

BIOSANTE PHARMACEUTICALS INC  
Form S-4/A  
January 18, 2013

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As filed with the Securities and Exchange Commission on January 18, 2013

Registration No. 333-185391

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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AMENDMENT NO. 1  
TO  
**Form S-4**  
REGISTRATION STATEMENT UNDER  
THE SECURITIES ACT OF 1933

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**BIOSANTE PHARMACEUTICALS, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**2386**  
(Primary Standard Industrial  
Classification Code Number)  
**111 Barclay Boulevard**  
**Lincolnshire, Illinois 60069**  
**(847) 478-0500**

**58-2301143**  
(I.R.S. Employer  
Identification Number)

(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)

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Copies to:

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**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 ANIP Acquisition Company d/b/a ANI Pharmaceuticals, 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 October 3, 2012, as amended, and as 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.

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       Smaller reporting company   
(Do not check if a smaller reporting company)

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

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**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 JANUARY 18, 2013**

**PROPOSED MERGER YOUR VOTE IS VERY IMPORTANT**

To our Stockholders:

On October 3, 2012, BioSante Pharmaceuticals, Inc. (BioSante) and ANIP Acquisition Company d/b/a ANI Pharmaceuticals, Inc. (ANI), entered into a merger agreement pursuant to which ANI will merge with and into BioSante, with BioSante continuing as the surviving company. The boards of directors of BioSante and ANI have approved unanimously the merger agreement and the merger and believe that the merger of the two companies will create more value than either company could achieve individually. The combined company that will result from the merger will be a fully integrated specialty pharmaceutical company focused on developing, manufacturing and marketing branded and generic prescription pharmaceuticals.

Pursuant to the terms of the merger agreement, upon completion of the merger, ANI stockholders will have the right to receive, for each share of ANI capital stock they hold, that number of shares of BioSante common stock, if any, as determined pursuant to the exchange ratios described in the merger agreement and the provisions of ANI's certificate of incorporation. Following completion of the merger, the current ANI stockholders are expected to own approximately 53 percent of the outstanding shares of common stock of the combined company, and the current BioSante stockholders are expected to own approximately 47 percent of the outstanding shares of common stock of the combined company. The exchange ratios are subject to potential adjustment as described in the merger agreement depending upon the amount of "net cash" of BioSante as of a determination date prior to the closing date of the merger, but in no event will the current ANI stockholders own less than 50.1 percent (or the current BioSante stockholders own more than 49.9 percent) of the outstanding shares of common stock of the combined company. If the merger had been completed on January 17, 2013, the record date for the BioSante special meeting, an aggregate of approximately 27.9 million shares of BioSante common stock would have been issuable to ANI stockholders upon completion of the merger (as determined prior to an anticipated reverse stock split of BioSante common stock), assuming BioSante's net cash is \$18.0 million as of the determination date.

BioSante common stock is listed on The NASDAQ Global Market and trades under the symbol "BPAX". On January 15, 2013, the latest practicable date before the printing of this joint proxy statement/prospectus, the closing sale price of BioSante common stock was \$1.36 per share. ANI is a privately held specialty pharmaceutical company. Following completion of the merger, the combined company is expected to be renamed "ANI Pharmaceuticals, Inc." and to change its trading symbol on The NASDAQ Global Market. ANI has reserved the symbol "ANIP" for this purpose.

This joint proxy statement/prospectus provides you with detailed information about the special meetings of stockholders of BioSante and ANI to consider the merger and related business. **Your vote is very important.** Whether or not you plan to attend your respective company's special meeting of stockholders, please submit your proxy as soon as possible to make sure that your shares are represented at the applicable meeting. In addition to being a proxy statement for both BioSante and ANI, this document is also a prospectus to be used by BioSante when issuing BioSante common stock to ANI stockholders in connection with the merger. BioSante and ANI encourage you to read the entire document carefully. **Please pay particular attention to the section entitled "Risk Factors" beginning on page 38 for a discussion of the risks related to the merger, the combined company following completion of the merger, and the business and operations of each of BioSante and ANI.**

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

Stephen M. Simes  
Vice Chairman, President and  
Chief Executive Officer  
BioSante Pharmaceuticals, Inc.

Arthur S. Przybyl  
President and Chief Executive Officer  
ANIP Acquisition Company d/b/a ANI Pharmaceuticals, Inc.

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the BioSante common stock to be issued pursuant to the merger or determined if the information in this joint proxy statement/prospectus is accurate or adequate. Any representation to the contrary is a criminal offense.**

This joint proxy statement/prospectus is dated January , 2013 and is first being mailed or otherwise delivered to stockholders of BioSante and ANI on or about January 25, 2013.

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**REFERENCES TO ADDITIONAL INFORMATION**

This joint proxy statement/prospectus forms a part of a registration statement on Form S-4 filed by BioSante Pharmaceuticals, Inc. with the Securities and Exchange Commission (SEC). It constitutes a prospectus of BioSante under Section 5 of the Securities Act of 1933, as amended (the Securities Act), and the rules and regulations thereunder, with respect to the shares of BioSante common stock to be issued to holders of capital stock of ANIP Acquisition Company d/b/a ANI Pharmaceuticals, Inc. in the merger. In addition, it constitutes a proxy statement under Section 14(a) of the Securities Exchange Act of 1934, as amended (the Exchange Act), and the rules and regulations thereunder, and a notice of meeting with respect to the BioSante special meeting of stockholders. It also constitutes a proxy statement of ANI and a notice of meeting with respect to the ANI special meeting of stockholders.

BioSante has supplied all information contained in this joint proxy statement/prospectus relating to BioSante and ANI has supplied all information contained in this joint proxy statement/prospectus relating to ANI.

If you would like to request documents from BioSante or ANI, please send a request by telephone or email to either BioSante or ANI at the following address:

BioSante Pharmaceuticals, Inc.  
111 Barclay Boulevard  
Lincolnshire, Illinois 60069  
Attention: Investor Relations  
Tel: (847) 478-0500 ext. 120  
Email: info@biosantepharma.com

ANIP Acquisition Company d/b/a  
ANI Pharmaceuticals, Inc.  
210 Main Street West  
Baudette, Minnesota 56623  
Attention: Investor Relations  
Tel: (218) 634-3500  
Email: arthur.przybyl@anipharmaceuticals.com

**If you would like to request documents, please do so by February 22, 2013 in order to receive them before the special meetings. See "Where You Can Find More Information" beginning on page 300.**

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## BioSante Pharmaceuticals, Inc.

### NOTICE OF SPECIAL MEETING OF STOCKHOLDERS To Be Held On March 15, 2013

Dear BioSante Stockholder:

A special meeting of the stockholders of BioSante Pharmaceuticals, Inc. will be held on March 15, 2013 at 8:00 a.m., local time, at BioSante's corporate office located at 111 Barclay Boulevard, Lincolnshire, Illinois 60069, for the following purposes:

1. To consider and vote upon a proposal to adopt the agreement and plan of merger dated as of October 3, 2012 between BioSante and ANI, as amended, 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 effect a reverse split of BioSante common stock and BioSante class C special stock at the discretion of BioSante and ANI at a ratio of either one-for-two, one-for-three, one-for-four or one-for-five.
3. To consider and vote upon a proposal to approve an amendment to BioSante's certificate of incorporation to change the name of BioSante from "BioSante Pharmaceuticals, Inc." to "ANI Pharmaceuticals, Inc."
4. To consider and vote upon a proposal to approve, on an advisory (non-binding) basis, the compensation payable to certain executive officers of BioSante under existing arrangements in connection with the merger.
5. 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 Proposals No. 1, 2 and/or 3.

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 BioSante has fixed January 17, 2013 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 BioSante 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 24,422,240 shares of common stock and 65,211 shares of BioSante 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 BioSante class C special stock, voting together as a single class, having voting power outstanding on the record date for the BioSante special meeting is required for approval of BioSante Proposals No. 1, 2 and 3. The affirmative vote of holders of a majority of the BioSante common stock and BioSante class C special stock, voting together as a single class, present in person or represented by proxy at the BioSante special meeting, is required for approval of BioSante Proposals No. 4 and 5. Please also note that the approval of BioSante Proposal No. 1 is not conditioned upon the approval of BioSante Proposals No. 2, 3, 4 or 5; however, the approval of BioSante Proposals No. 2 and 3 is**

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conditioned upon the approval of BioSante Proposal No. 1 by the BioSante stockholders and the approval of the corresponding proposal by the ANI stockholders.

Even if you plan to attend the BioSante special meeting in person, BioSante requests that you complete, sign and return the enclosed proxy card 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 Proposals No. 1 through 5. 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 Proposals No. 1 through 3. 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, and "FOR" the other merger related proposals.

By Order of the Board of Directors,

Phillip B. Donenberg  
*Senior Vice President, Finance,  
Chief Financial Officer and Secretary*

January 22, 2013  
Lincolnshire, Illinois

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR BIOSANTE'S SPECIAL MEETING  
TO BE HELD ON MARCH 15, 2013**

The accompanying joint proxy statement/prospectus is available at [www.proxyvote.com/BioSante](http://www.proxyvote.com/BioSante).

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## **ANIP Acquisition Company d/b/a ANI Pharmaceuticals, Inc.**

### **NOTICE OF SPECIAL MEETING OF STOCKHOLDERS To Be Held On March 15, 2013**

Dear ANI Stockholder:

A special meeting of the stockholders of ANI will be held on March 15, 2013 at 9:00 a.m., local time, at the offices of MVP Capital Partners located at 259 N. Radnor-Chester Road, Suite 130, Radnor, Pennsylvania 19087, for the following purposes:

1. To consider and vote upon a proposal to adopt the agreement and plan of merger dated as of October 3, 2012 between BioSante and ANI, as amended, 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 ANI special meeting, if necessary, to solicit additional proxies if there are not sufficient votes in favor of ANI 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 ANI has fixed January 17, 2013 as the record date for the determination of ANI stockholders entitled to notice of, and to vote at, the ANI special meeting or any adjournments or postponements of the ANI special meeting. Only holders of record of ANI capital stock at the close of business on the ANI record date are entitled to notice of, and to vote at, the ANI special meeting. At the close of business on the record date, ANI had 2,375,312 shares of series D convertible preferred stock, 34,810 shares of series C convertible preferred stock, 78,491 shares of series B convertible preferred stock, 102,774 shares of series A convertible preferred stock and 23,613 shares of common stock outstanding and entitled to vote.

**Your vote is important. The affirmative vote of holders of a majority of the shares of ANI common stock, calculated on an as-converted basis and voting together as a single class, and 65 percent of the shares of ANI series D convertible preferred stock having voting power outstanding on the record date for the ANI special meeting is required for approval of ANI Proposal No. 1. The affirmative vote of holders of a majority of ANI common stock, calculated on an as-converted basis, present in person or represented by proxy at the ANI special meeting is required for approval of ANI Proposal No. 2.**

Even if you plan to attend the ANI special meeting in person, ANI requests that you complete, sign and return the enclosed proxy card and thus ensure that your shares will be represented at the ANI 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 ANI Proposals No. 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 ANI special meeting and will count as a vote against ANI Proposal No. 1. If you do attend the ANI special meeting and wish to vote in person, you may withdraw your proxy and vote in person.

The ANI 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 ANI and its stockholders. The ANI board of directors has unanimously approved and adopted the merger

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**agreement and the transactions contemplated by it, including the merger, and recommends that ANI stockholders vote "FOR" the adoption of the merger agreement and the transactions contemplated thereby, including the merger, and "FOR" the adjournment of the ANI special meeting, if necessary, to solicit additional proxies if there are not sufficient votes in favor of ANI Proposal No. 1.**

By Order of the Board of Directors,

Charlotte C. Arnold  
*Vice President and Chief Financial Officer*

Baudette, Minnesota  
January 22, 2013

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References to "*BioSante*" and "*ANI*" in this joint proxy statement/prospectus refer to BioSante Pharmaceuticals, Inc. and ANIP Acquisition Company d/b/a ANI Pharmaceuticals, Inc., respectively. References to the "combined company" refer to BioSante, as the surviving entity after the merger and incorporating the merged business of ANI. Except as otherwise noted, references to "*we*," "*us*" or "*our*" refer to both BioSante and ANI. References to the "*merger agreement*" refer to that certain agreement and plan of merger dated as of October 3, 2012 between BioSante and ANI, as amended from time to time.

Except as otherwise noted, references to "*BioSante common stock*" refer to shares of common stock, par value \$0.0001 per share, of BioSante, and references to "*BioSante class C special stock*" refer to shares of class C special stock, par value of \$0.0001 per share, of BioSante. Except as otherwise noted, references to "*BioSante capital stock*" refer to shares of BioSante common stock and BioSante class C special stock. References to the *BioSante stockholders* refer to holders of shares of BioSante common stock and/or shares of BioSante class C special stock. All BioSante share and per share

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numbers have been adjusted retroactively to reflect the one-for-six reverse stock split effected on June 1, 2012.

Except as otherwise noted, references to "*ANI series D preferred stock*," "*ANI series C preferred stock*," "*ANI series B preferred stock*," "*ANI series A preferred stock*" and "*ANI common stock*" refer to shares of series D convertible preferred stock, par value \$0.10 per share, of ANI, series C convertible preferred stock, par value \$0.10 per share, of ANI, series B convertible preferred stock, par value \$0.10 per share, of ANI, series A convertible preferred stock, par value \$0.10 per share, of ANI, and common stock, par value \$0.10 per share, of ANI, respectively, and references to "*ANI preferred stock*" refer to shares of ANI series D preferred stock, ANI series C preferred stock, ANI series B preferred stock and ANI series A preferred stock, collectively. Except as otherwise noted, references to "*ANI capital stock*" refer to shares of ANI preferred stock and ANI common stock. References to the *ANI stockholders* refer to holders of shares of ANI capital stock. All ANI share and per share numbers have been adjusted retroactively to reflect the one-for-ten reverse stock split effected on January 28, 2011.

