximately 39.6 percent ownership in the outstanding common stock of the combined company by Cell Genesys stockholders on a pro forma basis, which reflected a premium of 12 percent on the closing price of Cell Genesys common stock on The NASDAQ Stock Market on June 29, 2009;

- historical and current financial market conditions and market prices and historical stock prices and trading volumes of Cell Genesys common stock and BioSante common stock;

- the historical and current information concerning the business, financial condition, results of operations, cash flow, business and prospects of Cell Genesys and BioSante, and conditions generally in the biotechnology industry;

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- the fact that the exchange ratio is subject to adjustment only for changes in Cell Genesys's net cash and not changes in the market value of Cell Genesys common stock or BioSante common stock, which provides Cell Genesys stockholders with relative certainty regarding the number of shares of BioSante common stock they will receive in connection with the merger and the percentage ownership of the combined company after closing of the merger; and
- the fact that the exchange ratio which is not subject to changes in the market value of BioSante common stock allows Cell Genesys stockholders to benefit from any relative increase in the price of BioSante common stock during the pre-closing period.

Opinion of Lazard Frères. The Cell Genesys board of directors considered the financial analysis reviewed by Lazard Frères and the oral opinion to the Cell Genesys board of directors (which was confirmed in writing by delivery of Lazard Frères's written opinion dated June 29, 2009), to the effect that, as of the date thereof and based upon and subject to the procedures followed, assumptions made, qualifications and limitations on the review undertaken and other matters considered by Lazard Frères in preparing its opinion, the merger consideration (0.1615 of a share of BioSante common stock) to be paid to holders of Cell Genesys common stock pursuant to the merger agreement was fair, from a financial point of view, to such holders. The full text of Lazard Frères's written opinion is attached to this joint proxy statement/prospectus as Annex C.

Extensive Process and Review of Alternatives. Based on the extensive process that the Cell Genesys board of directors and Cell Genesys had conducted during the several months prior to the signing of the merger agreement in reviewing and evaluating various alternatives and the fact that there was no assurance as to when or whether another favorable opportunity to engage in would arise, the assessment of the Cell Genesys board of directors of the potential value to Cell Genesys stockholders of the combined company compared with various alternatives, including liquidation (based on a liquidation analysis prepared by management and reviewed by the Cell Genesys board of directors), continuing as a stand alone company and in-licensing or acquiring technologies or product candidates, other merger opportunities, including the two other potential merger transactions Cell Genesys had explored in depth, one of which withdrew after completing a financing transaction and the other of which the Cell Genesys board of directors opted not to pursue.

Potential Financial, Strategic and Other Benefits of the Merger. The Cell Genesys board of directors considered the various potential financial, strategic and other benefits of the merger, including:

- in light of Cell Genesys's termination of the Phase III clinical trials for GVAX immunotherapy for prostate cancer, Cell Genesys's lead product program and the absence of any products under clinical development or prospects for near-term product opportunities, the opportunity for Cell Genesys stockholders to participate in the future growth of an organization with several product candidates under development, including both clinical and preclinical programs in significant areas of unmet medical needs;
- the near-term product opportunity represented by LibiGel, the projected market size for LibiGel and the belief that if the Phase III clinical studies for LibiGel are successful the combined company may be successful in licensing or marketing rights to LibiGel to a third party or selling the entire combined company;
- the potential of BioSante's CaP nanotechnology platform, including BioVant, a vaccine adjuvant;

- the fact that the cash resources of the combined company are expected to provide sufficient capital to allow the combined company to maintain its projected operations through at least the next 12 months, including continued Phase III development of LibiGel;
- greater resources to enable the combined company to negotiate more favorable corporate collaborations and licensing opportunities;

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- the leadership of a strong and capable management team with a record of achievement, including as demonstrated through the FDA approval and the launch of Elestrin;
- the fact that the merger could enable stockholders of the combined company to enjoy greater liquidity from the larger stockholder base of the combined company so as to allow them to buy and sell shares of common stock of the combined company quickly and efficiently; and
- the potential to seek further development opportunities for GVAX immunotherapies, including potential combination with BioVant, as well as possible external collaborations, and to seek out licensing opportunities for other Cell Genesys technologies.

Ability to Respond to Alternative Offers and Other Terms of the Merger Agreement. The Cell Genesys board of directors, with the assistance of counsel, considered the other terms of the merger agreement, including:

- the provisions of the merger agreement that limit the ability of Cell Genesys to solicit and respond to offers for alternative transactions, but which allow Cell Genesys to respond to a bona fide acquisition proposal that the Cell Genesys board of directors determines is or is reasonably likely to lead to a superior proposal, subject to certain restrictions imposed by the merger agreement, which such provisions the Cell Genesys board of directors believed were reasonable under the circumstances;
- the requirement to hold a special meeting of Cell Genesys stockholders to vote on the merger agreement even if the Cell Genesys board of directors subsequently changes its recommendation, but the ability of the Cell Genesys board of directors, in accordance with its fiduciary duties, to withdraw, modify or amend its recommendation that Cell Genesys stockholders vote in favor the adoption of the merger agreement and the transactions contemplated thereby, including the merger, which such provisions the Cell Genesys board of directors believed were reasonable under the circumstances;
- the conditions under which the merger agreement may be terminated by either party and the fact that a termination or breakup fee of \$1.0 million is payable if the merger agreement is terminated by either party for specified reasons and that expense reimbursement by either party of up to \$500,000 (creditable against the termination fee) is payable if the merger agreement is terminated for specified reasons, and that these provisions of the merger agreement could have the effect of discouraging certain alternative financings by BioSante or alternative proposals for an acquisition of Cell Genesys, but which such provisions the Cell Genesys board of directors believe are customary and reasonable for transactions of this size and type;
- the \$1.0 million termination fee payable in specified circumstances, which amount is equal to approximately 2.6 percent of the implied equity value of Cell Genesys, based on the assumed exchange ratio of 0.1615 and based on the closing prices of Cell Genesys common stock and BioSante common stock on June 29, 2009, which the Cell Genesys board of directors believed was within a reasonable range, particularly in light of the extensive process conducted by the Cell Genesys board of directors with the assistance of Lazard Frères and management;

- the relatively limited nature of the closing conditions, the net cash closing condition, which has a \$5.0 million cushion and the inclusion of an exchange ratio adjustment for certain changes in Cell Genesys's net cash rather than requiring a higher net cash closing condition requirement, and the terms of voting agreements by certain of BioSante's directors and officers in support of the merger and the likelihood that the closing conditions would be met and the transaction approved by the Cell Genesys and BioSante stockholders;

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- the structure of the merger; and
- the parties' respective representations, warranties, and other covenants, and the belief that the merger agreement as a whole is reasonable under the circumstances.

The Cell Genesys board of directors also identified and considered a number of countervailing factors weighing negatively against the merger and risks to Cell Genesys, Cell Genesys stockholders and the combined company that could arise from the merger, including without limitation the following material factors:

- the possibility that the anticipated benefits of the merger may not be realized or that they may be lower than expected;
- the amount of time required to complete the merger and the possibility that the merger may not be completed and the potential adverse consequences to Cell Genesys if the merger is not completed, including the potential to depress values offered by others to Cell Genesys in a business combination or other alternative transaction;
- the possibility that the combination might be unduly delayed and the potential of such a delay to reduce or eliminate the expected benefits of the transaction;
- the risk of failure of LibiGel, BioSante's lead drug candidate, or the combined company's other product candidates under development and the impact of a failure on the common stock price of the combined company and its prospects;
- the risks associated with an exchange ratio that will not compensate Cell Genesys stockholders for any relative declines in the price of BioSante common stock prior to the completion of the merger;
- the risk that sales of substantial amounts of BioSante common stock after the closing of the merger could materially adversely affect the market price of BioSante common stock;
- the substantial charges to be incurred in connection with the merger, including transaction expenses that would be incurred whether or not the merger is completed, and change of control, severance and retention payments to executive officers triggered by the closing of the transaction;

- the potential negative effect on the trading price of Cell Genesys common stock of (i) the public announcement of the merger, and (ii) the failure to complete the merger, to the extent that the market price after public announcement positively reflected a market assumption that the merger will be completed; and

- various other risks and uncertainties associated with the merger described in Risk Factors Risks Related to the Merger.

After consideration of these factors, however, the Cell Genesys board of directors concluded that overall, the potentially negative factors associated with the merger were outweighed by the potential benefits of the merger and were superior to other available alternatives based on the information available to it after the extensive process it conducted.

In addition, the Cell Genesys board of directors was aware that some of its directors and officers may have interests in the merger that are different from, in addition to or may conflict with those of its stockholders which are described under Interests of Cell Genesys's Directors and Officers in the Merger.

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The foregoing discussion of the information and factors considered by the Cell Genesys board of directors is not intended to be exhaustive but includes the material factors considered by the Cell Genesys board of directors. In view of the wide variety of factors considered in connection with its evaluation of the merger and the complexity of these matters, the Cell Genesys board of directors did not find it useful to and did not attempt to quantify, rank, or otherwise assign relative weights to these factors. In addition, the Cell Genesys board of directors did not undertake to make any specific determination as to whether any particular factor, or any aspect of any particular factor, was favorable or unfavorable to its ultimate determination, but rather the Cell Genesys board of directors conducted an overall analysis of the factors described above, including, without limitation, the premium over the estimated cash available for distribution to Cell Genesys stockholders in the event of liquidation, and discussions with Cell Genesys's management and its financial and legal advisors. In considering the factors described above, individual members of the Cell Genesys board of directors may have given different weights to different factors.

Opinion of Oppenheimer & Co. Inc.

BioSante engaged Oppenheimer & Co. to act as BioSante's exclusive financial advisor in connection with the merger. In connection with this engagement, BioSante requested that Oppenheimer & Co. evaluate the fairness, from a financial point of view, to BioSante of the 0.1615 exchange ratio. On June 29, 2009, at a meeting of the BioSante board of directors held to evaluate the merger, Oppenheimer & Co. rendered to the BioSante board of directors an oral opinion, which was confirmed by delivery of a written opinion dated June 29, 2009, to the effect that, as of that date and based on and subject to the matters described in its opinion, the 0.1615 exchange ratio was fair, from a financial point of view, to BioSante.

The full text of Oppenheimer & Co.'s written opinion, dated June 29, 2009, which describes the assumptions made, procedures followed, matters considered and limitations on the review undertaken, is attached to this joint proxy statement/prospectus as Annex B. **Oppenheimer & Co.'s opinion was provided to the BioSante board of directors in connection with its evaluation of the 0.1615 exchange ratio from a financial point of view to BioSante and does not address any other aspect of the merger. Oppenheimer & Co.'s opinion does not address the underlying business decision of BioSante to effect the merger, the relative merits of the merger as compared to any alternative business strategies that might exist for BioSante or the effect of any other transaction in which BioSante might engage and does not constitute a recommendation to any stockholder as to how such stockholder should vote or act with respect to any matters relating to the merger.** The summary of Oppenheimer & Co.'s opinion described below is qualified in its entirety by reference to the full text of its opinion.

In arriving at its opinion, Oppenheimer & Co.:

- reviewed the merger agreement;
- reviewed audited financial statements of BioSante for fiscal years ended December 31, 2006, December 31, 2007 and December 31, 2008 and unaudited financial statements of BioSante for the three months ended March 31, 2009;
- reviewed audited financial statements of Cell Genesys for fiscal years ended December 31, 2006, December 31, 2007 and December 31, 2008 and unaudited financial statements of Cell Genesys for the three months ended March 31, 2009;

- reviewed financial forecasts and estimates relating to the pro forma combined company prepared by the management of BioSante, which financial forecasts and estimates reflect certain assumptions of the management of BioSante as to certain strategic benefits anticipated by the management of BioSante to result from the merger and a potential equity financing that such management believes would need to be undertaken by the pro forma combined company following consummation of the merger;

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- held discussions with the senior managements of BioSante and Cell Genesys with respect to the businesses and prospects of BioSante and Cell Genesys, including the assessments of the managements of BioSante and Cell Genesys as to the liquidity needs of, and capital resources available to, BioSante and Cell Genesys;
- held discussions, at the direction of BioSante, with selected third parties to solicit indications of interest in a possible strategic transaction with, or financing for, BioSante;
- reviewed historical market prices and trading volumes of BioSante common stock and Cell Genesys common stock;
- reviewed and analyzed certain publicly available financial data for companies that Oppenheimer & Co. deemed relevant in evaluating Cell Genesys;
- reviewed and analyzed publicly available financial terms of transactions that Oppenheimer & Co. deemed relevant in evaluating the merger;
- performed a liquidation analysis of BioSante using certain assumptions and estimates provided to or discussed with Oppenheimer & Co. by the management of BioSante as to the current market value of BioSante's assets and the amount of BioSante's current liabilities;
- reviewed other public information concerning BioSante and Cell Genesys; and
- performed such other analyses, reviewed such other information and considered such other factors as Oppenheimer & Co. deemed appropriate.

In rendering its opinion, Oppenheimer & Co. relied upon and assumed, without independent verification or investigation, the accuracy and completeness of all of the financial and other information provided to or discussed with Oppenheimer & Co. by BioSante, Cell Genesys and their respective employees, representatives and affiliates or otherwise reviewed by Oppenheimer & Co. Oppenheimer & Co. also relied, at the direction of BioSante, without independent verification or investigation, on the assessments of the managements of BioSante and Cell Genesys as to the liquidity needs of, and capital resources available to, BioSante and Cell Genesys and the ability of BioSante and Cell Genesys to fund their respective operations internally or through external sources in the absence of the merger. In this regard, the managements of BioSante and Cell Genesys advised Oppenheimer & Co. that BioSante and Cell Genesys have been unable to obtain adequate financing to fund their respective operations sufficiently beyond the next 12 months and that the failure to obtain such financing may adversely affect their ability to operate as going concerns. Accordingly, although Oppenheimer & Co. requested, it was not provided with, reliable financial forecasts relating to BioSante or Cell Genesys prepared by the managements of BioSante or Cell Genesys and, in light of the foregoing, Oppenheimer & Co. did not perform a financial analysis of the future cash flows of BioSante or Cell Genesys on a standalone basis in connection with its opinion.

Oppenheimer & Co. relied, at the direction of BioSante, without independent verification or investigation, on the assessments of the management of BioSante as to (i) the existing and future products and product candidates of BioSante and Cell Genesys, the risks associated with such products and product candidates and the ability of BioSante to integrate certain of such products and product candidates (including, without limitation, the timing and probability of successful development, testing and marketing, and of approval by appropriate governmental authorities, of such products and product candidates) and (ii) the ability of BioSante to obtain sufficient financing to fund the operations of the pro forma combined company. Oppenheimer & Co. assumed, with BioSante's consent, that the merger would be consummated in accordance with its terms without waiver, modification or amendment of any material term, condition or agreement and in compliance with all applicable laws and other requirements and that, in the course of obtaining the necessary regulatory or third party approvals, consents and releases with respect to the merger, no delay, limitation,

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restriction or condition would be imposed that would have an adverse effect on BioSante, Cell Genesys or the merger (including the contemplated benefits of the merger). Oppenheimer & Co. neither made nor obtained any independent evaluations or appraisals of the assets or liabilities, contingent or otherwise, of BioSante or Cell Genesys.

Oppenheimer & Co.'s opinion relates to the relative values of BioSante and Cell Genesys. Oppenheimer & Co. did not express any opinion as to the underlying valuation, future performance or long-term viability of BioSante or Cell Genesys, the actual value of BioSante common stock when issued or the prices at which BioSante common stock or Cell Genesys common stock would trade at any time. Oppenheimer & Co. expressed no view as to, and its opinion did not address, any terms or other aspects or implications of the merger (other than the 0.1615 exchange ratio to the extent expressly specified in its opinion) or any aspect or implication of any other agreement, arrangement or understanding entered into in connection with the merger or otherwise, including, without limitation, the form or structure of the merger or any adjustments to the 0.1615 exchange ratio. In addition, Oppenheimer & Co. expressed no view as to, and its opinion did not address, the fairness of the amount or nature of, or any other aspect relating to, the compensation to be received by any individual officers, directors or employees of any parties to the merger, or any class of such persons, relative to the exchange ratio. Oppenheimer & Co. also expressed no view as to, and its opinion did not address, BioSante's underlying business decision to effect the merger nor did its opinion address the relative merits of the merger as compared to any alternative business strategies that might exist for BioSante or the effect of any other transaction in which BioSante might engage. Oppenheimer & Co.'s opinion was necessarily based on the information available to it and general economic, financial and stock market conditions and circumstances as they existed and could be evaluated by Oppenheimer & Co. on the date of its opinion. The credit, financial and stock markets are experiencing unusual volatility and Oppenheimer & Co. expressed no opinion or view as to any potential effects of such volatility on BioSante, Cell Genesys or the proposed merger. Although subsequent developments may affect its opinion, Oppenheimer & Co. does not have any obligation to update, revise or reaffirm its opinion. Except as described above, BioSante imposed no other instructions or limitations on Oppenheimer & Co. with respect to the investigations made or the procedures followed by it in rendering its opinion.

This summary is not a complete description of Oppenheimer & Co.'s opinion or the financial analyses performed and factors considered by Oppenheimer & Co. in connection with its opinion. The preparation of a financial opinion is a complex analytical process involving various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances and, therefore, a financial opinion is not readily susceptible to summary description. Oppenheimer & Co. arrived at its ultimate opinion based on the results of all analyses undertaken by it and assessed as a whole, and did not draw, in isolation, conclusions from or with regard to any one factor or method of analysis for purposes of its opinion. Accordingly, Oppenheimer & Co. believes that its analyses and this summary must be considered as a whole and that selecting portions of its analyses and factors or focusing on information presented in tabular format, without considering all analyses and factors or the narrative description of the analyses, could create a misleading or incomplete view of the processes underlying Oppenheimer & Co.'s analyses and opinion.

In performing its analyses, Oppenheimer & Co. considered industry performance, general business, economic, market and financial conditions and other matters existing as of the date of its opinion, many of which are beyond the control of BioSante and Cell Genesys. No company, business or transaction used in the analyses is identical to BioSante, Cell Genesys or the merger, and an evaluation of the results of those analyses is not entirely mathematical. Rather, the analyses involve complex considerations and judgments concerning financial and operating characteristics and other factors that could affect the acquisition, public trading or other values of the companies, business segments or transactions analyzed.

The assumptions and estimates contained in Oppenheimer & Co.'s analyses and the ranges of valuations resulting from any particular analysis are not necessarily indicative of actual values or future results, which may be significantly more or less favorable than those suggested by its analyses. In addition, analyses

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relating to the value of businesses or securities do not purport to be appraisals or to reflect the prices at which businesses or securities actually may be sold. Accordingly, the assumptions and estimates used in, and the results derived from, Oppenheimer & Co.'s analyses are inherently subject to substantial uncertainty.

The type and amount of consideration payable in the merger were determined through negotiation between BioSante and Cell Genesys, and the decision to enter into the transaction was solely that of the BioSante board of directors. Oppenheimer & Co.'s opinion and financial presentation were only one of many factors considered by the BioSante board of directors in its evaluation of the merger and should not be viewed as determinative of the views of the BioSante board of directors or management with respect to the merger or the exchange ratio provided for in the merger.

The following is a summary of the material financial analyses reviewed with the BioSante board of directors in connection with Oppenheimer & Co.'s opinion dated June 29, 2009. **The financial analyses summarized below include information presented in tabular format. In order to fully understand Oppenheimer & Co.'s financial analyses, the tables must be read together with the text of each summary. The tables alone do not constitute a complete description of the financial analyses. Considering the data in the tables below without considering the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of Oppenheimer & Co.'s financial analyses.**

Introduction

In connection with its evaluation of the 0.1615 exchange ratio from a financial point of view to BioSante, Oppenheimer & Co. performed a liquidation analysis for BioSante and a selected companies analysis and selected precedent transactions analysis for Cell Genesys. Utilizing the implied equity references ranges derived from these analyses, Oppenheimer & Co. calculated implied exchange ratio reference ranges for BioSante common stock and Cell Genesys common stock. These exchange ratio reference ranges were then compared with the 0.1615 exchange ratio provided for the merger.