BioSante owns or has rights to various trademarks, trade names or service marks, including *BioSante*<sup>®</sup>, *LibiGel*<sup>®</sup>, *GVAX*, *The Pill-Plus* and *Elestrin*. ANI owns or has rights to various trademarks, trade names or service marks, including *Cortenema*<sup>®</sup> and *Reglan*<sup>®</sup>. 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 ANI stockholder. You should read carefully the entire joint proxy statement/prospectus, including each of the annexes.*

**Q: What is the merger?**

A: BioSante and ANI have entered into an agreement and plan of merger, 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 ANI. If the merger is completed, ANI will merge with and into BioSante, with BioSante continuing as the surviving company. This transaction is referred to as the merger.

**Q: Why are BioSante and ANI proposing to effect the merger?**

A: BioSante and ANI both believe that the merger of the two companies will be able to create more value than either company could achieve individually. The combined company that will result from the merger will be a fully integrated specialty branded and generic pharmaceutical company focused on developing, manufacturing and marketing branded and generic prescription pharmaceuticals. 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 128 and "The Merger ANI Reasons for the Merger" beginning on page 132.

**Q: What will ANI stockholders receive in the merger?**

A: Upon completion of the merger, ANI stockholders will have the right to receive, for each share of ANI capital stock they hold, that number of shares of BioSante common stock, if any, as determined pursuant to the exchange ratios described in the merger agreement and the provisions of ANI's certificate of incorporation. See the section entitled "The Merger Agreement Merger Consideration and Adjustment" beginning on page 156. The exchange ratios are subject to potential adjustment as described in the merger agreement, depending upon the amount of "net cash" of BioSante, as defined in the merger agreement, and generally consisting of BioSante's cash and cash equivalents less certain expenses and liabilities, as of a determination date prior to the closing date of the merger, and thus will not be determined until that time. Upon completion of the merger, ANI stockholders are expected to receive shares of BioSante common stock representing an aggregate of approximately 53 percent of the outstanding shares of common stock of the combined company, but in no event will the current ANI stockholders own less than 50.1 percent (or the current BioSante stockholders own more than 49.9 percent) of the outstanding shares of common stock of the combined company, assuming BioSante's net cash is \$18.0 million as of the determination date.

Pursuant to the terms of ANI's certificate of incorporation, (i) before any amounts are paid to the holders of shares of any other series of ANI preferred stock or ANI common stock, the holders of shares of ANI series D preferred stock are entitled to receive an amount per share equal to \$30.00 plus all declared but unpaid dividends; (ii) before any amounts are paid to the holders of shares of ANI series B preferred stock, ANI series A preferred stock or ANI common stock, the holders of shares of ANI series C preferred stock are entitled to receive an amount per share equal to \$110.00 plus all declared but unpaid dividends; (iii) before any amounts are paid to the holders of shares of ANI series A preferred stock or ANI common stock, the holders of shares of ANI series B preferred stock are entitled to receive an amount per share equal to \$110.00 plus all declared but unpaid dividends; (iv) before any amounts are paid to the holders of shares of ANI



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common stock, the holders of shares of ANI series A preferred stock are entitled to receive an amount per share equal to \$100.00 plus all declared but unpaid dividends; and (v) after payments have been made to all holders of ANI preferred stock, the remaining assets of ANI will be distributed ratably to the holders of ANI common stock, including holders of ANI series C preferred stock, ANI series B preferred stock and ANI series A preferred stock who elect to convert into BioSante common stock in lieu of receiving the stated dollar preference amounts described above, and ANI series D preferred stock. The stated value of each series of ANI preferred stock set forth above is subject to adjustment as provided in ANI's certificate of incorporation. The exchange ratios in the merger agreement reflect these preferential payments. **As a result of such provisions, it is likely that holders of shares of ANI series A preferred stock, ANI series B preferred stock, ANI series C preferred stock or ANI common stock will not receive any shares of BioSante common stock in connection with the merger.**

For illustrative purposes only, if the merger had been completed on December 31, 2012, and assuming BioSante's net cash as of such date was \$18.0 million, the exchange ratio (without giving effect to the proposed reverse stock split of BioSante common stock and BioSante class C special stock described elsewhere in this joint proxy statement/prospectus) for the ANI series D preferred stock (including shares that would have been issued to certain executive officers of ANI immediately prior to completion of the merger) would have been approximately 10.3502 shares of BioSante common stock for each share of ANI series D preferred stock and the exchange ratio (without giving effect to the proposed reverse stock split described elsewhere in this joint proxy statement/prospectus) for the ANI series C preferred stock, ANI series B preferred stock, ANI series A preferred stock and ANI common stock would have been zero. Therefore, if the merger had been completed on such date and you owned 1,000 shares of ANI series D preferred stock as of such date, you would have had the right to receive 10,350 shares of BioSante common stock in exchange for your shares of ANI series D preferred stock. If you owned 1,000 shares of ANI series C preferred stock, ANI series B preferred stock, ANI series A preferred stock or ANI common stock as of such date, you would have had the right to receive no shares of BioSante common stock for such shares of ANI series C preferred stock, ANI series B preferred stock, ANI series A preferred stock or ANI common stock.

No fractional shares of BioSante common stock will be issued to ANI stockholders in connection with the merger. Instead, ANI stockholders will be entitled to receive cash in lieu of any fractional shares of BioSante common stock that they otherwise would be entitled to receive in connection with the merger.

For a more complete discussion of what ANI stockholders will receive in connection with the merger, see the sections entitled "The Merger Agreement Merger Consideration and Adjustment" beginning on page 156.

**Q:**  
**How will BioSante stockholders be affected by the merger?**

**A:**  
The merger will have no effect on the number of shares of BioSante common stock or BioSante class C special stock held by BioSante stockholders as of immediately prior to completion of the merger (subject to any changes in outstanding shares of BioSante common stock and BioSante class C special stock as a result of the reverse stock split described elsewhere in this joint proxy statement/prospectus). However, it is expected that upon completion of the merger shares of BioSante common stock will represent only an aggregate of approximately 47 percent of the outstanding shares of common stock of the combined company, assuming BioSante's net cash is \$18.0 million as of the determination date. If BioSante's net cash is higher than \$18.0 million as of the determination date, then shares of BioSante common stock will represent a higher percentage, but no more than 49.9 percent, of the outstanding shares of common stock of the combined company. If BioSante's net cash is less than \$18.0 million as of the determination date, then shares

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of BioSante common stock will represent a lower percentage of the outstanding shares of common stock of the combined company. One of the conditions to ANI's obligations to complete the merger is BioSante's net cash as of the closing date being no less than \$17.0 million as calculated and as adjusted pursuant to the provisions of the merger agreement.

For illustrative purposes only, if you are a BioSante stockholder and hold five percent of the outstanding shares of BioSante common stock immediately prior to completion of the merger and do not also hold any shares of ANI capital stock, then upon completion of the merger, you will hold an aggregate of approximately 2.35 percent of the outstanding shares of common stock of the combined company immediately following completion of the merger, assuming BioSante's net cash is \$18.0 million as of the determination date, and approximately 2.32 percent of the outstanding shares of common stock of the combined company immediately following completion of the merger, assuming BioSante's net cash is \$17.0 million as of the determination date.

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

**A:**  
Yes. The market value of BioSante common stock can change between now and the time the merger is completed and the exchange ratios are subject to adjustment based on BioSante's net cash. The exchange ratios 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 to be issued to ANI stockholders in the merger, will increase or decrease as the market value of BioSante common stock increases or decreases. In addition, the market value of the total transaction may change as a result of an adjustment of the exchange ratios triggered by a change in BioSante's net cash between now and the net cash determination date.

**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
Robert E. Brown, Jr.	ANI
Tracy L. Marshbanks, Ph.D.	ANI
Thomas A. Penn	ANI
Arthur S. Przybyl	ANI
Robert Schrepfer	ANI
Fred Holubow	BioSante
Ross Mangano	BioSante

Robert E. Brown, Jr., ANI's chairman of the board, will be 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 ANI, who are as follows:

Name	Position
Arthur S. Przybyl	President and Chief Executive Officer
Charlotte C. Arnold	Vice President and Chief Financial Officer
James G. Marken	Vice President, Operations
Robert J. Jamnick	Vice President, Quality and Product Development

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**Q: What are the conditions to the completion of the merger?**

**A:** The obligations of each of BioSante and ANI to consummate the merger are subject to the satisfaction or waiver (if permissible) at or before the effective time of the merger of the following conditions:

the adoption by the requisite vote of BioSante stockholders of the merger agreement, including the merger and the issuance of shares of BioSante common stock pursuant to the merger agreement, and approval by the requisite vote of BioSante stockholders of the amendments to BioSante's certificate of incorporation to effect the reverse stock split and change the company's corporate name;

the adoption of the merger agreement, including the merger, by the requisite vote of ANI stockholders;

the absence of any legal prohibition to completing the merger;

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 continued listing of BioSante's common stock on The NASDAQ Global Market and the approval for listing on The NASDAQ Global Market or The NASDAQ Capital Market of the shares of BioSante common stock issuable in the merger; and

the receipt of legal opinions from BioSante's and ANI's outside counsel that the merger will qualify as a reorganization under Section 368(a) of the Internal Revenue Code of 1986, as amended.

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 being true and correct in all material respects, in each case 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;

the other party to the merger agreement having performed or complied in all material respects with all agreements and covenants required to be performed or complied with by it at or before the closing 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 ANI to complete the merger is further subject to the satisfaction or waiver at or before the effective time of the merger of the following additional conditions:

BioSante's net cash as of the closing being no less than \$17.0 million, as calculated and as adjusted pursuant to the provisions of the merger agreement; and

no new legal proceeding having been instituted against BioSante by any stockholder or holder of BioSante's convertible senior notes that has not been settled prior to the closing.

**Q:**

**What will happen to BioSante or ANI if, for any reason, the merger does not close?**

**A:**

BioSante and ANI 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

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of BioSante and ANI will review all alternatives then available to it. Failure to complete the merger could result in other adverse effects, as discussed in "Risk Factors Risks Related to the Merger" beginning on page 38.

**Q:**

**When do BioSante and ANI expect the merger to be completed?**

**A:**

The merger will be completed upon the filing of a certificate of merger with the Secretary of State of the State of Delaware, but such filing only will 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 ANI stockholders at their respective special meetings and other customary closing conditions. It is possible that factors outside the control of BioSante and ANI 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 ANI currently anticipate completing the merger in the first quarter of 2013.

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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 read carefully 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 merger agreement, 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 "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," "The Merger" and "The Merger Agreement" beginning on pages 96, 116 and 156, respectively, 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 effect a reverse split of BioSante common stock and BioSante class C special stock at the discretion of BioSante and ANI at a ratio of either one-for-two, one-for-three, one-for-four or one-for-five. See "Matters Being Submitted to a Vote of BioSante Stockholders BioSante Proposal No. 2 Approval of Amendment to BioSante's Certificate of Incorporation to Effect Reverse Split of BioSante Common Stock and Class C Special Stock at the Discretion of BioSante and ANI at a Ratio of Either One-for-Two, One-for-Three, One-for-Four or One-for-Five" beginning on page 97 for a more detailed description of the proposed amendment.

The third proposal to be voted upon is whether to approve an amendment to BioSante's certificate of incorporation to change the name of BioSante in connection with the merger to "ANI Pharmaceuticals, Inc." See "Matters Being Submitted to a Vote of BioSante Stockholders BioSante Proposal No. 3 Approval of Amendment to BioSante's Certificate of Incorporation to Change Corporate Name" beginning on page 108 for a more detailed description of the proposed amendment.

The fourth proposal to be voted upon is whether to approve, on an advisory (non-binding) basis, the compensation payable to certain executive officers of BioSante under existing arrangements in connection with the merger. See "Matters Being Submitted to a Vote of BioSante Stockholders BioSante Proposal No. 4 Advisory Vote on Golden Parachute Compensation" beginning on page 109 for a more detailed description of the advisory vote.

The fifth 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, second and third proposals. See "Matters Being Submitted to a Vote of BioSante Stockholders BioSante Proposal No. 5 Approval of Possible Adjournment of the BioSante Special Meeting" beginning on page 110 for a more detailed description of the possible adjournment.

**Q: What risks should I consider before I vote on the proposed merger transaction and other merger related proposals?**

**A:** You should review the section entitled "Risk Factors" beginning on page 38.

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**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 the 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: Why is the proposal to amend BioSante's charter to effect the reverse stock split included in this joint proxy statement/prospectus and is it necessary for the completion of the merger?**

A: It is expected that immediately prior to the effective time of the merger, BioSante will effect a reverse split of the BioSante common stock and BioSante class C special stock at a ratio of either one-for-two, one-for-three, one-for-four or one-for-five (with the exact ratio to be determined by BioSante and ANI immediately prior to completion of the merger). The reverse stock split is intended to ensure that the listing rules of The NASDAQ Stock Market are satisfied in connection with the issuance of shares of BioSante common stock in the merger. Under the listing rules of The NASDAQ Stock Market, the combined company must file an initial listing application in connection with the merger and comply with the initial listing rules of the applicable NASDAQ market to continue to be listed on such market following the merger. BioSante common stock is required to be listed on The NASDAQ Global Market or The NASDAQ Capital Market as a condition to closing the merger. The initial listing rules of The NASDAQ Global Market and The NASDAQ Capital Market require a company to have, among other things, a \$4.00 per share minimum bid price. Because the current per share price of BioSante common stock is less than \$4.00, the reverse stock split is necessary to meet the minimum bid listing requirement.

**Q: Why is the proposal to amend BioSante's charter to effect the change in BioSante's corporate name included in this joint proxy statement/prospectus and is it necessary for the completion of the merger?**

A: Both BioSante and ANI believe that the change in the corporate name of BioSante from "BioSante Pharmaceuticals, Inc." to "ANI Pharmaceuticals, Inc." will allow for recognition of the combined company's business following completion of the merger. The current name will no longer accurately reflect the business of the combined company and the mission of the combined company subsequent to the completion of the merger. The approval of the amendment to BioSante's certificate of incorporation to effect the change in corporate name by the BioSante stockholders is a condition to closing the merger.

**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 or any of the other proposals described in this joint proxy statement/prospectus that the BioSante stockholders are being asked to consider. See "The Merger Appraisal Rights" beginning on page 152.

**Q: When and where is the BioSante special meeting?**

A: The BioSante special meeting of stockholders will be held on Friday, March 15, 2013 at 8:00 a.m., local time, at BioSante's corporate offices located at 111 Barclay Boulevard, Lincolnshire, Illinois 60069 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 92.

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**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 read carefully 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 the enclosed 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 BioSante special meeting in person.

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

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

A: Holders of record of BioSante common stock and BioSante class C special stock at the close of business on January 17, 2013 are entitled to notice of and to vote at the BioSante special meeting. As of January 17, 2013, 24,422,240 shares of BioSante common stock were issued and outstanding and entitled to vote and 65,211 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 capital 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.

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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 BioSante special meeting by delivering to the corporate 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

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

If you are a beneficial owner of BioSante capital stock, 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 stockholder of record of BioSante capital stock, you will receive only one proxy card for all the shares of BioSante capital stock you hold in certificate form and in book-entry form.

If you are a beneficial owner of BioSante capital stock, 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**

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

**Vote Required**

Majority of the outstanding shares of BioSante common stock and BioSante class C special stock, voting together as a single class, and entitled to vote

Approval of amendment to effect reverse split of BioSante common stock and BioSante class C special stock at the discretion of BioSante and ANI at a ratio of either one-for-two, one-for-three, one-for-four or one-for-five

Majority of the outstanding shares of BioSante common stock and BioSante class C special stock, voting together as a single class, and entitled to vote

Approval of amendment to effect change of corporate name to "ANI Pharmaceuticals, Inc."

Majority of the outstanding shares of BioSante common stock and BioSante class C special stock, voting together as a single class, and entitled to vote

Approval, on an advisory (non-binding) basis, of the compensation payable to certain executive officers of BioSante under existing arrangements in connection with the merger

Majority of the shares of BioSante common stock and BioSante class C special stock present in person or represented by proxy, voting together as a single class, and entitled to vote when a quorum is present

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

Majority of the shares of BioSante common stock and BioSante class C special stock present in person or represented by proxy, voting together as a single class, and entitled to vote when a quorum is present

three proposals

In connection with the execution of the merger agreement, all of BioSante's directors, executive officers and affiliated entities, who collectively held approximately two percent of the outstanding shares of BioSante capital stock as of October 3, 2012, entered into a voting agreement with ANI,

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pursuant to which each such BioSante 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 the issuance of shares of BioSante common stock, in favor of the two charter amendments, and against certain transactions or certain actions that would delay, prevent or nullify the merger or the transactions contemplated thereby. As of the record date for the BioSante special meeting, the shares of BioSante capital stock owned by all of BioSante's directors, executive officers and affiliated entities and thus subject to the voting agreements constituted approximately two percent of the total outstanding voting power of BioSante on that date.

See the section entitled "Voting and Other Ancillary Agreements BioSante Voting Agreements" beginning on page 168 for more information regarding these voting agreements.

**Q:**  
**What constitutes a quorum at the BioSante special meeting?**

**A:**  
The presence at the BioSante special meeting, either in person or by proxy, of the holders of one-third 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 ANI 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 or a designee will tabulate the votes and act as inspector of the election.

**Q:**  
**Who is paying for this proxy solicitation?**

**A:**  
BioSante will bear 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 BioSante stockholders. BioSante has engaged Phoenix Advisory Partners, 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 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.

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**Q: Whom should I call with questions?**

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

**BioSante Pharmaceuticals, Inc.**  
111 Barclay Boulevard  
Lincolnshire, Illinois 60069  
Attention: Investor Relations  
Phone Number: (847) 478-0500, ext. 120  
Email Address: info@biosantepharma.com

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

**AST Phoenix Advisors**  
110 Wall Street, 27th Floor  
New York, New York 10005  
Telephone: (877) 478-5038  
Email Address: info@phoenixadvisorsast.com

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

*The following section provides answers to frequently asked questions about the ANI 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 an ANI stockholder. You should read carefully the entire joint proxy statement/prospectus, including each of the annexes.*

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

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

The first proposal to be voted upon is whether to adopt the merger agreement, a copy of which is attached as Annex A to this joint proxy statement/prospectus, and the transactions contemplated thereby, including the merger. See "Matters Being Submitted to a Vote of ANI Stockholders ANI Proposal No. 1 Adoption of Agreement and Plan of Merger and the Transactions Contemplated Thereby, including the Merger," "The Merger" and "The Merger Agreement" beginning on pages 114, 116 and 156, respectively, for a more detailed description of the transaction.

The second proposal to be voted upon is whether to adjourn the ANI special meeting, if necessary, to solicit additional proxies if there are not sufficient votes in favor of the first proposal. See "Matters Being Submitted to a Vote of ANI Stockholders ANI Proposal No. 2 Approval of Possible Adjournment of the ANI Special Meeting" beginning on page 115 for a more detailed description of the possible adjournment.

**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 38.

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

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

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

A: Yes. Under the Delaware General Corporation Law, ANI stockholders will have appraisal rights in connection with the merger. See "The Merger Appraisal Rights" beginning on page 152.

**Q: When and where is the ANI special meeting?**

A: The ANI special meeting of stockholders will be held on Friday, March 15, 2013 at 9:00 a.m., local time, at the offices of MVP Capital Partners located at 259 N. Radnor-Chester Road, Suite 130, Radnor, Pennsylvania 19087 to consider and vote on the proposals related to the merger agreement and the transactions contemplated by it. For additional information relating to the ANI special meeting, please see the section entitled "The Special Meeting of ANI Stockholders" beginning on page 111.

**Q:**

**Who is soliciting my proxy?**

A:

This proxy is being solicited by the ANI board of directors.

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**Q:** **What do I do now?**

**A:** ANI urges you to read carefully 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 ANI special meeting:

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 ANI special meeting in person.

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

**A:** Every stockholder of ANI on the record date is entitled to vote at the ANI special meeting. Holders of record of ANI capital stock at the close of business on January 17, 2013 are entitled to notice of and to vote at the ANI special meeting. As of January 17, 2013, 2,375,312 shares of ANI series D preferred stock, 34,810 shares of ANI series C preferred stock, 78,491 shares of ANI series B preferred stock, 102,774 shares of ANI series A preferred stock and 23,613 shares of ANI common stock were issued and outstanding and entitled to vote.

**Q:** **How do I vote?**

**A:** You may vote by mail, or alternatively, you may vote in person at the ANI special meeting. You will receive a ballot when you arrive.

**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 ANI special meeting by delivering to the corporate secretary of ANI:

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 a ballot cast in person at the ANI special meeting.

**Q:** **What shares are included on the proxy card?**

**A:** If you are a stockholder of record of ANI capital stock, you will receive only one proxy card for all the shares of ANI capital stock you hold in certificate form.



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

A:

<b>Proposal</b>	<b>Vote Required</b>
Adoption of the merger agreement and the transactions contemplated thereby, including the merger	Majority of the outstanding shares of ANI capital stock entitled to vote, calculated on an as-converted basis, voting as a single class, and 65 percent of the outstanding shares of ANI series D preferred stock entitled to vote
Approval of adjournment of the ANI special meeting, if necessary, to solicit additional proxies if there are not sufficient votes in favor of the adoption of the merger agreement and the transactions contemplated thereby, including the merger	Majority of the shares of ANI capital stock entitled to vote, calculated on an as-converted basis, present in person or represented by proxy and voting as a single class

In connection with the execution of the merger agreement, Meridian Venture Partners II, L.P., Argentum Capital Partners II, L.P. and four funds affiliated with First Analysis Corp., who in the aggregate held approximately 85 percent of the shares of the outstanding ANI capital stock, calculated on an as-converted basis, and approximately 86 percent of the outstanding shares of the ANI series D preferred stock, as of October 3, 2012 entered into a voting agreement with BioSante, pursuant to which they agreed to vote their shares of ANI capital 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.

As of the record date for the ANI special meeting, the shares of ANI capital stock owned by all of ANI's directors, executive officers and affiliated entities constituted approximately 92 percent of the outstanding shares of ANI capital stock, on an as-converted basis, and approximately 94 percent of the outstanding shares of the ANI series D preferred stock on that date.

See the section entitled "Voting and Other Ancillary Agreements ANI Voting Agreements" beginning on page 168 for more information regarding this and other voting agreements.

**Q: What constitutes a quorum at the ANI special meeting?**

A:

The presence at the ANI special meeting, either in person or by proxy, of the holders of a majority of the voting power of the issued and outstanding shares of ANI capital stock entitled to vote will constitute a quorum for the transaction of business. Abstentions are counted as present and entitled to vote for purposes of determining a quorum.

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

A:

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

**Q: Who will count the vote?**

A:

An officer of ANI or a designee will tabulate the votes and act as inspector of the election.

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**Q: Who is paying for this proxy solicitation?**

A: ANI will bear 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 the ANI stockholders.

**Q: Whom should I call with questions?**

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

**ANIP Acquisition Company d/b/a ANI Pharmaceuticals, Inc.**  
210 Main Street West  
Baudette, Minnesota 56623  
Telephone: (218) 634-3500  
Investor Relations: arthur.przybyl@anipharmaceuticals.com

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

**AST Phoenix Advisors**  
110 Wall Street, 27th Floor  
New York, New York 10005  
Telephone: (877) 478-5038  
Email Address: info@phoenixadvisorsast.com

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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 300.*

**The Companies**

***BioSante Pharmaceuticals, Inc.***

BioSante Pharmaceuticals, Inc. is a specialty pharmaceutical company focused on developing products for female sexual health and oncology. The following are BioSante's products, either approved or in clinical development:

LibiGel once daily transdermal testosterone gel in Phase III development for the treatment of female sexual dysfunction, specifically hypoactive sexual desire disorder.

Male testosterone gel once daily transdermal testosterone gel approved by the U.S. Food and Drug Administration (FDA) indicated for the treatment of hypogonadism, or testosterone deficiency in men, and licensed to Teva Pharmaceuticals USA, Inc.

GVAX cancer vaccines a portfolio of cancer vaccines, four of which have been granted FDA orphan drug designation, currently in 17 Phase I and Phase II clinical trials for the treatment of various cancers.

The Pill-Plus (triple component contraceptive) once daily use of various combinations of estrogens, progestogens and androgens in Phase II development.

Elestrin once daily transdermal estradiol (estrogen) gel approved by the FDA indicated for the treatment of hot flashes associated with menopause and marketed in the U.S. by Meda Pharmaceuticals, Inc., BioSante's licensee.

BioSante's corporate offices are located at 111 Barclay Boulevard, Lincolnshire, Illinois 60069 and its telephone number is (847) 478-0500. BioSante's website is located at [www.biosantepharma.com](http://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. Additional information about BioSante is included elsewhere in this joint proxy statement/prospectus. See the sections entitled "BioSante's Business," "BioSante's Management's Discussion and Analysis of Financial Condition and Results of Operations" and BioSante's financial statements beginning on pages 175, 193 and F-1, respectively.

***ANIP Acquisition Company d/b/a ANI Pharmaceuticals, Inc.***

ANI is a fully integrated specialty branded and generic pharmaceutical company developing, manufacturing and marketing branded and generic prescription pharmaceuticals. In two facilities with combined manufacturing, packaging and laboratory capacity totaling 173,000 square feet, ANI manufactures oral solid dose products, as well as liquids and topicals, including narcotics and those that must be manufactured in a fully contained environment due to their potency and/or toxicity. ANI also performs contract manufacturing for other pharmaceutical companies. Over the last two years ANI has launched three new products and currently has 11 products in development. ANI's targeted areas of product development include narcotics, anti-cancers and hormones (potent compounds), and extended release niche generic prescription product opportunities.

ANI's corporate offices are located at 210 Main Street West, Baudette, Minnesota 56623, and its telephone number is (218) 634-3500. ANI's website is located at [www.anipharmaceuticals.com](http://www.anipharmaceuticals.com). The



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information contained on or connected to ANI's website is expressly not incorporated by reference into this joint proxy statement/prospectus. Additional information about ANI is included elsewhere in this joint proxy statement/prospectus. See the sections entitled "ANI's Business," "ANI's Management's Discussion and Analysis of Financial Condition and Result of Operations" and ANI's financial statements beginning on pages 211, 222 and F-47, respectively.

**Summary of the Merger**

If the merger is completed, ANI 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. For a more complete discussion of the merger, see the sections entitled "The Merger" and "The Merger Agreement" beginning on pages 116 and 156, respectively.

**Reasons for the Merger**

The combined company that will result from the merger will be a fully integrated specialty branded and generic pharmaceutical company focused on developing, manufacturing and marketing branded and generic prescription pharmaceuticals. BioSante and ANI both believe that the merger of the two companies will be able to create more value than either company could achieve individually.