BioSante Liquidation Analysis

Oppenheimer & Co. performed a liquidation analysis of BioSante's assets to estimate the potential net proceeds available for distribution upon an orderly liquidation of BioSante. Financial data for BioSante were based on BioSante's public filings and internal estimates of BioSante's management. Estimated net liquidation proceeds were derived by applying to the book values of BioSante's non-operating assets certain recovery percentages estimated by BioSante's management to be realized from a liquidation of such assets ranging from, depending on the type of asset, 50 percent to 100 percent and by applying to BioSante's liabilities certain payment percentages estimated by BioSante's management to be made in a liquidation with respect to such liabilities ranging from, depending on the type of liability, 80 percent to 100 percent. This analysis indicated a selected implied per share equity reference range for BioSante of approximately \$0.15 to \$0.23 per share, as compared to the closing price of BioSante common stock on June 29, 2009 of \$2.15 per share.

Cell Genesys Financial Analyses

Selected Companies Analysis. Oppenheimer & Co. performed a selected companies analysis of Cell Genesys in which Oppenheimer & Co. reviewed financial and stock market information of Cell Genesys and the following five selected publicly-held cancer vaccine and gene therapy companies which, with the exception of Dendreon Corporation, have product candidates at an early stage of development that have not yet demonstrated efficacy and/or safety:

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- Celldex Therapeutics, Inc.
- Dendreon Corporation
- GenVec, Inc.
- Oncolytics Biotech Inc.
- Vical Incorporated

Oppenheimer & Co. reviewed enterprise values of the selected companies, calculated as fully-diluted market value of equity based on closing stock prices on June 29, 2009, plus total debt, preferred stock and out-of-the-money convertible debt, less cash and cash equivalents. Financial data for the selected companies were based on public filings. Utilizing the selected implied per share equity reference range for BioSante indicated above under the caption BioSante's Liquidation Analysis and an implied per share equity reference range for Cell Genesys derived by applying Cell Genesys's estimated net cash as of September 30, 2009 (based on internal estimates of BioSante's management) to a selected range of enterprise values derived from the selected companies (excluding Dendreon Corporation as an outlier), this analysis indicated the following implied exchange ratio reference range, as compared to the exchange ratio provided for in the merger:

Implied Exchange Ratio Reference Range		Exchange Ratio
2.1116x	4.7369x	0.1615x

Selected Precedent Transactions Analysis. Oppenheimer & Co. performed a selected precedent transactions analysis of Cell Genesys in which Oppenheimer & Co. reviewed the transaction values of the following five selected transactions involving target companies in the biopharmaceutical industry engaged in the development of cancer vaccines for which efficacy and/or safety had not been demonstrated as of the announcement date of the relevant transaction:

Announcement Date	Acquiror	Target
• 11/16/2007	• Pfizer Inc.	• Coley Pharmaceutical Group, Inc.
• 10/22/2007	• Celldex Therapeutics, Inc.	• AVANT Immunotherapeutics, Inc.
• 04/12/2005	• Pharmexa AS	• GemVax AS
• 12/15/2004	• Apton Corporation.	• Igeneon AG
• 04/24/2001	• Antigenics, Inc.	• Aronex Pharmaceuticals, Inc.

Oppenheimer & Co. reviewed transaction values in the selected transactions, calculated as the equity value implied for the target company based on the consideration payable in the selected transaction (including contingent payments) plus total debt, preferred stock and out-of-the-money convertible debt, less cash and cash equivalents. Financial data for the selected transactions were based on publicly available information at the time of announcement of the relevant transaction. Utilizing the selected implied per share equity reference range for BioSante indicated above under the caption BioSante's Liquidation Analysis and an implied per share equity reference range for Cell Genesys derived by applying Cell Genesys's estimated net cash as of September 30, 2009 (based on internal estimates of BioSante's management) to a selected range of transaction values derived from the selected transactions, this analysis indicated the following implied exchange ratio reference range, as compared to the exchange ratio provided for in the merger:

Implied Exchange Ratio Reference Range	Exchange Ratio
0.7655x 1.7081x	0.1615x

Miscellaneous

BioSante has agreed to pay Oppenheimer & Co. for its financial advisory services in connection with the merger an aggregate fee of approximately \$1.1 million, a portion of which was payable upon delivery of its opinion and approximately \$850,000 of which is contingent upon consummation of the merger. BioSante also has agreed to reimburse Oppenheimer & Co. for its reasonable expenses, including reasonable fees and expenses of its legal counsel, and to indemnify Oppenheimer & Co. and related parties against liabilities, including liabilities under the federal securities laws, relating to, or arising out of, its engagement.

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Oppenheimer & Co. and its affiliates in the past have performed investment banking and other services for BioSante unrelated to the merger, for which services Oppenheimer & Co. and its affiliates have received compensation, including co-placement agent services to BioSante in connection with an equity financing in 2007. In the ordinary course of business, Oppenheimer & Co. and its affiliates may actively trade the securities of BioSante and Cell Genesys for Oppenheimer & Co. s and its affiliates own accounts and for the accounts of customers and, accordingly, may at any time hold a long or short position in such securities.

The issuance of Oppenheimer & Co. s opinion was approved by an authorized committee of Oppenheimer & Co. BioSante selected Oppenheimer & Co. to provide certain financial advisory services in connection with the merger based on Oppenheimer & Co. s reputation and experience and its familiarity with BioSante and its business. Oppenheimer & Co. is an internationally recognized investment banking firm and, as a part of its investment banking business, is regularly engaged in valuations of businesses and securities in connection with acquisitions and mergers, underwritings, secondary distributions of securities, private placements and valuations for other purposes.

Opinion of Lazard Frères & Co. LLC

Cell Genesys retained Lazard to act as investment banker to Cell Genesys and to render an opinion to the Cell Genesys board of directors as to the fairness, from a financial point of view, to holders of Cell Genesys common stock of the consideration to be paid to such holders in the merger. Pursuant to the merger agreement, each outstanding share of Cell Genesys common stock other than shares of Cell Genesys common stock held by Cell Genesys or BioSante (such holders, the excluded holders), will be converted into the right to receive a number of shares of BioSante common stock equal to the exchange ratio (such number of shares so issuable, the consideration). On June 29, 2009, Lazard rendered its oral opinion to the Cell Genesys board of directors, subsequently confirmed in writing, that, as of such date, and based upon and subject to the assumptions, procedures, factors, qualifications and limitations set forth therein, the consideration to be paid to holders of Cell Genesys common stock (other than the excluded holders) in the merger was fair, from a financial point of view, to such holders.

The full text of Lazard s written opinion, dated June 29, 2009, which sets forth the assumptions made, procedures followed, factors considered, and qualifications and limitations on the review undertaken by Lazard in connection with its opinion is attached to this joint proxy statement/prospectus as Annex C and is incorporated into this joint proxy statement/prospectus by reference. The description of Lazard s opinion set forth in this joint proxy statement/prospectus is qualified in its entirety by reference to the full text of Lazard s written opinion attached as Annex C. Cell Genesys encourages you to read Lazard s opinion and this section carefully and in their entirety.

Lazard s opinion was directed to the Cell Genesys board of directors for the information and assistance of the Cell Genesys board of directors in connection with its evaluation of the merger and only addressed the fairness, from a financial point of view, to holders of Cell Genesys common stock (other than excluded holders) of the consideration to be paid to such holders in the merger as of the date of Lazard s opinion. Cell Genesys did not request Lazard to consider, and Lazard s opinion did not address, the relative merits of the merger as compared to any other transaction or business strategy in which Cell Genesys might engage or the merits of the underlying decision by Cell Genesys to engage in the merger. Lazard s opinion was not intended to and does not constitute a recommendation to any holder of Cell Genesys common stock as to how such holder should vote or act with respect to the merger or any matter relating thereto. Lazard s opinion was necessarily based on economic, monetary, market and other conditions as in effect on, and the information made available to Lazard as of, the date of Lazard s opinion. Lazard assumed no responsibility for updating or revising its opinion based on circumstances or events occurring after the date of Lazard s opinion. Lazard s opinion did not express any opinion as to the prices at which shares of Cell Genesys common stock or BioSante common stock may trade at any time subsequent to the announcement of the merger.

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The following is a summary of Lazard's opinion. Cell Genesys encourages you to read Lazard's written opinion carefully in its entirety.

In connection with its opinion, Lazard:

- Reviewed the financial terms and conditions of a draft of the merger agreement, dated June 29, 2009, which Cell Genesys provided to Lazard prior to the delivery of Lazard's oral opinion, and the financial terms and conditions of the final draft of the merger agreement, which Cell Genesys provided to Lazard prior to the delivery of Lazard's written opinion;

- Analyzed certain historical business and financial information relating to Cell Genesys and BioSante;

- Reviewed various financial forecasts and other data provided to Lazard by Cell Genesys and BioSante relating to the business of BioSante;

- Reviewed a liquidation analysis of Cell Genesys provided to Lazard by Cell Genesys;

- Held discussions with members of the senior management of Cell Genesys with respect to the business and prospects of Cell Genesys and with members of the senior managements of Cell Genesys and BioSante with respect to the business and prospects of BioSante;

- Reviewed public information with respect to certain other companies in lines of business Lazard believed to be generally relevant in evaluating the business of BioSante;

- Reviewed historical stock prices and trading volumes of Cell Genesys common stock and BioSante common stock; and

- Conducted such other financial studies, analyses and investigations as Lazard deemed appropriate.

Lazard assumed and relied upon the accuracy and completeness of the foregoing information, without independent verification of such information. Lazard did not conduct any independent valuation or appraisal of any of the assets or liabilities (contingent or otherwise) of Cell Genesys or BioSante or concerning the solvency or fair value of Cell Genesys or BioSante, and Lazard was not furnished with such valuation or appraisal. Cell Genesys advised Lazard that there is no current or prospective going concern alternative for Cell Genesys's business and did not provide Lazard with any financial forecasts with respect to Cell Genesys; accordingly Lazard did not perform any discounted cash flow or

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similar financial analysis of Cell Genesys. As a result of the financial and operating characteristics of Cell Genesys as of the date of Lazard's opinion, Cell Genesys's financial results were not comparable, for valuation purposes, to those of other companies and transactions. Accordingly, Lazard did not perform a comparable companies or comparable transactions analysis with respect to Cell Genesys and only performed a comparable companies analysis with respect to BioSante. In Lazard's analyses of BioSante, at the direction of Cell Genesys's management and with Cell Genesys's consent, Lazard used the financial forecasts provided by Cell Genesys's management that were probability adjusted based on direction from Cell Genesys's management and not the financial forecasts provided by BioSante's management. With respect to such financial forecasts, Lazard assumed, with the consent of Cell Genesys, that they have been reasonably prepared on bases reflecting the best currently available estimates and judgments as to the future financial performance of BioSante. Lazard assumed no responsibility for and expressed no view as to such forecasts or the assumptions on which they are based.