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

The consideration of BioSante's anticipated near- and long-term operations and performance on an independent, stand-alone basis, the substantial additional financing that would be needed to sustain such operations assuming BioSante continued its LibiGel development program or in-licensed or acquired additional technologies or product candidates, and the risk that such substantial additional financing could not be obtained on terms favorable to BioSante, or at all, in light of a volatile economy and uncertain capital markets.

The consideration of strategic alternatives to the proposed merger with ANI, including other merger transactions with other companies, continuing to operate BioSante on a stand-alone basis, in-licensing or acquiring additional technologies or product candidates and undertaking a liquidation of BioSante, and the belief that the proposed merger with ANI would permit the BioSante stockholders with a greater potential opportunity to realize a return on their investment than any other alternative reasonably available to BioSante and its stockholders.

The belief that the combination of BioSante's and ANI's businesses would create more value for the BioSante stockholders in the long-term than BioSante could create as an independent, stand-alone company, given the anticipated costs, timing and risks associated with continuing the development of LibiGel and other BioSante products in development and/or in-licensing or acquiring additional technologies or product candidates, and the uncertain capital markets, which BioSante historically has relied upon to raise additional financing to fund its product development efforts.

Historical and current information concerning ANI's business, financial performance, financial condition, operations and management and the results of a due diligence investigation of ANI conducted by BioSante's management and advisors.

The opportunity for the BioSante stockholders to participate in the potential future value of the combined company, including future potential value from ANI's established contract manufacturing operations, niche generic prescription products and products in development.



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

That the existing BioSante product lines fit well within the ANI platform of hormone-based products.

That ANI would be able to leverage its knowledge of the hormone-based products market to further the existing BioSante product lines.

The fact that the remaining cash resources expected to be available at the closing of the merger would provide the combined company with enough capital to enable it to meet its operational needs beyond 2013.

The belief that the combination of the two businesses will result in accelerated growth and more value for the ANI stockholders than the ANI business could create on its own, given the combination of the product lines of the two companies, ANI's need for additional capital and the well-capitalized balance sheet that the combined company will have.

The belief that potential future license and other royalty fees due to BioSante for its FDA-approved male testosterone gel and other products could generate significant future cash flow for the combined company.

The belief that the combined company will have access to a greater number of capital market opportunities as a public company than ANI would have as a privately held company.

That the exchange ratios in the merger will result in the ANI stockholders owning approximately 53 percent of the outstanding shares of the combined company following the merger, assuming BioSante's net cash on the determination date is \$18.0 million.

For a more complete discussion of BioSante's and ANI's reasons for the merger, see the sections entitled "The Merger BioSante Reasons for the Merger" and "The Merger ANI Reasons for the Merger" beginning on pages 128 and 132, respectively.

**Opinion of Oppenheimer & Co. Inc.**

In connection with the merger, the BioSante board of directors received a written opinion, dated October 3, 2012, 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 exchange ratios used in the merger. The full text of Oppenheimer & Co.'s written opinion, dated October 3, 2012, 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 G. Oppenheimer & Co.'s opinion was provided to the BioSante board of directors in connection with its evaluation of the exchange ratios 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, among other things, 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. For a more complete discussion of Oppenheimer & Co.'s opinion, see the section entitled "The Merger Opinion of Oppenheimer & Co. Inc." beginning on page 134.

**Risk Factors**

Both BioSante and ANI are subject to various risks associated with their respective businesses and financial condition. In addition, the merger, as well as the possibility that the merger may not be





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completed, pose a number of risks to BioSante and ANI and their respective stockholders, including the following risks:

The issuance of shares of BioSante common stock to ANI stockholders in connection with the merger will dilute substantially the voting power of current BioSante stockholders.

The exchange ratios in the merger agreement depend on a variety of factors, including ANI's certificate of incorporation, BioSante's net cash and the market price of BioSante common stock, and changes in those ratios could result in dilution to the BioSante and/or ANI stockholders.

The announcement and pendency of the merger could have an adverse effect on BioSante's stock price and/or the business, financial condition, results of operations, or business prospects for BioSante and/or ANI.

Failure to complete the merger could impact negatively BioSante's and ANI's respective businesses, financial condition or results of operations or BioSante's stock price.

Some of the directors and executive officers of BioSante and ANI have interests in the merger that are different from, or in addition to, those of the other BioSante and ANI stockholders.

The merger agreement and the voting agreements contain provisions that could discourage or make it difficult for a third party to acquire BioSante or ANI prior to completion of the merger.

Completion 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 ANI stockholders. If any of the conditions to the merger are not satisfied or, where waiver is permissible, not waived, the merger will not be 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.

In addition, BioSante, ANI and the combined company are subject to various risks associated with their respective businesses. These risks are discussed in greater detail in the section entitled "Risk Factors" beginning on page 38. BioSante and ANI both encourage you to read and consider all of these risks carefully.

**Merger Consideration and Adjustment**

Upon completion of the merger, ANI stockholders will have the right to receive, for each share of ANI capital stock they hold, that number of shares of BioSante common stock, if any, as determined pursuant to the exchange ratios described in the merger agreement and the provisions of ANI's certificate of incorporation. The exchange ratios are subject to potential adjustment as described in the merger agreement depending upon the amount of "net cash" of BioSante, as defined in the merger agreement and generally consisting of BioSante's cash and cash equivalents less certain expenses and liabilities, as of a determination date prior to the closing date of the merger and thus will not be determined until that time. Upon completion of the merger, ANI stockholders are expected to receive shares of BioSante common stock representing an aggregate of approximately 53 percent of the outstanding shares of common stock of the combined company, but in no event will the current ANI stockholders own less than 50.1 percent (or the current BioSante stockholders own more than 49.9 percent) of the outstanding shares of common stock of the combined company, assuming BioSante's net cash is \$18.0 million as of the determination date.

Pursuant to the terms of ANI's certificate of incorporation, before any amounts are paid to the holders of shares of any other series of ANI preferred stock or ANI common stock, the holders of shares of ANI series D preferred stock are entitled to receive an amount per share equal to \$30.00



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(subject to adjustment as provided in ANI's certificate of incorporation) plus all declared but unpaid dividends. The exchange ratios in the merger agreement reflect these preferential payments. **As a result of such provisions, it is likely that holders of shares of other series of ANI preferred stock or ANI common stock will not receive any shares of BioSante common stock in connection with the merger.**

The following table illustrates the percentage ownership of the combined company by BioSante's and ANI's current stockholders assuming various amounts of net cash of BioSante as of the determination date.

BioSante's Net Cash as of Determination Date Calculated Pursuant to Merger Agreement	BioSante Stockholder Ownership of Outstanding Shares of Combined Company	ANI Stockholder Ownership of Outstanding Shares of Combined Company
\$23.0 million or more	49.9%	50.1%
22.0 million	49.4%	50.6%
21.0 million	48.8%	51.2%
20.0 million	48.2%	51.8%
19.0 million	47.6%	52.4%
18.0 million	47.0%	53.0%
17.0 million	46.4%	53.6%

As described in more detail below under " Conditions to Completion of the Merger," one of the conditions to ANI's obligations to complete the merger, unless waived by ANI, is BioSante's net cash as of the closing date being no less than \$17.0 million as calculated and as adjusted pursuant to the provisions of the merger agreement.

For illustrative purposes only, if the merger had been completed on December 31, 2012, and assuming BioSante's net cash as of such date was \$18.0 million, the exchange ratio (without giving effect to the proposed reverse stock split of BioSante common stock and BioSante class C special stock described elsewhere in this joint proxy statement/prospectus) for the ANI series D preferred stock (including shares that would have been issued to certain executive officers of ANI immediately prior to completion of the merger) would have been approximately 10.3502 shares of BioSante common stock for each share of ANI series D preferred stock and the exchange ratio (without giving effect to the proposed reverse stock split described elsewhere in this joint proxy statement/prospectus) for the ANI series C preferred stock, ANI series B preferred stock, ANI series A preferred stock and ANI common stock would have been zero. Therefore, if the merger had been completed on such date and you owned 1,000 shares of ANI series D preferred stock as of such date, you would have had the right to receive 10,350 shares of BioSante common stock in exchange for your shares of ANI series D preferred stock. If you owned 1,000 shares of ANI series C preferred stock, ANI series B preferred stock, ANI series A preferred stock or ANI common stock as of such date, you would have had the right to receive no shares of BioSante common stock for such shares of ANI series C preferred stock, ANI series B preferred stock, ANI series A preferred stock or ANI common stock.

No fractional shares of BioSante common stock will be issued to ANI stockholders in connection with the merger. Instead, ANI stockholders will be entitled to receive cash in lieu of any fractional shares of BioSante common stock that they otherwise would be entitled to receive in connection with the merger.

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

There will be no adjustment to the total number of shares of BioSante common stock that ANI 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 the

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merger, and could vary significantly from the market value on the date of this joint proxy statement/prospectus.

For a more complete discussion of what ANI stockholders will receive in connection with the merger and the determination of the exchange ratios, see the section entitled "The Merger Agreement Merger Consideration and Adjustment" beginning on page 156.

**Treatment of ANI Stock Options and Warrants**

All options and warrants to purchase shares of ANI capital stock outstanding immediately prior to the effective time of the merger will terminate and will no longer be outstanding immediately after the merger, except for certain warrants which although not cancelled in connection with the merger will not represent the right to acquire any equity or other interest in the combined company after the merger.

For a more complete discussion of the treatment of ANI stock options and warrants, see the section entitled "The Merger Treatment of ANI Stock Options and Warrants" beginning on page 159.

**Treatment of BioSante Stock Options, Warrants and Convertible Senior Notes**

All options and warrants to purchase shares of BioSante common stock will remain outstanding immediately after the merger, but the number of shares subject to and the exercise price applicable to such options and warrants will be adjusted to reflect the reverse stock split anticipated to take place immediately prior to the effective time of the merger. Pursuant to the terms of BioSante's equity-based compensation plans, all outstanding options to acquire shares of BioSante common stock will vest immediately and become exercisable in full upon completion of the merger. However, as a result of the anticipated reverse stock split, all such options likely will terminate unexercised since the exercise prices of such options currently range from \$2.02 to \$220.92 per share and the employment or other service of the holders of such options, other than those held by the two BioSante directors who will remain as directors of the combined company after the merger, will be terminated in connection with the merger. As of December 31, 2012, BioSante had an aggregate of 1.1 million shares of BioSante common stock reserved for issuance upon the exercise of outstanding stock options and an aggregate of 4.7 million shares of BioSante common stock reserved for issuance upon the exercise of outstanding warrants. The exercise prices of the warrants currently range from \$1.50 to \$24.00 per share.

All outstanding 3.125% convertible senior notes due May 1, 2013 of BioSante will remain outstanding immediately after the merger, but the conversion price and number of shares of BioSante common stock issuable upon any conversion of such notes will be adjusted to reflect the reverse stock split anticipated to take place immediately prior to the effective time of the merger. As of December 31, 2012, the outstanding principal amount of such notes was \$8.3 million and BioSante had an aggregate of 370,871 shares of BioSante common stock reserved for issuance upon the conversion of such notes. The conversion price of the notes is currently \$22.32 per share.

**Management of the Combined Company Following the Merger**

Following the merger, the board of directors of the combined company will be comprised of seven members, including two current members of the BioSante board of directors and five current members of the ANI board of directors. Robert E. Brown, Jr., ANI's chairman of the board, will be chairman of

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

Name	Current Principal Affiliation
Robert E. Brown, Jr.	ANI
Tracy L. Marshbanks, Ph.D.	ANI
Thomas A. Penn	ANI
Arthur S. Przybyl	ANI
Robert Schrepfer	ANI
Fred Holubow	BioSante
Ross Mangano	BioSante

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

Arthur S. Przybyl President and Chief Executive Officer

Charlotte C. Arnold Vice President and Chief Financial Officer

James G. Marken Vice President, Operations

Robert J. Jamnick Vice President, Quality and Product Development

For a more complete discussion of the management of the combined company after the merger, see the section entitled "Management of the Combined Company Following the Merger" beginning on page 250.

**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, or in addition to, or conflict with, the interests of BioSante stockholders.

Interests of the BioSante directors and officers relate to:

The continuing service of each of Fred Holubow and Ross Mangano as directors of the combined company following completion of the merger and the payment of cash and equity compensation in consideration for such service, as described in more detail under "Management of the Combined Company After the Merger Director Compensation."

Change in control and severance payments and continued benefits to which BioSante's current executive officers will become entitled following completion of the merger and their anticipated termination of employment with BioSante. Assuming that the merger is completed on the date of the BioSante special meeting and the executive officers are terminated on such date, such individuals would receive approximately the amounts set forth in the table below.

Name	Cash	Perquisites/ Benefits	Total
Stephen M. Simes	\$ 1,490,100	\$ 87,949	\$ 1,578,049
Phillip B. Donenberg	770,000	74,156	844,156
Michael C. Snabes, M.D., Ph.D.	526,400	44,972	571,372



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The accelerated vesting of all unvested BioSante stock options held by the BioSante directors and officers, exercisable for an aggregate of 381,525 shares of BioSante common stock at exercise prices ranging from \$4.08 to \$220.92 per share, all of which options are currently out-of-the-money and likely will terminate unexercised either 90 days or one year after their termination of employment or service upon completion of the merger.

The right to continued indemnification and insurance coverage for directors and officers of BioSante pursuant to the terms of the merger agreement.

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 and the transactions contemplated thereby, including the merger and the issuance of shares of BioSante common stock, and to recommend that BioSante stockholders approve the merger agreement and the transactions contemplated thereby, including the merger and the issuance of shares of BioSante common stock, and related matters. Other than full disclosure of these potential conflicts of interest, the BioSante board of directors did not take any other steps to alleviate such potential conflicts of interest since it did not consider such potential conflicts of interest to be material in connection with its decision to approve the merger agreement and the transactions contemplated thereby, including the merger and the issuance of shares of BioSante common stock.

For a more complete discussion of the interests of the directors and executive officers of BioSante in the merger, see the section entitled "The Merger Interests of BioSante's Directors and Executive Officers in the Merger" beginning on page 143.

**Interests of ANI's Directors and Officers in the Merger**

In considering the recommendations of the ANI board of directors to ANI 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 ANI stockholders at the ANI special meeting, ANI stockholders should be aware that members of the ANI board of directors and ANI's officers have interests in the merger that may be different from, or in addition to, or conflict with, the interests of ANI stockholders.

Interests of the ANI directors and officers relate to:

The board of directors of the combined company will be comprised of the five individuals that are current members of the ANI board of directors and two individuals that are current members of the BioSante board of directors and such directors, with the exception of Mr. Przybyl, will receive cash and equity compensation for such services, as described in more detail under "Management of the Combined Company After the Merger Director Compensation."

The fact that Robert E. Brown, Jr., ANI's chairman of the board, will continue as chairman of the board of the combined company.

The fact that the executive officers of the combined company will be the current executive officers of ANI and such officers will receive compensation for such service as described in more detail under "Management of the Combined Company After the Merger Officer Compensation."

The fact that the executive officers of ANI will receive special transaction bonus payments upon closing of the merger ranging, for each officer, from approximately \$707,705 to \$3,309,410 (assuming BioSante's net cash as of the determination date is \$18.0 million) payable in shares of ANI series D preferred stock, which shares will convert into shares of BioSante common stock in the merger, as described in more detail under "Management of the Combined Company Following the Merger Certain Relationships and Related Transactions."





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The fact that MVP Capital and HVC, two firms affiliated with three of ANI's directors, will receive fees of approximately \$350,000 and \$40,000, respectively, upon closing of the merger. This is in addition to unpaid amounts due under existing monitoring arrangements with ANI, which will terminate at closing and which are expected not to exceed \$120,000 for MVP Capital and \$30,000 for HVC, assuming a closing on or before March 31, 2013.

The right to continued indemnification and insurance coverage for directors and executive officers of ANI following completion of the merger pursuant to the terms of the merger agreement.

The ANI 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 and the transactions contemplated thereby, including the merger, and to recommend that ANI stockholders approve the merger agreement and the transactions contemplated thereby, including the merger. Other than full disclosure of these potential conflicts of interest, the ANI board of directors did not take any other steps to alleviate such potential conflicts of interest since it did not consider such potential conflicts of interest to be material in connection with its decision to approve the merger agreement and the transactions contemplated thereby, including the merger.

For a more complete discussion of the interests of the directors and executive officers of ANI in the merger, see the section entitled "The Merger Interests of ANI's Directors and Officers in the Merger" beginning on page 148.

**Conditions to Completion of the Merger**

BioSante and ANI expect to complete the merger after all conditions to the merger in the merger agreement are satisfied or, if permissible, waived. BioSante and ANI currently expect to complete the merger in the first quarter of 2013. However, it is possible that factors outside of BioSante's or ANI's control could require BioSante and ANI to complete the merger at a later time or not complete it at all. The obligations of each of BioSante and ANI to complete the merger are subject to the satisfaction or waiver (if permissible) at or before the effective time of the merger of the following conditions:

The adoption by the requisite vote of BioSante stockholders of the merger agreement, including the merger and the issuance of BioSante common stock pursuant to the merger agreement, and approval by the requisite vote of BioSante stockholders of the amendments to BioSante's certificate of incorporation to effect the reverse stock split and change the company's corporate name.

The adoption of the merger agreement, including the merger, by the requisite vote of ANI stockholders.

The absence of any legal prohibition to completing the merger.

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, filed by BioSante with the SEC.

The continued listing of BioSante common stock on The NASDAQ Global Market and the approval for listing on The NASDAQ Global Market or The NASDAQ Capital Market of the shares of BioSante common stock issuable in the merger.

The receipt of legal opinions from BioSante's and ANI's outside counsel that the merger will qualify as a reorganization under Section 368(a) of the Internal Revenue Code of 1986, as amended.



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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 being true and correct in all material respects, in each case 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.

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 closing 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.

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 ANI to complete the merger is further subject to the satisfaction or waiver at or before the effective time of the merger of the following additional conditions:

BioSante's net cash as of the closing being no less than \$17.0 million, as calculated and as adjusted pursuant to the terms of the merger agreement.

No new legal proceeding having been instituted against BioSante by any stockholder or holder of BioSante's convertible senior notes that has not been settled prior to the closing.

For a more complete discussion of the conditions to the completion of the merger, see the section entitled "The Merger Agreement Conditions to Completion of the Merger" beginning on page 159.

**No Solicitation**

Each of BioSante and ANI has agreed that, with certain exceptions, BioSante and ANI and their respective officers, directors, employees and advisors will not:

Solicit, initiate, encourage, facilitate or induce the making of any acquisition proposal.

Enter into, continue or otherwise participate in any discussions or negotiations regarding or otherwise facilitate or induce any effort or attempt to make or implement any acquisition proposal.

Approve, endorse or recommend any acquisition proposal.

Agree, resolve or commit to do any of the foregoing.

The merger agreement does not, however, prohibit BioSante from considering a bona fide acquisition proposal from a third party if certain specified conditions are met. For a more complete description of the prohibition on solicitations of acquisition proposals from third parties, see "The Merger Agreement No Solicitation" beginning on page 160.

**Termination of the Merger Agreement**

Either BioSante or ANI 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 ANI.

By BioSante or ANI, if the merger has not been completed by May 31, 2013, subject to extension to no later than July 31, 2013 based on the date of filing of the registration statement

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on Form S-4 of which this joint proxy statement/prospectus forms a part, except that a party whose material breach of the merger agreement resulted in the failure of the merger to occur by such date cannot seek termination for this reason.

By BioSante or ANI, if any applicable law irrevocably prohibits or makes the merger illegal or a governmental entity has issued a final and non-appealable order, decree or ruling or taken any other action that permanently restrains, 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 law or order to be lifted.

By BioSante or ANI, if ANI stockholders fail to adopt the merger agreement at the ANI stockholder meeting or if BioSante stockholders fail to adopt the merger agreement, including the merger and the issuance of shares of BioSante common stock pursuant to the merger, and approve the amendments to BioSante's certificate of incorporation at the BioSante stockholder meeting.

By ANI, if either of the following occur, each a "BioSante triggering event":

BioSante fails to include in this joint proxy statement/prospectus the recommendation of the BioSante board of directors to the BioSante stockholders in favor of adoption of the merger agreement, including the merger and the issuance of shares of BioSante common stock in the merger, and approval of the amendments to BioSante's certificate of incorporation.

Prior to the BioSante special 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, including the issuance of shares of BioSante common stock in the merger, and to approve the amendments to BioSante's certificate of incorporation in a manner adverse to ANI.

By BioSante, if BioSante enters into a superior proposal in accordance with the terms of the merger agreement. For a more detailed description of BioSante's ability to terminate the merger agreement in connection with a superior proposal, see the section entitled "The Merger Agreement No Solicitation".

By BioSante or ANI, 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.

By ANI, if after BioSante receives an acquisition proposal, BioSante has materially breached its obligations under the merger agreement with respect to the acquisition proposal.

For a more complete discussion of the circumstances under which the merger agreement may be terminated, see the section entitled "The Merger Agreement Termination" beginning on page 164.

### **Termination Fees and Expenses**

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



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terminated under certain circumstances, ANI will be required to pay BioSante a termination fee of \$750,000.

For a more complete discussion of termination fees and expenses, see the section entitled "The Merger Agreement Termination Fees and Expenses" beginning on page 165.

**Vote Required**

The affirmative vote of holders of a majority of the BioSante common stock and BioSante class C special stock, voting together as a single class, having voting power outstanding on the record date for the BioSante special meeting is required for approval of the proposal to adopt 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 proposals to approve the two BioSante charter amendments to effect the reverse stock split and change the corporate name. The affirmative vote of holders of a majority of the BioSante common stock and BioSante class C special stock, voting together as a single class, present in person or represented by proxy at the BioSante special meeting, is required for approval of the proposal to approve, on an advisory (non-binding) basis, the compensation payable to certain executive officers of BioSante under existing arrangements in connection with the merger and the 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 the proposal to adopt the merger agreement and the transactions contemplated thereby including the merger and the issuance of shares of BioSante common stock in the merger, and/or the proposals to approve the two BioSante charter amendments to effect the reverse stock split and change the corporate name. For a more complete discussion of the matters to be considered by the BioSante stockholders at the BioSante special meeting and the vote required to approve such matters, see the section entitled "Matters Being Submitted to a Vote of BioSante Stockholders" beginning on page 96.

The affirmative vote of holders of a majority of the shares of ANI common stock, calculated on an as-converted basis and voting together as a single class, and 65 percent of the shares of ANI series D convertible preferred stock having voting power outstanding on the record date for the ANI special meeting is required for approval of the proposal to adopt the merger agreement and the transactions contemplated thereby including the merger. The affirmative vote of holders of a majority of ANI common stock, calculated on an as-converted basis, present in person or represented by proxy at the ANI special meeting is required for approval of the proposal to approve an adjournment of the ANI special meeting, if necessary, to solicit additional proxies if there are not sufficient votes in favor of the proposal to adopt the merger agreement and the transactions contemplated thereby including the merger. For a more complete discussion of the matters to be considered by the ANI stockholders at the ANI special meeting and the vote required to approve such matters, see the section entitled "Matters Being Submitted to a Vote of ANI Stockholders" beginning on page 114.

**Voting Agreements**

In connection with the execution of the merger agreement, all of BioSante's directors, executive officers and affiliated entities, who collectively held approximately two percent of the outstanding shares of BioSante capital stock as of October 3, 2012, entered into a voting agreement with ANI, pursuant to which each such BioSante 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 the issuance of shares of BioSante common stock, in favor of the two charter amendments, and against certain transactions or certain actions that would delay, prevent or nullify the merger or the transactions contemplated thereby. As of the record date for the BioSante special meeting, the shares of BioSante capital stock owned by all of BioSante's directors, executive officers and affiliated entities and thus subject to the voting agreements constituted approximately two percent of the total outstanding voting power of BioSante on that date.

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In connection with the execution of the merger agreement, Meridian Venture Partners II, L.P., Argentum Capital Partners II, L.P. and four funds affiliated with First Analysis Corp., who in the aggregate held approximately 85 percent of the shares of the outstanding ANI capital stock, calculated on an as-converted basis, and approximately 86 percent of the outstanding shares of the ANI series D preferred stock, as of October 3, 2012 entered into a voting agreement with BioSante, pursuant to which they agreed to vote their shares of ANI capital 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. As of the record date for the ANI special meeting, the shares of ANI capital stock owned by all of ANI's directors, executive officers and affiliated entities constituted approximately 92 percent of the outstanding shares of ANI capital stock, on an as-converted basis, and approximately 94 percent of the outstanding shares of the ANI series D preferred stock on that date.

For a more complete discussion of the voting agreements, see the section entitled "Voting and Other Ancillary Agreements" beginning on page 168. For a more complete discussion of the beneficial ownership of BioSante's and ANI's directors, executive officers and affiliates, see the sections entitled "Principal Stockholders of BioSante" and "Principal Stockholders of ANI" beginning on pages 274 and 276, respectively.

**Material U.S. Federal Income Tax Consequences of the Merger**

The merger is intended to qualify as a "reorganization" within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended, and it is a condition to the completion of the merger that BioSante and ANI each receive a written opinion from their respective outside legal counsel regarding such qualification. As a result of the "reorganization," ANI stockholders generally will not recognize gain or loss for U.S. federal income tax purposes upon the exchange of their shares of ANI capital stock for shares of BioSante common stock in connection with the merger. However, if an ANI stockholder receives cash in lieu of a fractional share of BioSante common stock, then such stockholder generally will recognize gain or loss in an amount equal to the difference between such stockholder's adjusted tax basis in the fractional share and the amount of cash received. Moreover, an ANI stockholder who perfects appraisal rights and receives cash in exchange for such stockholder's shares of ANI capital stock will recognize gain or loss measured by the difference between the amount of cash received and such stockholder's adjusted tax basis in those shares. BioSante stockholders generally will not recognize gain or loss for U.S. federal income tax purposes as a result of the merger.

Tax matters are very complicated, and the tax consequences of the merger to a particular BioSante or ANI stockholder will depend in part on such stockholder's circumstances. Accordingly, BioSante and ANI urge you to consult your own tax advisor for a full understanding of the tax consequences of the merger to you, including the applicability and effect of federal, state, local and foreign income and other tax laws. For a more complete discussion of the material U.S. federal income tax consequences of the merger, see the section entitled "Material U.S. Federal Income Tax Consequences of the Merger" beginning on page 172.

**Regulatory Approvals**

Neither BioSante nor ANI is required to make any filings or to obtain any 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 The NASDAQ Stock Market 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. For a more complete discussion of the regulatory approvals required in connection with the merger, see the section entitled "The Merger Regulatory Approvals" beginning on page 151.



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**Anticipated Accounting Treatment**

The merger will be accounted for as a "reverse acquisition" pursuant to which ANI will be considered the acquiring entity for accounting purposes in accordance with U.S. generally accepted accounting principles, referred to as U.S. GAAP. As such, ANI will allocate the total purchase consideration to BioSante's tangible and identifiable intangible assets and liabilities based on their relative fair values at the date of the completion of the merger. ANI's historical results of operations will replace BioSante's historical results of operations for all periods prior to the merger. After completion of the merger, the results of operations of both companies will be included in BioSante's financial statements. For a more complete discussion of the anticipated accounting treatment of the merger, see the section entitled "The Merger Anticipated Accounting Treatment" beginning on page 151.