In rendering its opinion, Lazard assumed, with Cell Genesys's consent, that the merger will be consummated on the terms described in the merger agreement, without any waiver or modification of any material terms or conditions, except that Lazard also assumed, with Cell Genesys's consent, that the exchange ratio will not be adjusted from the initial exchange ratio of 0.1615 pursuant to the merger agreement as a result

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of Cell Genesys's net cash as of the determination date. This 0.1615 exchange ratio is referred to herein as the assumed exchange ratio. Lazard also assumed, with Cell Genesys's consent, that obtaining the necessary regulatory or third party approvals and consents for the merger will not have an adverse effect on Cell Genesys, BioSante or the combined company. Lazard did not express any opinion as to any tax or other consequences that might result from the merger, nor does its opinion address any legal, tax, regulatory or accounting matters, as to which Lazard understands that Cell Genesys obtained such advice as it deemed necessary from qualified professionals. Lazard expressed no view or opinion as to any terms or other aspects of the merger (other than the consideration to the extent expressly specified in Lazard's opinion). In addition, Lazard expresses no view or opinion as to the fairness of the amount or nature of, or any other aspects relating to, the compensation to any officers, directors or employees of any parties to the merger, or class of such persons, relative to the consideration or otherwise.

The following is a brief summary of the material financial analyses and reviews that Lazard deemed appropriate in connection with rendering its opinion. The brief summary of Lazard's analyses and reviews provided below is not a complete description of the analyses and reviews underlying Lazard's opinion. The preparation of a fairness opinion is a complex process involving various determinations as to the most appropriate and relevant methods of analysis and review and the application of those methods to particular circumstances, and, therefore, is not readily susceptible to summary description. Considering selected portions of the analyses and reviews or the summary set forth below, without considering the analyses and reviews as a whole, could create an incomplete or misleading view of the analyses and reviews underlying Lazard's opinion.

In arriving at its opinion, Lazard considered the results of all of its analyses and reviews and did not attribute any particular weight to any factor, analysis or review considered by it; rather, Lazard made its determination as to fairness on the basis of its experience and professional judgment after considering the results of all of its analyses and reviews.

For purposes of its analyses and reviews, Lazard considered industry performance, general business, economic, market and financial conditions and other matters, many of which are beyond the control of Cell Genesys and BioSante. No company, business or transaction used in Lazard's analyses and reviews as a comparison is identical to Cell Genesys, BioSante or the merger, and an evaluation of the results of those analyses and reviews is not entirely mathematical. Rather, the analyses and reviews involve complex considerations and judgments concerning financial and operating characteristics and other factors that could affect the acquisition, public trading or other values of the companies, businesses or transactions used in Lazard's analyses and reviews. The estimates contained in Lazard's analyses and reviews and the ranges of valuations resulting from any particular analysis or review are not necessarily indicative of actual values or predictive of future results or values, which may be significantly more or less favorable than those suggested by Lazard's analyses and reviews. In addition, analyses and reviews relating to the value of companies, businesses or securities do not purport to be appraisals or to reflect the prices at which companies, businesses or securities actually may be sold. Accordingly, the estimates used in, and the results derived from, Lazard's analyses and reviews are inherently subject to substantial uncertainty.

The summary of the analyses and reviews provided below includes information presented in tabular format. In order to fully understand Lazard's analyses and reviews, the tables must be read together with the full text of each summary. The tables alone do not constitute a complete description of Lazard's analyses and reviews. Considering the data in the tables below without considering the full description of the analyses and reviews, including the methodologies and assumptions underlying the analyses and reviews, could create a misleading or incomplete view of Lazard's analyses and reviews.

Except as otherwise noted, the following quantitative information, to the extent that it is based on market data, is based on market data as it existed on or before June 26, 2009 and is not necessarily indicative of current market conditions.

*Table of Contents**Financial Analyses**Implied Exchange Ratio Analysis*

Using a liquidation analysis for Cell Genesys and a discounted cash flow analysis and a selected comparable company analysis for BioSante that are described below, Lazard derived an implied equity reference range from each analysis as described below.

Based on these implied equity reference ranges, Lazard then calculated implied exchange ratio reference ranges for Cell Genesys common stock and BioSante common stock. The results of this implied exchange ratio analysis were then compared with the assumed exchange ratio in the merger.

This analysis indicated the following approximate implied exchange ratio reference ranges, as compared to the assumed exchange ratio of 0.1615 in the merger:

Methodology	Implied Exchange Ratio Reference Range
Cell Genesys Liquidation Analysis/ BioSante Discounted Cash Flow	0.0097 - 0.0743
Cell Genesys Liquidation Analysis/ BioSante Selected Comparable Companies	0.0116-0.0913

Cell Genesys Liquidation Analysis

Lazard performed a liquidation analysis of Cell Genesys's assets to calculate the potential range of net cash available for distribution upon an orderly liquidation of Cell Genesys, based on internal estimates of Cell Genesys's management as to the potential market value of Cell Genesys's assets, the amount of Cell Genesys's current liabilities and the potential amount of expenses associated with a liquidation. The potential range of net cash that would be available for distribution from an orderly liquidation of Cell Genesys was derived by assuming that the value potentially available for Cell Genesys's non-cash assets would be realized for the high end of the range and not realized at the low end of the range. This analysis resulted in an implied distribution per share, or equity reference range per share, for Cell Genesys of \$0.05 to \$0.15.

BioSante Analyses

Discounted Cash Flow Analysis. Using the financial forecasts with respect to BioSante that were provided by Cell Genesys's management, Lazard performed an analysis of the net present value of the projected operating free cash flows for 2009 to 2022 based on LibiGel partnership at royalty rates ranging from 15 percent-25 percent, probability weighted based on direction from Cell Genesys management, to calculate an implied equity value per share for BioSante at royalty rates ranging from 15 percent to 25 percent. The assumed discount rate range was derived from the weighted average cost of capital analysis that Lazard calculated for BioSante. Based on this analysis, Lazard arrived at an implied

equity reference range per share for BioSante of \$1.97 to \$5.64.

Selected Comparable Companies Analysis. Lazard reviewed publicly available financial information for the following six publicly traded specialty pharmaceutical companies with mid to late stage clinical pipelines:

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Aryx Therapeutic, Inc.

Javelin Pharmaceuticals, Inc.

NerurogesX, Inc.

Pozen Pharmaceutical Development Company

Repros Therapeutic, Inc.

Vivus, Inc.

Lazard reviewed, among other things, technology values per expected product candidate of the selected companies, calculated as the equity value of such company based on the closing stock price on June 26, 2009, plus the amount of net debt of such company, divided by the expected number of marketed products (calculated by multiplying the number of product candidates of the selected companies by the probability of success of such product candidates). Lazard then applied the range of technology values per expected product candidate derived from the selected companies to BioSante's expected number of marketed products. Financial data for the selected companies and BioSante were based on publicly available information. This analysis indicated an implied equity reference range per share for BioSante of \$1.60 to \$4.75.

Other Analyses and Reviews

Last Twelve Month Trading Range. Lazard reviewed the historical exchange ratio of the BioSante common stock compared to Cell Genesys common stock since October 16, 2008 and found historical exchange ratio range to be 0.0339 to 0.3638.

Miscellaneous

In connection with Lazard's services as Cell Genesys's investment banker, Cell Genesys agreed to pay Lazard an aggregate fee of \$1,750,000, \$500,000 of which was payable upon the delivery of Lazard's opinion and \$1,250,000 of which is contingent upon the consummation of the merger. Cell Genesys also agreed to reimburse Lazard for certain expenses incurred in connection with Lazard's engagement and to indemnify Lazard and certain related persons under certain circumstances against certain liabilities that may arise from or relate to Lazard's engagement, including certain liabilities under U.S. federal securities laws.

Lazard, as part of its investment banking business, is continually engaged in the valuation of businesses and their securities in connection with mergers and acquisitions, negotiated underwritings, secondary distributions of listed and unlisted securities, private placements, leveraged buyouts, and valuations for estate, corporate and other purposes. Lazard has in the past provided, currently is providing and in the future may provide investment banking services to Cell Genesys, including its December 2008 convertible note modified Dutch auction tender offer, for which Lazard has received receive compensation. In addition, in the ordinary course of their respective businesses, Lazard Frères & Co. LLC and LFCM Holdings LLC (an entity indirectly owned in large part by managing directors of Lazard Frères & Co. LLC) and their respective affiliates may actively trade securities of Cell Genesys and/or securities of BioSante for their own accounts and for the accounts of their customers and, accordingly, may at any time hold a long or short position in such securities. The issuance of Lazard's opinion was approved by an authorized committee of Lazard Frères & Co. LLC.

Lazard is an internationally recognized investment banking firm providing a full range of financial advisory and other services. Lazard was selected to act as investment banker to Cell Genesys because of its qualifications, expertise and reputation in investment banking and mergers and acquisitions, as well as its familiarity with the business of Cell Genesys.

Cell Genesys and BioSante determined the consideration to be paid to the holders of Cell Genesys common stock in the merger through arm's-length negotiations, and the Cell Genesys board of directors approved the consideration. Lazard conducted the analyses and reviews summarized above for the purpose of providing an opinion to the Cell Genesys board of directors as to the fairness, from a financial point of view, to

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the holders of Cell Genesys common stock (other than excluded holders) of the consideration to be paid to such holders in the merger. Lazard did not recommend any specific consideration to the Cell Genesys board of directors or any other person or indicate that any given consideration constituted the only appropriate consideration for the merger.

Lazard's opinion was one of many factors considered by the Cell Genesys board of directors. Consequently, the summary of the analyses and reviews provided above should not be viewed as determinative of the opinion of the Cell Genesys board of directors with respect to the consideration or of whether the Cell Genesys board of directors would have been willing to recommend a different transaction or determine that a different consideration was fair. Additionally, Lazard's opinion is not intended to confer any rights or remedies upon any employee or creditor of Cell Genesys.

Interests of BioSante's Directors and Officers in the Merger

In considering the recommendation of the BioSante board of directors to BioSante stockholders to vote in favor of the merger agreement and the transactions contemplated thereby, including the merger and the issuance of shares of BioSante common stock in the merger, and the other matters to be acted upon by BioSante stockholders at the BioSante special meeting, BioSante stockholders should be aware that members of the BioSante board of directors and BioSante's officers have interests in the merger that may be different from, in addition to, or may conflict with the interests of BioSante stockholders. At the effective time of the merger and as a result of the merger, the board of directors of the combined company will be comprised of the six individuals that are current members of the BioSante board of directors and two additional individuals that are current members of the Cell Genesys board of directors, Stephen A. Sherwin, M.D. and John T. Potts, Jr., M.D. Dr. Sullivan, BioSante's chairman of the board, will continue as chairman of the board of the combined company. In addition, at the effective time of the merger and as a result of the merger, the executive officers of the combined company will be the current executive officers of BioSante: Stephen M. Simes as vice chairman, president and chief executive officer and Phillip B. Donenberg as chief financial officer, treasurer and secretary. None of BioSante's directors or officers have any other interests in the merger that may be different from, or in addition to, the interests of BioSante stockholders. The BioSante board of directors was aware of these potential conflicts of interest and considered them, among other matters, in reaching its decision to approve the merger agreement, including the merger and the issuance of shares of BioSante common stock in the merger, and to recommend that BioSante stockholders approve the merger agreement, including the merger and the issuance of shares of BioSante common stock in the merger, and related matters.

Interests of Cell Genesys's Directors and Officers in the Merger

In considering the recommendation of the Cell Genesys board of directors to Cell Genesys stockholders to vote in favor of the merger agreement and the transactions contemplated thereby, including the merger, and the other matters to be acted upon by Cell Genesys stockholders at the Cell Genesys special meeting, Cell Genesys stockholders should be aware that members of the Cell Genesys board of directors and Cell Genesys's officers have interests in the merger that may be different from, in addition to, or may conflict with the interests of Cell Genesys stockholders. The Cell Genesys board of directors was aware of these potential conflicts of interest and considered them, among other matters, in reaching its decision to approve the merger agreement, including the merger, and to recommend that Cell Genesys stockholders approve the merger agreement, including the merger, and related matters.

For purposes of all of the Cell Genesys agreements and plans described below, the consummation of the merger will constitute a change of control and the deductibility of some of the payments to be made in connection with such change of control may be limited under

Section 162(m) of the Internal Revenue Code of 1986, as amended, or Code.

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Retention Letter Agreements

Each of Stephen A. Sherwin, M.D., chairman of the board and chief executive officer; Sharon E. Tetlow, senior vice president and chief financial officer; Marc L. Belsky, vice president, finance and chief accounting officer; and Robert H. Tidwell, senior vice president, corporate development has entered into certain retention payment arrangements, as approved by the Cell Genesys board of directors, pursuant to a retention payment letter agreement with Cell Genesys on April 4, 2009. The retention period commenced on May 1, 2009 and ends on April 30, 2010 (or in the case of Mr. Tidwell, July 29, 2009). Under each retention letter agreement, the officer is eligible to receive a payment under one (and only one) of the three circumstances described below:

1. If the officer remains employed with Cell Genesys through the end of the retention period and no change of control, as defined in the retention letter agreement, occurs during the retention period of 365 days (through April 30, 2010), such officer will be entitled to receive a lump sum cash payment equal to \$1,400,000 for Dr. Sherwin, \$800,000 for Ms. Tetlow, \$360,000 for Mr. Belsky, which shall be paid within five business days after the end of the applicable retention period. For Mr. Tidwell the payment amount is \$140,000 and the retention period is 90 days (ending July 29, 2009).

2. If the officer's employment is terminated during the applicable retention period, either by Cell Genesys without cause, as defined in the retention letter agreement, or as a result of an involuntary termination, as defined in the retention letter agreement, and in either case, other than due to such officer's death or disability, as defined in the retention letter agreement, then such officer will be entitled to receive the applicable payment amount (a lump sum cash payment equal to \$1,400,000 for Dr. Sherwin, \$800,000 for Ms. Tetlow, \$360,000 for Mr. Belsky and \$140,000 for Mr. Tidwell) within 30 calendar days after the date of such officer's employment termination. The payment will be contingent on the officer's execution of a release of claims in favor of Cell Genesys and its successors on termination of employment.

3. If a change of control occurs during the retention period and the officer continues to be employed with Cell Genesys through the date of the change of control, such officer will be entitled to receive a lump sum cash change in control payment equal to (i) the applicable amount for each executive described in (1) above multiplied by (ii) the ratio of (y) the number of days, not to exceed 365 days (or in the case of Mr. Tidwell, 90 days), from May 1, 2009 through the date of the change of control, to (z) 365 (or in the case of Mr. Tidwell, 90). The change in control payment will be contingent on the officer's execution of a release of claims in favor of Cell Genesys and its successors, and will be paid within three days following the effective date of such releases.

In connection with the merger, on the date following the effective date of the merger, each of the officers who are employed by Cell Genesys on the effective date will be terminated by BioSante. Pursuant to the terms of each officer's release of claims and the retention letter agreement, each officer so terminated will be entitled to receive payment under the circumstance described in (3) above within three business days after the effective date of their respective signed releases.

In the case of Dr. Sherwin, if any of the amount he is entitled to receive as a result of the change of control constitutes an excess parachute payment under Section 280G of the Code that would be subject to 280G excise tax under IRC Section 4999, or the 280G excise tax, then he has agreed to execute a release waiving his rights to receive payment under his retention letter agreement to the extent necessary to eliminate the 280G excise tax. It is the belief and intention of all parties that his agreement to waive some or all of such payment under these circumstances will be sufficient to eliminate any 280G excise tax related to any of Dr. Sherwin's payments. In the event that a waiver of all of his retention payment amount is insufficient to

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eliminate the 280G excise tax related to his combined change of control payments, he also has agreed under the terms of his release to a reduction in the number of months for which he is entitled to reimbursed health insurance premiums (described below) to the extent necessary to eliminate any remaining 280G excise tax.

For each officer other than Dr. Sherwin, if any of the amounts the executive is entitled to receive constitute excess parachute payments subject to 280G excise tax, then each has agreed execute a release of claims waiving his or her rights to receive such amounts to the extent necessary to eliminate the 280G excise tax if such waiver results in a greater benefit to the officer on an after-tax basis. No officer is entitled to be grossed-up for 280G excise tax owed as a result of any compensation paid in connection with the change of control.

Change of Control and Severance Agreements.

Each of Dr. Sherwin, Ms. Tetlow, Mr. Belsky and Mr. Tidwell entered into a change of control and severance Agreement with Cell Genesys on October 30, 2007, as previously approved by the Cell Genesys board of directors. The severance agreements provide for severance benefits that may become payable to such officer in connection with a termination of their employment with Cell Genesys and/or a change in control of Cell Genesys. In each case, payment of the severance and other benefits described below is contingent on the officer's execution of a release of claims in favor of Cell Genesys and its successors.

In the event of an involuntary termination of the officer's employment within 60 days before or two years following a change in control of Cell Genesys, the officer will be entitled to a lump sum severance payment equal to 18 months (or, in the case of Dr. Sherwin, 30 months) of the officer's then effective annual compensation, which includes (i) annual base salary at the highest rate in effect during the preceding 12 months, plus (ii) 100 percent of the officer's annual target bonus in effect for the year in which the termination occurs, as measured on the date of involuntary termination.

Each officer and his or her family members also will be entitled to continued coverage under Cell Genesys's health plans for 18 months (or, in the case of Dr. Sherwin, 30 months unless reduced as necessary to eliminate 280G excise taxes as described above) following the date of termination (subject to earlier termination if the officer becomes eligible to be covered under another employer's health plan). If Cell Genesys ceases to provide any group health plan to its employees in connection with the merger, Cell Genesys will (before the merger) or, after the merger, BioSante will (or will cause the surviving corporation to) provide each officer, subject to such officer's signing and not rescinding a release, for the remainder (if any at such time) of the coverage period applicable to each officer under their respective severance agreement, a monthly cash payment equal to the premiums such officer pays each month for (i) an individual conversion policy with Anthem Blue Cross Blue Shield of California pursuant to Cell Genesys's group medical plan or, if such individual conversion policy is unavailable to the officer or provides materially less coverage than Cell Genesys's group medical plan, the amount such officer pays each month for an individual health insurance policy that provides coverage that is not materially less than his or her coverage under Cell Genesys's group medical plan and (ii) an individual dental insurance policy that provides coverage that is not materially less than coverage under Cell Genesys's group dental plan, plus (iii) an additional amount equal to the federal, state and any other income, employment and other taxes (calculated at the highest rates applicable to such officer) such individual will owe on such amounts (including on the tax gross-up payment itself), it being intended that the individual retain (on an after-tax basis) an amount equal to the paid monthly premiums.

On the date following the effective date of the merger, each of the officers who are employed by Cell Genesys on the effective date will be terminated by BioSante, and their respective terminations of employment will entitle them to the benefits defined under their severance agreements. The following table presents an estimate of the amount of benefits to which each of the officers will be entitled following their respective terminations:

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Name	Cash Severance		Health Benefits
			Payment Period
Stephen A. Sherwin	\$	2,184,063	30*
Sharon E. Tetlow	\$	672,750	18
Robert H. Tidwell	\$	661,050	18
Marc Belsky	\$	452,813	18

* This number may be reduced as necessary to eliminate 280G excise taxes as described above.

Specified Stock Options held by Executive Officers

The merger agreement provides that certain specified stock options held by Dr. Sherwin, Ms. Tetlow, Mr. Tidwell and Mr. Belsky will be assumed by BioSante and will remain outstanding following the merger. Each such stock option so assumed by BioSante will continue to have, and be subject to, the same terms and conditions of such options immediately prior to the merger (including, without limitation, any vesting provisions), except that: (i) each such stock option will be solely exercisable (or will become exercisable in accordance with its terms) for that number of whole shares of BioSante common stock equal to the product of the number of shares of Cell Genesys common stock that were issuable upon exercise of such option immediately prior to the effective time multiplied by the exchange ratio, rounded down to the nearest whole number of BioSante common stock; and (ii) the per share exercise price for the BioSante common stock issuable upon exercise of such assumed option will be equal to the quotient determined by dividing the exercise price per share of Cell Genesys common stock at which such option was exercisable immediately prior to the effective time by the exchange ratio, rounded up to the nearest whole cent. The following table presents the stock options held by the officers and the shares of BioSante common stock exercisable under these options and the corresponding exercise prices assuming no adjustment to the exchange ratio at the effective time.