**Appraisal Rights**

If the merger is completed, ANI stockholders are entitled to appraisal rights under Section 262 of the Delaware General Corporation Law. Holders of BioSante common stock and BioSante class C special stock are not entitled to appraisal rights in connection with the merger. For a more complete discussion of the appraisal rights, see the provisions of Section 262 of the Delaware General Corporation Law, attached to this joint proxy statement/prospectus as Annex H, and the section entitled "The Merger Appraisal Rights" beginning on page 152.

**Comparison of Stockholder Rights**

Both BioSante and ANI 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 and their respective certificates of incorporation and bylaws. If the merger is completed, ANI 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 ANI stockholders under the certificate of incorporation and bylaws of ANI, as more fully described under the section entitled "Comparison of Rights of Holders of BioSante Stock and ANI Stock" beginning on page 286.

**Contingent Value Rights**

BioSante plans to issue contingent value rights (referred to as CVRs) to holders of BioSante common stock as of immediately before completion of the merger. BioSante expects that one CVR will be issued for each share of BioSante common stock outstanding as of a record date of March 15, 2013. The CVRs will be non-transferable and not attached to the shares of BioSante common stock. The CVRs will be rights to receive potential cash payments in connection with a LibiGel transaction (as defined in the contingent value rights agreement) upon the terms and subject to the conditions set forth in a contingent value rights agreement to be entered into between BioSante and a rights agent. The aggregate cash payments to be received by holders of the CVRs, if any, will be equal to 66 percent of the net cash payments received by the combined company as a result of the sale, transfer, license or similar transaction relating to BioSante's LibiGel program during the 10-year period following completion of the merger, and will not exceed \$40 million in the aggregate. The form of the contingent value rights agreement is attached to this joint proxy statement/prospectus as Annex F. For a more complete discussion of the CVRs, see the section entitled "Contingent Value Rights" beginning on page 170.

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**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, 2011 and 2010 and for the years ended December 31, 2011, 2010 and 2009 are derived from BioSante's audited financial statements included in this joint proxy statement/prospectus beginning on page F-1. The selected financial data as of December 31, 2009, 2008 and 2007 and for the years ended December 31, 2008 and 2007 are derived from BioSante's financial statements, which are not included in this joint proxy statement/prospectus. The statement of operations data for the nine months ended September 30, 2012 and 2011, as well as the balance sheet data as of September 30, 2012 and 2011 are derived from BioSante's unaudited financial statements included in this joint proxy statement/prospectus beginning on page F-32. The selected historical financial data below 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.

	Nine Months Ended September 30,		2011	Year Ended December 31,			
	2012	2011		2010	2009	2008	2007
	(in thousands, except per share data)						
<b>Statement of Operations Data:</b>							
Revenue	\$ 333	\$ 321	\$ 435	\$ 2,474	\$ 1,258	\$ 3,781	\$ 493
<b>Expenses</b>							
Research and development	14,454	37,481	44,182	39,706	13,681	15,790	4,751
General and administration	5,328	5,258	6,982	5,940	5,374	5,125	4,331
Acquired in-process research and development					9,000		
Excess consideration paid over fair value					20,192		
Licensing expense			50	269	300	836	
Depreciation and amortization	88	118	148	168	137	43	90
Total expenses	19,870	42,857	51,362	46,083	48,684	21,794	9,172
Other (expense) income							
Convertible note fair value adjustment	(4,037)	(1,929)	(23)	(1,871)	33		
Other expense							
Investment impairment charge				(286)			
Other interest (expense) income	(278)	(510)	(674)	(675)	(135)	588	1,095
Other income		15	15	245			
Income tax benefit	122						
Net loss	\$ (23,730)	\$ (44,960)	\$ (51,609)	\$ (46,196)	\$ (47,528)	\$ (17,425)	\$ (7,584)
Basic and diluted net loss per common share(1)	\$ (1.14)	\$ (2.86)	\$ (3.15)	\$ (4.21)	\$ (8.40)	\$ (3.83)	\$ (1.79)
Weighted average number of common shares and common equivalent shares outstanding(1)	20,841	15,745	16,398	10,985	5,659	4,551	4,247

(1)

All share and per share numbers have been adjusted retroactively to reflect the one-for-six reverse stock split effected on June 1, 2012.



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	As of September 30,			As of December 31,			
	2012	2011	2011	2010	2009	2008	2007
	(in thousands, except per share data)						
<b>Balance Sheet Data:</b>							
Cash, cash equivalents and short-term investments	\$ 38,049	\$ 69,600	\$ 57,225	\$ 38,155	\$ 29,858	\$ 14,787	\$ 30,655
Total assets	43,212	74,891	62,380	44,767	36,437	17,679	31,241
Total current liabilities (includes short-term convertible senior notes in 2010)	10,922	11,500	7,228	8,183	3,930	3,853	1,516
Convertible senior notes, total long-term		19,242	17,337	17,436	16,676		
Stockholders' equity	32,290	44,149	37,815	19,147	15,830	13,826	29,725

(1)

All share and per share numbers have been adjusted retroactively to reflect the one-for-six reverse stock split effected on June 1, 2012.

**Selected Historical Financial Data of ANI**

The selected financial data as of December 31, 2011 and 2010 and for the years ended December 31, 2011 and 2010 are derived from ANI's audited financial statements and are included in this joint proxy statement/prospectus beginning on page F-48. The statement of operations data for the nine months ended September 30, 2012 and 2011, as well as the balance sheet data as of September 30, 2012 and 2011 are derived from ANI's unaudited financial statements included in this joint proxy statement/prospectus beginning on page F-84. The financial data should be read in conjunction with "ANI's Management's Discussion and Analysis of Financial Condition and Results of Operations" and ANI'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.

	Nine Months Ended September 30,		Year Ended December 31,	
	2012	2011	2011	2010
	(in thousands, except per share data)			
<b>Statement of Operations Data:</b>				
Net revenues	\$ 15,050	\$ 11,955	\$ 16,515	\$ 8,975
Total operating expenses	14,075	12,163	16,510	11,806
Net loss	\$ (351)	\$ (1,768)	\$ (2,428)	\$ (9,273)
Net loss attributed to common stockholders	\$ (4,782)	\$ (2,642)	\$ (4,914)	\$ (7,810)
Basic and diluted net loss per common share	\$ (439.32)	\$ (298.31)	\$ (693.61)	\$ (1,673.92)

	As of September 30,		As of December 31,	
	2012	2011	2011	2010
	(in thousands)			
<b>Balance Sheet Data:</b>				
Cash, cash equivalents and short-term investments, including restricted cash and investments	\$ 148	\$ 27	\$	\$
Total assets	13,559	11,646	12,676	10,514
Total current liabilities	6,368	5,876	6,161	5,955
Other long-term obligations, excluding current portion		15,182	16,582	12,202
Redeemable convertible preferred stock	46,155	23,722	24,216	35,808
Accumulated deficit	(40,048)	(34,126)	(35,370)	(44,444)
Total stockholders' deficit	(38,964)	(33,134)	(34,284)	(43,452)



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**Summary Unaudited Pro Forma Condensed Combined Financial Data of BioSante and ANI**

The following summary unaudited pro forma condensed combined financial data is intended to show how the merger might have affected historical financial statements if the merger had been completed on January 1, 2011 for the purposes of the statements of operations and September 30, 2012 for the purposes of the balance sheet, and was prepared based on the historical financial results reported by BioSante and ANI. The following should be read in conjunction with the section entitled "Unaudited Pro Forma Condensed Combined Financial Statements" beginning on page 239, the audited and unaudited historical financial statements of BioSante and ANI and the notes thereto beginning on pages F-1 and F-47, respectively, the sections entitled "BioSante's Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 193 and "ANI's Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 222, and the other information contained in this joint proxy statement/prospectus. The following information does not give effect to the proposed reverse stock split of BioSante common stock and BioSante class C special stock described in BioSante Proposal No. 2.

The merger will be accounted for as a reverse acquisition under the accounting rules for business combinations. Under the reverse acquisition method of accounting, ANI will be treated as the accounting acquiror and BioSante will be treated as the "acquired" company for financial reporting purposes because, immediately upon completion of the merger, ANI stockholders prior to the merger will hold a majority of the voting interest of the combined company. In addition, the seven member board of directors of the combined company will be comprised of five of the current members of the ANI board of directors; and therefore, ANI's current board of directors will possess majority control of the board of directors of the combined company. Members of the current management of ANI will be responsible for the management of the combined company and the majority of the combined company's activities will be activities related to ANI's current business.

The unaudited pro forma condensed combined financial statements were prepared in accordance with the regulations of the SEC. The pro forma adjustments reflecting the completion of the merger are based upon the acquisition method of accounting in accordance with GAAP, and upon the assumptions set forth in the notes to the unaudited pro forma condensed combined financial statements.

The summary unaudited pro forma condensed combined balance sheet as of September 30, 2012 combines the historical balance sheets of BioSante and ANI as of September 30, 2012 and gives pro forma effect to the merger as if it had been completed on September 30, 2012.

The summary unaudited pro forma condensed combined statements of operations for the nine months ended September 30, 2012 combine the unaudited historical statements of operations of BioSante and ANI for their respective nine-month periods ended September 30, 2012 and gives pro forma effect to the merger as if it had been completed on January 1, 2011. The summary unaudited pro forma condensed combined statements of operations for the year ended December 31, 2011 combine the historical statements of operations of BioSante and ANI for their respective year ended December 31, 2011 and gives pro forma effect to the merger as if it had been completed on January 1, 2011.

The historical financial data has been adjusted to give pro forma effect to events that are (i) directly attributable to the merger, (ii) factually supportable, and (iii) with respect to the statements of operations, expected to have a continuing impact on the combined results. The pro forma adjustments are preliminary and based on management's estimates of the fair value and useful lives of the assets acquired and liabilities assumed and have been prepared to illustrate the estimated effect of the acquisition and certain other adjustments.

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The unaudited pro forma condensed combined financial data is presented for illustrative purposes only and is not necessarily indicative of the financial condition or results of operations of future periods or the financial condition or results of operations that actually would have been realized had the entities been combined during the periods presented. In addition, as explained in more detail in the accompanying notes to the unaudited pro forma condensed combined financial statements (see the section entitled "Unaudited Pro Forma Condensed Combined Financial Statements" beginning on page 239), the preliminary acquisition-date fair value of the identifiable assets acquired and liabilities assumed reflected in the unaudited pro forma condensed combined financial statements is subject to adjustment and may vary from the actual amounts that will be recorded upon completion of the merger.

	<b>For the Year Ended December 31, 2011</b>	<b>For the Nine Months Ended September 30, 2012</b>
	(in thousands)	
<b>Unaudited Pro Forma Condensed Combined Statements of Operations Data:</b>		
Revenue	\$ 16,950	\$ 15,383
Operating Expenses:		
Cost of sales (excluding depreciation and amortization)	6,861	6,292
Salaries and benefits	12,586	8,318
Freight	253	243
Research and development	39,123	11,738
Selling, general and administrative	8,318	6,327
Licensing expense	50	
Depreciation and amortization	3,123	2,345
Total operating expenses	70,314	35,263
Net loss	\$ (56,479)	\$ (25,399)
Net loss from continuing operations available to common shareholders	\$ (56,685)	\$ (25,503)

	<b>As of September 30, 2012</b>
	(in thousands)
<b>Unaudited Pro Forma Condensed Combined Balance Sheet Data:</b>	
Cash and cash equivalents	\$ 38,197
Total assets	76,306
Accounts payable	3,301
Accrued compensation	4,364
Other accrued expenses	4,429
Returned goods reserve	388
Borrowing under line of credit	3,429
Convertible senior notes	7,593
Interest on convertible senior notes	108
Current liabilities of discontinued operations	378
Accumulated deficit	(47,302)
Stockholders' equity	52,316

Table of Contents**COMPARATIVE HISTORICAL AND UNAUDITED PRO FORMA PER SHARE DATA**

The following table sets forth certain historical, unaudited pro forma condensed combined and pro forma condensed combined equivalent financial information and reflects:

*BioSante and ANI Historical Data:* the historical BioSante net loss and book value per share of BioSante common stock and the historical ANI net loss and book value per share of ANI common stock;

*Combined Company Pro Forma Data:* the unaudited pro forma combined company net loss after giving effect to the merger on an acquisition basis as if the merger had been completed on January 1, 2011, and book value per share after giving effect to the merger on an acquisition basis as if the merger had been completed on September 30, 2012; and

*ANI Pro Forma Equivalent Data:* the unaudited pro forma ANI equivalent share data, including net loss per series D preferred share, and book value per series D preferred share, calculated by multiplying the unaudited pro forma combined company data by an assumed exchange ratio of 10.3502 shares of BioSante common stock for each share of series D preferred stock.

The following information does not give effect to the proposed reverse stock split of BioSante common stock described in BioSante Proposal No. 2. You should read the table below in conjunction with the audited and unaudited financial statements of BioSante and ANI beginning on pages F-1 and F-47, respectively, of this joint proxy statement/prospectus, and the related notes thereto. You also are urged to read the section entitled "Unaudited Pro Forma Condensed Combined Financial Statements" beginning on page 239.