Name	Original Grant Date	Cell Genesys Plan	Number of Cell Genesys Option Shares	Cell Genesys Exercise Price	Number of BioSante Option Shares	BioSante Exercise Price
Stephen A Sherwin, M.D.	2/6/2008	2005/ISO	55,260	\$ 1.8400	8,924	\$ 11.40
	2/6/2008	2005/NQ	319,740	\$ 1.8400	51,638	\$ 11.40
	2/7/2007	2005/ISO	27,761	\$ 3.0700	4,483	\$ 19.01
	2/7/2007	2005/NQ	72,239	\$ 3.0700	11,666	\$ 19.01
	2/7/2006	2005/ISO	18,633	\$ 6.0700	3,009	\$ 37.59
	2/7/2006	2005/NQ	41,367	\$ 6.0700	6,680	\$ 37.59
	2/3/2005	1998/NQ	100,248	\$ 6.7300	16,190	\$ 41.68
	2/3/2005	1998/ISO	12,252	\$ 6.7300	1,978	\$ 41.68
	Total			647,500		104,568
Sharon E. Tetlow	2/6/2008	2005/NQ	49,998	\$ 1.8400	8,074	\$ 11.40
	2/6/2008	2005/ISO	50,002	\$ 1.8400	8,075	\$ 11.40
	2/7/2007	2005/NQ	36,459	\$ 3.0700	5,888	\$ 19.01
	2/7/2007	2005/ISO	13,541	\$ 3.0700	2,186	\$ 19.01
	6/1/2005	2005/ISO	68,964	\$ 5.8000	11,137	\$ 35.92
	6/1/2005	2005/NQ	81,036	\$ 5.8000	13,087	\$ 35.92
	2/7/2006	2005/ISO	1,250	\$ 6.0700	201	\$ 37.59

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	2/7/2006	2005/NQ	28,750	\$	6.0700	4,643	\$	37.59
Total			330,000			53,291		

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Name	Original Grant Date	Cell Genesys Plan	Number of Cell Genesys Option Shares	Cell Genesys Exercise Price	Number of BioSante Option Shares	BioSante Exercise Price
Robert H. Tidwell	2/6/2008	2005/NQ	27,747	\$ 1.8400	4,481	\$ 11.40
	2/6/2008	2005/ISO	37,253	\$ 1.8400	6,016	\$ 11.40
	2/7/2007	2005/ISO	26,042	\$ 3.0700	4,205	\$ 19.01
	2/7/2007	2005/NQ	23,958	\$ 3.0700	3,869	\$ 19.01
	2/7/2006	2005/NQ	20,039	\$ 6.0700	3,236	\$ 37.59
	2/7/2006	2005/ISO	9,961	\$ 6.0700	1,608	\$ 37.59
	2/3/2005	1998/NQ	41,877	\$ 6.7300	6,763	\$ 41.68
	2/3/2005	1998/ISO	13,123	\$ 6.7300	2,119	\$ 41.68
Total			200,000		32,297	
Marc L. Belsky	2/6/2008	2005/ISO	55,000	\$ 1.8400	8,882	\$ 11.40
	12/1/2006	2005/ISO	50,000	\$ 3.8000	8,075	\$ 23.53
Total			105,000		16,957	

Option Acceleration Outside of the Change in Control Agreements

The merger agreement provides that all of Cell Genesys' stock options outstanding under its Amended and Restated 1998 Incentive Stock Option Plan, the 2001 Nonstatutory Option Plan, the 2001 Non-Employee Directors Stock Option Plan and the 2005 Equity Incentive Plan, other than the specified stock options being assumed by BioSante will accelerate and become vested prior to the effective time. None of Cell Genesys' directors or executive officers holds any options (other than the specified stock options) issued under Cell Genesys' stock option plans with an exercise price less than \$1.81. Given the estimated per share consideration of \$0.347, it is therefore anticipated that no directors or executive officers will receive any benefit as a result of this acceleration.

Estimated Director and Officer Exchanges of Cell Genesys Common Stock for BioSante Common Stock pursuant to the Merger

The following table presents the shares of Cell Genesys common stock held by Cell Genesys' directors and officers at the effective time to be exchanged and the estimated shares of BioSante common stock to be issued assuming no adjustment to the exchange ratio.

Name	Number of Shares of Cell Genesys Common Stock Held	Total Number of Shares of BioSante Common Stock to be Issued Upon Closing (using the 0.1615 Exchange Ratio)
David W. Carter	8,000	1,292
Nancy M. Crowell	8,000	1,292
James M. Gower	14,536	2,347
John T. Potts, Jr., M.D.	30,536	4,931
Thomas E. Shenk, Ph.D.	32,000	5,168
Eugene L. Step	38,000	6,137
Inder M. Verma, Ph.D.	55,196	8,914
Dennis L. Winger	8,000	1,292

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Stephen A. Sherwin, M.D.	474,621	76,651
Sharon E. Tetlow	18,449	2,979
Robert H. Tidwell	15,949	2,575
Marc Belsky	6,456	1,042
	709,743	114,620

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In addition, following completion of the merger, Dr. Sherwin and Dr. Potts are expected to receive cash or equity compensation in accordance with BioSante's equity compensation policies for non-employee directors. Currently, BioSante provides an annual cash retainer of \$18,000 for non-employee board members, pays each non-employee director \$1,800 for board meetings attended in person, \$900 for each board meeting attended by telephone and for each board committee meeting attended in person or by telephone, grants options from time to time at its discretion and enters into indemnification agreements with each director, although these policies are subject to change at any time.

Form of the Merger

The merger agreement provides that, at the effective time, Cell Genesys will be merged with and into BioSante, with BioSante surviving the merger.

Merger Consideration

At the effective time of the merger, each share of Cell Genesys common stock issued and outstanding immediately prior to the effective time of the merger will be converted into the right to receive shares of BioSante common stock. There will be no adjustment to the total number of shares of BioSante common stock that Cell Genesys stockholders will be entitled to receive as a result of changes in the market price of BioSante common stock. Accordingly, the market value of the shares of BioSante common stock issued in connection with the merger will depend on the market value of the shares of BioSante common stock at the time of effectiveness of the merger, and could vary significantly from the market value on the date of this joint proxy statement/prospectus.

The number of shares of BioSante common stock that stockholders of Cell Genesys common stock will be entitled to receive in exchange for all shares of Cell Genesys common stock at the consummation of the merger will be equal to the exchange ratio set forth in the merger agreement that is applicable based upon the difference between Cell Genesys's net cash balance at the determination date and the target net cash amount applicable as of the date of the merger closing, all as set forth in the merger agreement. If Cell Genesys's net cash balance at the determination date is no more than \$500,000 greater than or no more than \$500,000 less than the applicable target net cash amount, then the exchange ratio will be 0.1615. The actual exchange ratio will be determined in accordance with the merger agreement and will be higher or lower than 0.1615 depending on whether the actual net cash balance of Cell Genesys is higher or lower than the applicable target net cash amount and the amount of the difference between the actual net cash balance of Cell Genesys as of the determination date and the applicable target net cash. The merger agreement provides for a range of 38 different exchange ratios dependent upon these variables from a maximum exchange ratio of 0.2424 if Cell Genesys's actual net cash balance is more than \$5,000,000 above the applicable target net cash amount to a minimum exchange ratio of 0.1036 if Cell Genesys's actual net cash balance is between \$4,750,001 to \$5,000,000 below the applicable target net cash amount. Cell Genesys's net cash balance at the determination date will generally be equal to the amount of cash, cash equivalents, short-term investments, restricted cash, accounts receivable, refundable deposits, and recoverable prepaid balances, as of the determination date, minus Cell Genesys's accounts payable and accrued expenses, contractual obligations, restructuring accruals, certain insurance obligations, change in control payments and retention payments and certain other similar payments arising as a result of the merger, unpaid taxes, principal and accrued interest due in connection with any acceleration of repayment of Cell Genesys's 3.125% convertible senior notes due in November 2011, and payments to its advisors in connection with the merger. For a more detailed description of the calculation of Cell Genesys's net cash balance at the determination date and the applicable target net cash as of the merger closing date, see The Merger Agreement Merger Consideration and Adjustment.

The items that will constitute Cell Genesys's net cash balance at the determination date are subject to a number of factors, many of which are outside of Cell Genesys's control. For a more detailed discussion of the different exchange ratios at different net cash balances of Cell Genesys at the determination date, see The

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Merger Agreement Merger Consideration and Adjustment. If Cell Genesys's net cash at determination date is more than \$5,000,000 below the applicable target net cash as of the date of the closing of the merger, based on the manner of calculating net cash pursuant to the merger agreement, Cell Genesys would be unable to satisfy a closing condition for the merger, and BioSante could elect to terminate the merger agreement.

No fractional shares of BioSante common stock will be issued in connection with the merger. Instead, each Cell Genesys stockholder who would otherwise be entitled to receive a fraction of a share of BioSante common stock, after aggregating all fractional shares of BioSante common stock issuable to such stockholder, will be entitled to receive in cash the dollar amount, rounded to the nearest whole cent, without interest, determined by multiplying such fraction by the closing price of a share of BioSante common stock as quoted on The NASDAQ Global Market on the date the merger becomes effective.

The merger agreement provides that, from and after the effective time of the merger, BioSante will deposit with the exchange agent acceptable to BioSante and Cell Genesys stock certificates or, at BioSante's option, evidence of shares in book entry form, of BioSante common stock issuable to the Cell Genesys stockholders and a sufficient amount of cash to make payments in lieu of fractional shares.

The merger agreement provides that, as promptly as practicable after the effective time of the merger, the exchange agent will mail to each record holder of Cell Genesys common stock immediately prior to the effective time of the merger a letter of transmittal and instructions for surrendering and exchanging the record holder's Cell Genesys stock certificates. Upon surrender of a Cell Genesys common stock certificate for exchange to the exchange agent, together with a duly signed letter of transmittal, and such other documents as the exchange agent or BioSante may reasonably require, the holder of the Cell Genesys stock certificate will be entitled to receive a certificate representing the number of whole shares of BioSante common stock that such holder has the right to receive pursuant to the provisions of the merger agreement, cash in lieu of any fractional share of BioSante common stock, and dividends or other distributions, if any, to which they are entitled under the terms of the merger agreement. The Cell Genesys stock certificate surrendered will be cancelled.

At the effective time of the merger, all holders of certificates representing shares of Cell Genesys common stock that were outstanding immediately prior to the effective time of the merger will cease to have any rights as stockholders of Cell Genesys. In addition, no transfer of Cell Genesys common stock after the effective time of the merger will be registered on the stock transfer books of Cell Genesys.

If a stock certificate to be exchanged by a Cell Genesys stockholder for merger consideration has been lost, stolen or destroyed, the exchange agent will issue the merger consideration in exchange for that certificate upon the making of an affidavit by the holder of the certificate of the fact that the certificate has been lost, stolen or destroyed, as the case may be. However, BioSante may in its discretion and as a condition precedent to the merger consideration being paid on such certificate require the owner of the lost, stolen or destroyed certificate to deliver a bond in a such sum as BioSante may reasonably direct as indemnity against any claim that may be made against BioSante or the exchange agent with respect to the lost, stolen or destroyed certificate.

From and after the effective time of the merger, until it is surrendered, each certificate that previously evidenced Cell Genesys common stock will be deemed to represent only the right to receive shares of BioSante common stock and cash in lieu of any fractional share of BioSante common stock. BioSante will not pay dividends or other distributions on any shares of BioSante common stock to be issued in exchange for any unsurrendered Cell Genesys stock certificate until the Cell Genesys stock certificate is surrendered as provided in the merger agreement.

Effective Time of the Merger

The merger agreement requires the parties to consummate the merger after all of the conditions to the consummation of the merger contained in the merger agreement are satisfied or waived, including the approval

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and adoption of the merger agreement by the stockholders of Cell Genesys and the approval and adoption of the merger agreement and the approval of the issuance of shares of BioSante common stock pursuant to the merger by the stockholders of BioSante. The merger will become effective upon the filing of a certificate of merger with the Secretary of State of the State of Delaware or at such later time as is agreed by BioSante and Cell Genesys and specified in the certificate of merger. However, neither BioSante nor Cell Genesys can predict the exact timing of the consummation of the merger.

Treatment of Cell Genesys Options and Warrants

As of a date mutually agreed upon by both parties, but in no event less than 30 days prior to the effective time of the merger, all options to purchase shares of Cell Genesys common stock, other than certain designated options held by Cell Genesys's current officers on the date of the merger agreement, will become fully vested and exercisable until immediately prior to the effective time of the merger. Upon the effective time of the merger, such unexercised options other than the certain designated options held by Cell Genesys's current officers on the date of the merger agreement will terminate and will no longer be outstanding. At the effective time of the merger, the certain designated options held by Cell Genesys's current officers on the date of the merger agreement that are outstanding immediately prior to the merger will be assumed by BioSante and will remain outstanding following the merger, but will be converted into and become options to purchase shares of BioSante common stock on terms substantially identical to those in effect immediately prior to the merger, except for adjustments to the underlying number of shares and the exercise price based on the exchange ratio determined pursuant to the terms of the merger agreement.

Other than the warrant subject to a certain warrant exchange agreement dated May 17, 2009, which will be cashed out pursuant to the terms thereof prior to the merger, at the effective time of the merger, Cell Genesys warrants outstanding and unexercised on the effective time of the merger shall be assumed by BioSante to the extent such obligations survive the merger under the terms of the respective Cell Genesys warrants, but will be converted into and become warrants to purchase shares of BioSante common stock on terms substantially identical to those in effect prior to the merger, except for adjustments to the underlying number of shares and the exercise price based on the final exchange ratio used in the merger. Of the outstanding warrants to purchase Cell Genesys common stock, only the terms of the warrants issued in connection with Cell Genesys's April 2007 registered direct offering provide that it will survive the merger. All other outstanding and unexercised warrants to purchase shares of Cell Genesys common stock, other than the warrant subject to that certain warrant exchange agreement dated May 17, 2009 which may be cashed out pursuant to the terms thereof prior to the effective time of the merger at a maximum price of \$112,238, will terminate and no longer be outstanding immediately prior to the merger.

Cell Genesys Convertible Senior Notes

The merger agreement provides that BioSante will take all reasonably necessary action to ensure that BioSante is in compliance with the terms of both the indenture dated as of October 20, 2004 for the 3.125% convertible senior notes due in November 2011 issued by Cell Genesys and the indenture dated June 24, 2009 for the 3.125% convertible senior notes due in May 2013 issued by Cell Genesys, including in each case the execution of a supplemental indenture with the applicable trustee under each indenture. On and after the effective time of the merger, these convertible notes will be convertible into shares of BioSante common stock in accordance with the terms of the indentures, except for adjustments to the underlying number of shares and the conversion price based on the exchange ratio determined pursuant to the terms of the merger agreement.

Regulatory Approvals

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Neither BioSante nor Cell Genesys is required to make any filings or to obtain approvals or clearances from any antitrust regulatory authorities in the United States or other countries to consummate the merger. In the United States, BioSante must comply with applicable federal and state securities laws and NASDAQ rules and regulations in connection with the issuance of shares of BioSante common stock in the merger, including

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the filing with the SEC of the registration statement of which this joint proxy statement/prospectus is a part. As of the date of this joint proxy statement/prospectus, BioSante has filed an initial listing application with the NASDAQ Global Market to effect the initial listing of BioSante common stock issuable in connection with the merger or upon exercise of Cell Genesys' s outstanding stock options or warrants that are assumed by BioSante and remain outstanding following the consummation of the merger.

Material U.S. Federal Income Tax Consequences of the Merger

The following is a general summary of material U.S. federal income tax consequences of the merger to U.S. holders (as defined below) of Cell Genesys common stock who exchange their Cell Genesys common stock for BioSante common stock pursuant to the merger. This summary assumes that U.S. holders hold their shares of Cell Genesys common stock as capital assets within the meaning of Section 1221 of the Code (generally, as property held as an investment). This summary is based on provisions of the Code, Treasury regulations promulgated thereunder and administrative rulings and court decisions, as currently in effect as of the date hereof and all of which are subject to change, possibly with retroactive effect, and to differing interpretations. This summary is for general information purposes only and does not describe the tax consequences under state, local or foreign laws, nor does it address any U.S. federal laws other than U.S. federal income tax laws. In addition, this summary does not discuss all U.S. federal income tax considerations that may be relevant to a particular U.S. holder in light of its, his or her personal circumstances or to stockholders subject to special treatment under U.S. federal income tax laws, including brokers or dealers in securities or currencies, traders in securities that elect to use the mark-to-market method of accounting, expatriates or former long-term residents of the United States, persons subject to the alternative minimum tax provisions of the Code, tax-exempt organizations, persons that are not U.S. holders, tax-exempt organizations, partnerships or other pass-through entities (and persons holding Cell Genesys common stock through a partnership or other pass-through entity), financial institutions, mutual funds, insurance companies, holders who acquired Cell Genesys common stock in connection with stock option or stock purchase plans or in other compensatory transactions, or persons holding Cell Genesys common stock as part of a straddle, hedge, constructive sale, conversion or other risk-reduction transaction.

Holders of Cell Genesys common stock are strongly urged to consult with their own tax advisors as to the tax consequences of the merger under U.S. federal, state, local, foreign and other tax laws in light of their particular circumstances.

As used in this summary, the term "U.S. holder" means a beneficial owner of Cell Genesys common stock that is for U.S. federal income tax purposes:

- an individual citizen or resident of the United States;

- a corporation (or any entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;

- an estate the income of which is subject to U.S. federal income tax regardless of its source; or

- a trust if either (a) it is subject to the primary supervision of a court within the United States and one or more United States persons have the authority to control all of its substantial decisions, or (b) it has a valid election in effect under applicable Treasury regulations to be treated as a United States person.

If an entity treated as a partnership for U.S. federal income tax purposes holds Cell Genesys common stock, the tax treatment of such partnership and each of its partners generally will depend upon the status of the partner and the activities of the partnership. Entities that are treated as partnerships for U.S. federal income tax

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purposes that hold Cell Genesys common stock, and their partners, are urged to consult their own tax advisors regarding the U.S. federal income tax consequences of the merger.

Tax Consequences of the Merger Generally

While the matter is not free from doubt, BioSante and Cell Genesys intend to treat the merger as a taxable transaction for U.S. federal income tax purposes. Assuming the merger so qualifies, in general, a U.S. holder of Cell Genesys common stock will recognize gain or loss in an amount equal to the difference between (a) the sum of the fair market value of the BioSante common stock and any cash in lieu of fractional shares received in exchange for such Cell Genesys common stock and (b) the U.S. holder's tax basis in the Cell Genesys common stock surrendered. Gain or loss will be calculated separately for each block of shares exchanged in the merger (i.e., shares acquired at the same cost in a single transaction). The gain or loss will generally be capital gain or loss, and will be long-term capital gain or loss if, on the date of the merger, the shares of Cell Genesys common stock were held for more than one year. In the case of certain non-corporate U.S. holders, long-term capital gain is currently eligible for reduced rates of U.S. federal income tax. The deductibility of capital losses is subject to limitation.

Although BioSante and Cell Genesys intend to treat the merger as a taxable transaction, no ruling has been or will be sought from the IRS as to the U.S. federal income tax treatment of the merger. As such, it is possible that the merger would qualify as a reorganization within the meaning of Section 368(a) of the Code. If the transaction were treated as a reorganization within the meaning of Section 368(a) of the Code, the tax consequences above would not apply, but instead a U.S. holder of Cell Genesys common stock generally would not recognize gain or loss on the exchange of Cell Genesys common stock for BioSante stock, and would be required to recognize gain or loss with respect to cash received in lieu of a fractional share of BioSante common stock that such holder would otherwise have been entitled to receive in an amount equal to the difference between the cash received and the tax basis allocable to such fractional share.

Holders of Cell Genesys common stock are urged to consult their own tax advisors as to the tax treatment of the merger under U.S. federal income tax laws.

Backup Withholding Tax

Under certain circumstances, information reporting and/or backup withholding may apply to U.S. holders with respect to payments made on or proceeds from the sale, exchange or other disposition of BioSante common stock, unless the U.S. holder provides a correct taxpayer identification number and certain other information, or otherwise establishes a basis for exemption from backup withholding, and otherwise complies with the backup withholding rules. Backup withholding is not an additional tax. Rather, any amounts withheld under the backup withholding tax rules will be allowed as a credit against a U.S. holder's U.S. federal income tax liability, if any, or be refunded if such U.S. holder furnishes the required information to the IRS on a timely basis.