	As of and For the Year Ended December 31, 2011	As of and For the Nine Months Ended September 30, 2012
(in thousands)		
<b>BioSante Historical Data:</b>		
Basic and diluted net loss per common share	\$ (3.15)	\$ (1.14)
Book value per share		
<b>ANI Historical Data:</b>		
Basic and diluted net loss per common share	\$ (693.61)	\$ (439.32)
Book value per share		\$
<b>Combined Company Pro Forma Data:</b>		
Basic and diluted net loss per common share	\$ (1.28)	\$ (0.52)
Book value per share		\$ 1.00
<b>ANI Pro Forma Equivalent Data*:</b>		
Basic and diluted net loss per series D preferred share	\$ (13.25)	\$ (5.38)
Book value per series D preferred share		\$ 10.35

\*

In comparison, if the ANI Pro Forma Equivalent Data were calculated by multiplying the unaudited pro forma combined company data by 0.53, which represents the percentage of ownership of the combined company expected to be held by the current ANI stockholders as of immediately following the completion of the merger (without taking into account any shares of BioSante common stock held by ANI stockholders prior to the completion of the merger), as determined pursuant to the exchange ratios, and assuming BioSante's net cash is \$18.0 million as of the determination date, the basic and diluted net loss per common share as of and for the year ended December 31, 2011 would have been \$(0.68) and the basic and diluted net loss per common share for the nine months ended September 30, 2012 and the book value per share as of September 30, 2012 would have been \$(0.28) and \$0.53, respectively.



Table of Contents**MARKET PRICE AND DIVIDEND INFORMATION****BioSante**

The table below sets forth, for the calendar quarters indicated, the high and low daily sales prices per share of BioSante common stock, which trades on The NASDAQ Global Market under the symbol "BPAX", as reported by The NASDAQ Global Market. There is no established public trading market for BioSante class C special stock. BioSante's fiscal year ends on December 31<sup>st</sup>.

**BioSante Common Stock**

<b>Fiscal Year Ended December 31, 2011</b>	<b>High</b>	<b>Low</b>
First Quarter	\$ 15.24	\$ 9.72
Second Quarter	19.20	11.58
Third Quarter	24.12	12.12
Fourth Quarter	16.56	2.28

<b>Fiscal Year Ended December 31, 2012</b>	<b>High</b>	<b>Low</b>
First Quarter	\$ 7.38	\$ 2.64
Second Quarter	4.56	2.00
Third Quarter	2.62	1.21
Fourth Quarter	1.97	1.08

<b>Fiscal Year Ended December 31, 2013</b>	<b>High</b>	<b>Low</b>
First Quarter (through January 15, 2013)	\$ 1.48	\$ 1.25

As of January 15, 2013, the latest practicable date before the printing of this joint proxy statement/prospectus, BioSante had 453 holders of record of BioSante common stock and six record holders of BioSante class C special stock.

BioSante never has declared or paid cash dividends on its capital stock and does not intend to pay any cash dividends in the foreseeable future. Holders of BioSante class C special stock are not eligible to receive dividends. 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.

On October 3, 2012, the last trading day prior to announcement of the merger, the last reported sale price of BioSante common stock was \$1.80, for an aggregate market value of BioSante of \$44.0 million. On January 15, 2013, the latest practicable date before the printing of this joint proxy statement/prospectus, the last reported sale price of BioSante common stock was \$1.36, for an aggregate market value of BioSante of \$33.2 million. Assuming the issuance on such date of an aggregate of 27.9 million shares of BioSante common stock based on an exchange ratio of 10.3502 for the ANI series D preferred stock and an exchange ratio of zero for all other shares of ANI capital stock, if the merger was completed on such date, the market value attributable to the ANI common stock in the aggregate, or approximately 53 percent of the outstanding shares of the combined company, would equal \$38.0 million.

The following table sets forth information concerning the beneficial ownership of:

each person known by BioSante to beneficially own more than five percent of BioSante's voting capital stock;

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each of BioSante's current directors and each nominee for director, including persons who are expected to become directors of the combined company following completion of the merger; and

all of BioSante's current directors and executive officers as a group, prior to the completion of the merger and immediately following the completion of the merger.

The pre-merger percentage of beneficial ownership is calculated in relation to the 24,422,240 shares of BioSante common stock that were outstanding as of December 31, 2012 and the post-merger percentage of beneficial ownership is calculated in relation to an estimated 52,337,228 shares of common stock of the combined company outstanding upon completion of the merger, assuming that the exchange ratio to be used in connection with the merger is approximately 10.3502 shares of BioSante common stock for each share of ANI series D preferred stock and zero for each share of ANI series C preferred stock, ANI series B preferred stock, ANI series A preferred stock and ANI common stock (without giving effect to the proposed reverse stock split described elsewhere in this joint proxy statement/prospectus but giving effect to the anticipated issuance of an estimated 321,737 shares of ANI series D preferred stock to ANI's executive officers and an additional ANI employee in connection with the transaction bonus arrangements as described elsewhere in this joint proxy statement/prospectus). Percentage calculations assume, for each person and group, that all shares that may be acquired by such person or group pursuant to options and warrants currently exercisable or that become exercisable within 60 days of December 31, 2012 are outstanding for the purpose of computing the percentage of capital stock owned by such person or group. However, such unissued shares of capital stock are not deemed to be outstanding for calculating the percentage of capital stock owned by any other person. Except as otherwise indicated and subject to the voting agreements described under the section entitled "Voting and Other Ancillary Agreements," BioSante believes that the beneficial owners of its capital stock listed in the table below have sole voting and investment power with respect to all shares shown as beneficially owned by them, subject to community property laws where applicable.

Name of Beneficial Owner	Pre-Merger		Post-Merger	
	BioSante Common Stock and Common Stock Equivalents	Percent of Class	BioSante Common Stock and Common Stock Equivalents	Percent of Class
Louis W. Sullivan, M.D.	52,147	*	52,147	*
Stephen M. Simes	275,652	1.1%	275,652	*
Fred Holubow	34,372	*	34,372	*
Ross Mangano	418,397	1.7%	418,397	*
Edward C. Rosenow, III, M.D.	27,586	*	27,586	*
John T. Potts, Jr., M.D.	8,636	*	8,636	*
Stephen A. Sherwin, M.D.	41,890	*	41,890	*
Robert E. Brown, Jr.	0	*	14,248,043	27.2%
Arthur S. Przybyl	0	*	0	*
Tracy L. Marshbanks, Ph.D.	0	*	4,085,016	7.8%
Thomas T. Penn	0	*	14,248,043	27.2%
Robert Schrepfer	0	*	0	*
All current BioSante directors and executive officers as a group (nine persons)	1,042,589	4.2%	18,785,828	35.8%

\*

Represents beneficial ownership of less than one percent.

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

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Because the market price of BioSante common stock is subject to fluctuation, the market value of the shares of BioSante common stock that holders of ANI capital stock will receive in the merger may increase or decrease. The foregoing information reflects only historical information. This information may not provide meaningful information to ANI stockholders in determining whether to approve ANI Proposal No. 1. ANI stockholders are urged to obtain current market quotations for BioSante common stock and to review carefully the other information contained in this joint proxy statement/prospectus or referenced in this joint proxy statement/prospectus. Historical stock prices are not indicative of future stock prices.

Following completion of the merger and assuming the successful reapplication to The NASDAQ Global Market for initial inclusion of BioSante common stock on the NASDAQ Global Market, the BioSante common stock of BioSante, including the shares of BioSante common stock issued to ANI stockholders in connection with the merger, will continue to be listed on The NASDAQ Global Market.

**ANI**

As of January 15, 2013, the latest practicable date before the printing of this joint proxy statement/prospectus, ANI had 11 holders of record of ANI series D preferred stock, 12 holders of record of ANI series C preferred stock, 12 holders of record of ANI series B preferred stock, five holders of record of ANI series A preferred stock and 10 holders of record of ANI common stock.

Other than a one-time dividend on the ANI series A preferred stock declared and paid in additional shares of ANI series A preferred stock in 2006, ANI has never paid a dividend on its capital stock. Any determination to pay dividends to holders of ANI capital stock in the future will be at the discretion of the ANI board of directors and will depend on many factors, including ANI's financial condition, results of operations, general business conditions, and any other factors the ANI board of directors deems relevant.

ANI is a private company and shares of its capital stock are not publicly traded.

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**RISK FACTORS**

*In addition to the other information included in this joint proxy statement/prospectus, BioSante and ANI stockholders should consider carefully 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, ANI or the combined company could be materially adversely affected.*

**Risks Related to the Merger**

*The issuance of shares of BioSante common stock to ANI stockholders in connection with the merger will dilute substantially the voting power of current BioSante stockholders.*

Pursuant to the terms of the merger agreement, it is anticipated that BioSante will issue shares of BioSante common stock to ANI stockholders representing approximately 53 percent of the outstanding shares of common stock of the combined company as of immediately following completion of the merger, assuming BioSante's net cash is \$18.0 million as of the determination date. After such issuance, the shares of BioSante common stock outstanding immediately prior to completion of the merger will represent approximately 47 percent of the outstanding shares of common stock of the combined company as of immediately following completion of the merger. These ownership percentages may change depending upon the amount of BioSante's net cash as of a determination date prior to completion of the merger. Accordingly, the issuance of shares of BioSante common stock to ANI stockholders in connection with the merger will reduce significantly the relative voting power of each share of BioSante common stock held by current BioSante stockholders. Consequently, the BioSante stockholders as a group will have significantly less influence over the management and policies of the combined company after the merger than prior to the merger.

*The exchange ratios in the merger agreement are dependent upon not only the terms of the merger agreement, but also the terms of ANI's certificate of incorporation, which contains provisions that give preference to holders of shares of ANI series D preferred stock and, to a lesser extent, holder of shares of other series of ANI preferred stock. As a result of such provisions, it is likely that holders of shares of other series of ANI preferred stock or ANI common stock will not receive any shares of BioSante common stock in connection with the merger.*

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 ANI capital stock issued and outstanding immediately prior to the effective time of the merger will be converted into the right to receive that number of shares of BioSante common stock, if any, as determined pursuant to the exchange ratios described in the merger agreement and the provisions of ANI's certificate of incorporation. Pursuant to the terms of ANI's certificate of incorporation, before any amounts are paid to the holders of shares of any other series of ANI preferred stock or ANI common stock, the holders of shares of ANI series D preferred stock are entitled to receive an amount per share equal to \$30.00 (subject to adjustment as provided in ANI's certificate of incorporation) plus all declared but unpaid dividends. The exchange ratios in the merger agreement reflect these preferential payments. As a result of such provisions, it is likely that holders of shares of other series of ANI preferred stock or ANI common stock will not receive any shares of BioSante common stock in connection with the merger.

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***The exchange ratios in the merger agreement are subject to adjustment based on BioSante's net cash as of a determination date prior to completion of the merger, which could dilute further the ownership of either the BioSante or ANI 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 ANI capital stock issued and outstanding immediately prior to the effective time of the merger will be converted into the right to receive that number of shares of BioSante common stock, if any, as determined pursuant to the exchange ratios described in the merger agreement and the provisions of ANI's certificate of incorporation. The exchange ratios are subject to potential adjustment as described in the merger agreement depending upon the amount of "net cash" of BioSante, as defined in the merger agreement and generally consisting of BioSante's cash and cash equivalents less certain expenses and liabilities, as of a determination date prior to the closing date of the merger. If BioSante has more than \$18.0 million of net cash as of the determination date, then the percentage ownership of the current BioSante stockholders will be increased on a pro rata basis by 0.6 percent for each \$1.0 million of net cash excess, which would dilute further the ownership of the current ANI stockholders in the combined company. If BioSante has less than \$18.0 million of net cash as of the determination date, then the percentage ownership of current BioSante stockholders will be decreased on a pro rata basis by 0.6 percent for each \$1.0 million of net cash shortfall, which would dilute further the ownership of the current BioSante stockholders in the combined company. In no event, however, will the current ANI stockholders own less than 50.1 percent (or the current BioSante stockholders own more than 49.9 percent) of the outstanding shares of common stock of the combined company. In addition, one of the conditions to ANI's obligations to complete the merger is BioSante's net cash as of the closing date being no less than \$17.0 million as calculated and as adjusted pursuant to the provisions of the merger agreement.

The items that will constitute BioSante's net cash at the determination date set forth in the merger agreement are subject to a number of factors, some of which are outside the control of BioSante and many of which are outside the control of ANI. For a more detailed discussion of the calculation of BioSante's net cash at the determination date set forth in the merger agreement and to view a table that illustrates how changes in BioSante's net cash at the determination date will affect the exchange ratios, see "The Merger Agreement Merger Consideration and Adjustment" and "The Merger Agreement Determination of BioSante's Net Cash" beginning on page 156 and page 158, respectively.

***The exchange ratios are not adjustable based on the market price of BioSante common stock and if the market price of BioSante common stock fluctuates, the market value of the shares of BioSante common stock to be received by the ANI stockholders in connection with the merger is subject to change prior to completion of the merger.***

The aggregate number of shares of BioSante common stock to be issued to ANI stockholders is expected to represent approximately 53 percent of the outstanding shares of common stock of the combined company as of immediately following completion of the merger, assuming BioSante's net cash is \$18.0 million as of the determination date. The exchange ratios, as such ratios are calculated pursuant to the formulas set forth in the merger agreement, are based on the number of shares of BioSante common stock and ANI capital stock outstanding as of immediately prior to completion of the merger, and in the case of BioSante, a certain percentage of the number of certain warrants to purchase shares of BioSante common stock outstanding as of such date, and will not be determined until that time. The exchange ratios will be adjusted upward or downward only as a result of changes to the outstanding capital stock of either or both of BioSante and ANI as of immediately prior to completion of the merger and changes to BioSante's net cash as of a determination date prior to completion of the merger. No adjustments to the exchange ratios will be made based on changes in the trading price of BioSante common stock or the value of ANI capital stock prior to completion of the merger. Changes in the trading price of BioSante common stock or the value of ANI capital stock may

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result from a variety of factors, including, among others, general market and economic conditions, changes in BioSante's or ANI's respective businesses, operations and prospects, market assessment of the likelihood that the merger will be completed as anticipated or at all, and regulatory considerations. Many of these factors are beyond BioSante's or ANI's control. As a result, the value of the shares of BioSante common stock issued to ANI stockholders in connection with the merger could be substantially less or substantially more than the current market value of BioSante common stock.