Anticipated Accounting Treatment

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The merger will be accounted for under U.S. generally accepted accounting principles, or U.S. GAAP, as an acquisition of the net assets of Cell Genesys, whereby the individual assets and liabilities of Cell Genesys will be recorded by BioSante as of the completion of the merger based on their estimated fair values. As Cell Genesys has ceased operations, the acquisition is not considered to be a business combination, and the allocation of the purchase price will not result in recognition of goodwill. Following the completion of the merger, the future net income (loss) of the combined company will reflect charges resulting from the purchase price allocation related to the merger, which will include adjustments to carrying values of the acquired net assets based on the fair value of consideration measured as of the completion of the merger.

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Appraisal Rights

If the merger is completed, BioSante and Cell Genesys stockholders are not entitled to appraisal rights under Section 262 of the Delaware General Corporation Law.

Litigation Relating to the Merger

On July 1, 2009, a putative shareholder class action lawsuit concerning the proposed merger between Cell Genesys and BioSante was filed in California Superior Court in San Mateo County (Case No. 485528) naming Cell Genesys, its officers and directors, and BioSante as defendants. On July 6, 2009, a second putative shareholder class action lawsuit naming the same parties and containing essentially identical allegations was filed in California Superior Court in San Mateo County (Case No. 485613). On July 8, 2009, a third putative shareholder class action lawsuit was filed in California Superior Court in San Mateo County (Case No. 485528), which also named the same parties and contained essentially identical allegations as the two prior lawsuits. On July 15, 2009, the Court consolidated these three lawsuits into one action and appointed interim lead counsel. On August 13, 2009, plaintiffs filed a Consolidated Class Action Complaint alleging that defendants breached their fiduciary duties and/or aided and abetted the breach of fiduciary duties owed to Cell Genesys stockholders in connection with the proposed merger, including by failing to engage in a fair sales process, failing to obtain a fair price for the sale of Cell Genesys, and failing to provide Cell Genesys stockholders with material information regarding the proposed merger. Plaintiffs seek an order certifying the lawsuit as a class action, injunctive relief to enjoin the merger or, in the event the merger is completed, a rescission of the merger or rescissory damages. Plaintiffs further seek an accounting for all damages and an award of attorneys' fees and costs.

On July 6, 2009, a putative shareholder class action lawsuit was filed in The Court of Chancery of the State of Delaware (Case No. 4715-VCP) naming Cell Genesys, its officers and directors, and BioSante as defendants. On August 14, 2009, plaintiffs filed an Amended Shareholder Class Action Complaint (Amended Complaint) alleging that the proposed merger between Cell Genesys and BioSante does not provide Cell Genesys stockholders fair compensation for the value of their stock and that defendants have provided materially incomplete information to Cell Genesys stockholders in connection with the proposed merger. Plaintiffs seek an order certifying the lawsuit as a class action, injunctive relief to enjoin the merger or, in the event the merger is completed, a rescission of the merger or rescissory damages. Plaintiffs further seek an accounting for all damages and an award of attorneys' fees and costs.

On August 17, 2009, plaintiffs filed a Motion for Preliminary Injunction seeking a preliminary injunction of the proposed merger based on the allegations of the Amended Complaint. On the same day, plaintiffs also filed a Motion for Expedited Proceedings, which requests an order directing discovery to proceed on an expedited basis and setting a date for a hearing on plaintiffs' Motion for Preliminary Injunction. On August 18, 2009, Cell Genesys and BioSante filed a motion to dismiss or, in the alternative, stay the action in deference to the consolidated action pending in California Superior Court in San Mateo County, described in the above paragraph.

As of the date of the printing of this joint proxy statement/prospectus, the consolidated action in California Superior Court in San Mateo County and the lawsuit filed in The Court of Chancery of the State of Delaware remain pending. Cell Genesys and BioSante believe the actions are without merit and intend to defend the actions vigorously.

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THE MERGER AGREEMENT

BioSante and Cell Genesys entered into the merger agreement on June 29, 2009. The full text of this agreement is attached as Annex A to this joint proxy statement/prospectus and is incorporated by reference into this joint proxy statement/prospectus. BioSante and Cell Genesys urge you to read the merger agreement in its entirety for a more complete description of the terms and conditions of the merger and related matters.

*The representations and warranties described below and included in the merger agreement were made by BioSante and Cell Genesys to each other as of specific dates. The assertions embodied in those representations and warranties were made solely for purposes of the merger agreement and may be subject to important qualifications and limitations agreed to by BioSante and Cell Genesys in connection with negotiating the terms of the merger agreement. Moreover, the representations and warranties may be subject to a contractual standard of materiality that may be different from what may be viewed as material to stockholders, or may have been used for the purpose of allocating risk between BioSante and Cell Genesys rather than establishing matters as facts. The merger agreement is described in this joint proxy statement/prospectus and included as Annex A only to provide you with information regarding the material terms and conditions of the merger agreement, and not to provide any other factual information regarding BioSante, Cell Genesys or their respective businesses. Accordingly, you should not rely on the representations and warranties in the merger agreement as characterizations of the actual state of facts about BioSante or Cell Genesys, and you should read the information provided elsewhere in this joint proxy statement/prospectus for information regarding BioSante and its business. See *Where You Can Find More Information*.*

General

Under the merger agreement, Cell Genesys will merge with and into BioSante, with BioSante surviving the merger. Pursuant to the merger agreement, Cell Genesys stockholders will have the right to receive shares of BioSante common stock based on the exchange ratio determined in accordance with the merger agreement. BioSante stockholders will continue to own their existing shares of BioSante common stock or class C special stock after the merger. Each share of BioSante common stock will represent one share of common stock in the combined company. Each share of BioSante class C special stock will represent one share of class C special stock in the combined company. BioSante stockholders should not send in their stock certificates in connection with the merger.

The closing of the merger will take place as promptly as practicable after the day on which the last of the conditions to the merger set forth in the merger agreement has been satisfied or waived (if permissible), unless BioSante and Cell Genesys agree to a different date. However, because the merger is subject to a number of conditions, neither BioSante nor Cell Genesys can predict exactly when the closing will occur or if it will occur at all. See *The Merger Agreement Conditions to Completion of the Merger* for a more complete description of the conditions that must be satisfied or waived before closing.

Merger Consideration and Adjustment

Subject to the terms and conditions of the merger agreement, at the effective time of and as a result of the merger, each share of Cell Genesys common stock issued and outstanding immediately prior to the effective time of the merger will be converted into the right to receive the number of shares of BioSante common stock equal to the exchange ratio set forth in the merger agreement. Assuming that Cell Genesys's net cash balance at the determination date is no more than \$500,000 greater than or no more than \$500,000 less than the target net cash amount

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applicable as of the merger closing date as set forth in the merger agreement, the exchange ratio will be 0.1615. The exchange ratio will be higher or lower than 0.1615 if Cell Genesys's net cash balance at the determination date is more than \$500,000 greater than or more than \$500,000 less than the target net cash set forth in the merger agreement. The exact exchange ratio will be determined in accordance with the merger agreement and will depend on the amount of the difference between the target net cash amount applicable as of the date of the merger closing and Cell Genesys's actual net cash balance at the

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determination date. The determination date will be the date that is 10 calendar days before the date originally scheduled for the earlier to occur of the BioSante or Cell Genesys stockholder meeting. The exchange ratio will not be determined until that time.

Under the merger agreement, the target net cash amount that is applicable depends on the date of the merger closing. As an example, if the merger were to close on August 31, 2009, the target net cash amount would be \$22,950,000. The target net cash amount decreases each month as set forth in the merger agreement and may be as low as \$19,650,000 if the date of the merger closing is on or between December 1, 2009 and December 31, 2009.

Pursuant to the merger agreement, Cell Genesys's net cash balance will be calculated as of the determination date, which is the date that is 10 calendar days prior to the earlier to occur of the date originally scheduled for the Cell Genesys stockholder meeting or the date originally scheduled for the BioSante stockholder meeting. Cell Genesys's net cash balance at the determination date will generally be equal to the sum of cash and cash equivalents, short-term investments, restricted cash, any accrued interest receivable thereon, accounts receivable, refundable deposits, and recoverable prepaid balances, as of the determination date and determined for Cell Genesys in a manner consistent with the manner in which such items were historically determined by Cell Genesys and in accordance with its consolidated balance sheet as of December 31, 2008, minus Cell Genesys's accounts payable and accrued expenses, contractual obligations, restructuring accruals, change in control payments, retention payments or severance payments as a result of the merger, unpaid taxes, the amount of principal and accrued interest due in the event any acceleration of repayment of Cell Genesys's 3.125% convertible senior notes due November 2011, and payments to its advisors in connection with the merger. The items listed above also are subject to certain exclusions set forth in the merger agreement.

Once the net cash balance at the determination date is finally calculated, which will be no later than five days after the determination date, the difference between the net cash balance and the target net cash that is applicable as of the date of the merger closing will be calculated. Based on this difference and in accordance with the merger agreement, the parties will determine the exchange ratio. The merger agreement provides for a range of 38 different exchange ratios, dependent upon whether the actual net cash balance of Cell Genesys is higher or lower than the applicable target net cash amount and the amount by which it is higher or lower than the applicable target net cash, from a maximum exchange ratio of 0.2424 if Cell Genesys's actual net cash balance is more than \$5,000,000 above the applicable target net cash amount to a minimum exchange ratio of 0.1036 if Cell Genesys's actual net cash balance is between \$4,750,001 to \$5,000,000 below the applicable target net cash amount. The following table illustrates the exchange ratio for each share of Cell Genesys common stock at various differentials between the net cash balance of Cell Genesys at the determination date and the target net cash amount. This table assumes, for illustrative purposes only, that the date of the closing of the merger is on or between October 1, 2009 and October 31, 2009 and thus the target net cash amount applicable to the merger closing date, as set forth in the merger agreement, is \$21,250,000.

Cell Genesys's Net Cash At Closing As Calculated Pursuant to the Merger Agreement	Target Net Cash for Closing Date between October 1, 2009 and October 31, 2009	Difference between Cell Genesys's Net Cash and Target Net Cash	Exchange Ratio	Pro Forma Ownership of Outstanding Shares of Combined Company BioSante/Cell Genesys
\$ 26,250,001	\$ 21,250,000	\$ +5,000,001	0.2424	55.3%/44.7%
\$ 23,750,000	\$ 21,250,000	\$ +2,500,000	0.1943	60.7%/39.3%
\$ 22,250,000	\$ 21,250,000	\$ +1,000,000		