***The exchange ratios are not adjustable based on issuances by BioSante of additional shares of BioSante common stock either upon the exercise of options or warrants or the conversion of convertible securities or otherwise, which issuances would result in additional dilution to the BioSante stockholders.***

As of December 31, 2012, BioSante had outstanding options to purchase an aggregate of approximately 1.1 million shares of BioSante common stock, warrants to purchase an aggregate of approximately 4.7 million shares of BioSante common stock, an aggregate of 65,211 shares of BioSante class C special stock that are convertible into 65,211 shares of BioSante common stock and an aggregate of \$8.3 million in aggregate principal amount of 3.125% convertible senior notes due May 1, 2013 that are convertible into an aggregate of 370,871 shares of BioSante common stock. BioSante is not prohibited under the terms of the merger agreement from issuing additional equity securities under certain circumstances, including securities issued pursuant to the exercise of outstanding options or warrants or the conversion or exchange of outstanding convertible senior notes. It is possible that prior to completion of the merger BioSante may issue additional equity securities. The exchange ratios in the merger agreement, which are designed to result in the issuance by BioSante of shares of BioSante common stock to ANI stockholders representing approximately 53 percent of the outstanding shares of common stock of the combined company as of immediately following completion of the merger, assuming BioSante's net cash is \$18.0 million as of the determination date, are not adjustable based on issuances by BioSante of additional shares of BioSante common stock. Therefore, any such issuances by BioSante would result in additional dilution to the BioSante stockholders.

***The announcement and pendency of the merger could have an adverse effect on the trading price of BioSante common stock and/or the business, financial condition, results of operations or business prospects for BioSante and/or ANI.***

While there have been no significant adverse effects to date, the announcement and pendency of the merger could disrupt BioSante's and/or ANI's businesses in the following ways, among others:

third parties may seek to terminate and/or renegotiate their relationships with BioSante or ANI as a result of the merger, whether pursuant to the terms of their existing agreements with BioSante and/or ANI or otherwise; and

the attention of BioSante and/or ANI management may be directed toward completion of the merger and related matters and may be diverted from the day-to-day business operations of their respective companies, including from other opportunities that otherwise might be beneficial to BioSante or ANI.

Should they occur, any of these matters could adversely affect the trading price of BioSante common stock or harm the financial condition, results of operations or business prospects of BioSante, ANI and/or the combined company.

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***Failure to complete the merger could negatively impact BioSante's and ANI's respective businesses, financial condition or results of operations or the trading price of BioSante common stock.***

The completion of the merger is subject to a number of conditions and there can be no assurance that the conditions to the completion of the merger will be satisfied. If the merger is not completed, BioSante and/or ANI, as applicable, will be subject to several risks, including:

the current trading price of BioSante common stock may reflect a market assumption that the merger will occur, meaning that a failure to complete the merger could result in a decline in the trading price of BioSante common stock;

certain executive officers and/or directors of BioSante may seek other employment opportunities, and the departure of any of BioSante's executive officers and the possibility that the company would be unable to recruit and hire an executive could impact negatively BioSante's business and operating results;

the BioSante board of directors will need to reevaluate BioSante's strategic alternatives, which alternatives may include a sale of the company, liquidation of the company or other strategic transaction;

BioSante may be required to reimburse ANI for expenses of up to \$500,000 or pay a termination fee of \$1.0 million to ANI if the merger agreement is terminated by ANI or BioSante under certain circumstances;

ANI may be required to pay BioSante a termination fee of \$750,000 if the merger agreement is terminated by BioSante under certain circumstances;

BioSante and ANI are expected to incur substantial transaction costs in connection with the merger whether or not the merger is completed;

neither BioSante nor ANI would realize any of the anticipated benefits of having completed the merger; and

under the merger agreement, each of BioSante and ANI is subject to certain restrictions on the conduct of its business prior to completion of the merger, which restrictions could adversely affect their ability to realize certain of their respective business strategies or take advantage of certain business opportunities.

If the merger is not completed, these risks may materialize and affect materially and adversely either or both companies' respective businesses, financial condition, results of operations, or, in the case of BioSante, the trading price of BioSante common stock.

***BioSante and ANI 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 ANI 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 and accountants and BioSante's financial advisor. 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 may be required to pay ANI a termination fee of \$1.0 million or ANI may be required to pay BioSante a termination fee of \$750,000. The merger agreement also provides that under specified circumstances, BioSante may be required to reimburse ANI up to \$500,000 for its expenses in connection with the transaction. If the merger is completed, the combined company will bear the transaction costs of both BioSante and ANI in connection with the merger, including financial advisor, legal and accounting fees and expenses.

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***Because the merger will be completed after the date of the BioSante and ANI special meetings of stockholders, it is possible that at the time of your special meeting, you will not know the exact number of shares of BioSante common stock that the ANI stockholders will receive upon completion of the merger.***

Subject to the terms of the merger agreement, at the effective time of the merger, each share of ANI capital stock issued and outstanding immediately prior to the merger will be canceled, extinguished and automatically converted into the right to receive that number of shares of BioSante common stock as determined pursuant to the exchange ratios described in the merger agreement. The exchange ratios depend on the net cash of BioSante as of a determination date prior to completion of the merger. The determination date is defined as the date that is 14 days prior to the date of the BioSante special meeting as set forth in this joint proxy statement/prospectus, subject to extension for adjournment of the BioSante special meeting and subject to a dispute resolution provisions in the event there is a dispute between BioSante and ANI as to the amount of net cash of BioSante as of the determination date. Under the merger agreement, BioSante's "net cash" is defined as generally consisting of BioSante's cash and cash equivalents less certain expenses and liabilities, as of a determination date prior to the closing date of the merger. In the event of a dispute regarding the amount of net cash of BioSante as of the determination date, it is possible that the exact number of shares of BioSante common stock that the ANI stockholders will receive upon completion of the merger may not be available at the time of the BioSante special meeting or the ANI special meeting.

***Some of the directors and executive officers of BioSante and ANI have interests in the merger that are different from, or in addition to, those of the other BioSante and ANI stockholders.***

When considering the recommendation by the BioSante board of directors that the BioSante stockholders vote "for" each of the proposals being submitted to the BioSante stockholders at the BioSante special meeting and the recommendation by the ANI board of directors that the ANI stockholders vote "for" each of the proposals being submitted to the ANI stockholders at the ANI special meeting, the BioSante and ANI stockholders should be aware that certain of the directors and executive officers of BioSante and ANI have arrangements that provide them with interests in the merger that are different from, or in addition to, those of the stockholders of BioSante and ANI.

For instance, in connection with the merger, Fred Holubow and Ross Mangano, each a current member of the BioSante board of directors, will continue to serve as a director of the combined company following completion of the merger and will receive cash and equity compensation in consideration for such service. The employment of each of BioSante's three executive officers will terminate immediately following completion of the merger and they will be entitled to receive severance benefits ranging from approximately \$571,400 to \$1,578,000 in connection with such termination.

All of the current directors of ANI will serve as directors of the combined company following completion of the merger and will receive certain cash and equity compensation in consideration for such service. Likewise, all of the executive officers of ANI will continue to serve as executive officers of the combined company following completion of the merger and will receive cash and equity compensation in consideration for such service. In addition, the executive officers of ANI will receive special transaction bonus payments upon closing of the merger ranging, for each officer, from approximately \$707,705 to \$3,309,410 (assuming BioSante's net cash as of the determination date is \$18.0 million) payable in shares of ANI series D preferred stock, which shares will convert into shares of BioSante common stock in the merger, as described in more detail under "Management of the Combined Company Following the Merger Certain Relationships and Related Transactions." In addition, certain of ANI's executive officers and directors are expected to own a significant number of shares of common stock of the combined company following completion of the merger. See "Principal Stockholders of Combined Company."



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The directors and executive officers of BioSante and ANI also have certain rights to indemnification and to directors' and officers' liability insurance that will be provided by the combined company following completion of the merger. See the sections entitled "The Merger Interests of BioSante's Directors and Executive Officers in the Merger" and "The Merger Interests of ANI's Directors and Officers in the Merger" beginning on pages 143 and 148, respectively.

The board of directors of each of BioSante and ANI were aware of these potential interests and considered them in making their respective recommendations to approve the proposals being submitted to the BioSante stockholders at the BioSante special meeting, with respect to the BioSante stockholders, and to approve the proposals being submitted to the ANI stockholders at the ANI special meeting, with respect to the ANI stockholders.

***The merger agreement and the voting agreements contain provisions that could discourage or make it difficult for a third party to acquire BioSante or ANI prior to completion of the merger.***

The merger agreement contains provisions that make it difficult for BioSante or ANI to entertain a third-party proposal for an acquisition of BioSante or ANI. These provisions include:

the general prohibition on BioSante's and ANI's soliciting or engaging in discussions or negotiations regarding any alternative acquisition proposal;

the requirement that BioSante reimburse ANI for expenses of up to \$500,000 or pay a termination fee of \$1.0 million to ANI if the merger agreement is terminated by ANI or BioSante under certain circumstances;

the requirement that ANI pay BioSante a termination fee of \$750,000 if the merger agreement is terminated by BioSante under certain circumstances; and

the requirement that BioSante and ANI submit the proposals described in this joint proxy statement/prospectus, as applicable, to a vote of their respective stockholders even if their respective board of directors changes its recommendation with respect to such proposals, as applicable.

See the sections entitled "The Merger Agreement No Solicitation", "The Merger Agreement Meetings of Stockholders; Change in Board Recommendation" and "The Merger Agreement Termination Fees and Expenses" beginning on pages 160, 162 and 165, respectively.

Pursuant to the voting agreements entered into between (i) BioSante and certain stockholders of ANI and (ii) ANI and the directors, executive officers and certain stockholders of BioSante, each such director, executive officer and applicable stockholder has agreed not to take any actions that BioSante or ANI, as applicable, is prohibited from taking pursuant to the no-solicitation restrictions contained in the merger agreement. In addition, holders of shares representing approximately 85 percent of the shares of the outstanding ANI capital stock, calculated on an as-converted basis, and approximately 86 percent of the outstanding shares of the ANI series D preferred stock, as of October 3, 2012 are subject to a voting agreement, pursuant to which the holders of such shares have agreed to vote in favor of the approval and adoption of the merger agreement and the transactions contemplated thereby, including the merger, and ANI is required under the terms of the merger agreement to convene and hold the ANI special meeting regardless of any change in the recommendation of the ANI board of directors. Likewise, holders of shares representing approximately two percent of the outstanding capital stock of BioSante as of October 3, 2012 are subject to a voting agreement, pursuant to which the holders of such shares have agreed to vote in favor of the approval and adoption of the merger agreement and the transactions contemplated thereby, including the merger and the issuance of the shares of BioSante common stock, and the approval of the BioSante charter amendments, and BioSante is required under the terms of the merger agreement to convene and hold the BioSante

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special meeting regardless of any change in the recommendation of the BioSante board of directors. See the section entitled "Voting and Other Ancillary Agreements" beginning on page 168.

These provisions might discourage an otherwise interested third party from considering or proposing an acquisition of BioSante or ANI, even one that may be deemed of greater value than the merger to BioSante stockholders or ANI stockholders, as applicable. Furthermore, even if a third party elects to propose an acquisition, the concept of a termination fee or payment of the other party's expenses may result in that third party offering a lower value to BioSante stockholders or ANI stockholders, as applicable, than such third party might otherwise have offered.

***Because the lack of a public market for shares of ANI capital stock makes it difficult to evaluate the fairness of the merger, ANI stockholders may receive consideration in the merger that is greater than or less than the fair value of the shares of capital stock of ANI.***

ANI is privately held and its outstanding capital stock is not traded in any public market. The lack of a public market makes it extremely difficult to determine the fair value of ANI or its shares of capital stock. Since the percentage of BioSante's equity to be issued to the ANI stockholders was determined based on negotiations between the parties, it is possible that the value of the BioSante common stock to be issued in connection with the merger will be greater than the fair value of ANI. Alternatively, it is possible that the value of the shares of BioSante common stock to be issued in connection with the merger will be less than the fair value of ANI.

***The vote to approve the merger with BioSante is effectively controlled by the holders of ANI series D preferred stock.***

In order to approve the merger agreement and transactions contemplated under the merger agreement, ANI requires the vote of (i) the majority of the outstanding shares of ANI capital stock entitled to vote, calculated on an as-converted basis and voting as a single class, and (ii) 65 percent of the outstanding shares of ANI series D preferred stock entitled to vote. On an as-converted basis, the number of ANI series D preferred stock represents 90.8 percent of the total number of shares of ANI capital stock outstanding and entitled to vote. As a result, assuming that holders of more than 65% of the ANI series D preferred stock all vote such stock for (or against) the merger, both votes described in (i) and (ii) above would be decided, and holders of ANI common stock, or series A, B or C preferred stock, would be unable to affect the outcome of the vote.

***If the merger does not qualify as a reorganization under Section 368(a) of the Code, ANI and the ANI stockholders may be required to pay substantial U.S. federal income taxes as a result of the merger.***

BioSante and ANI intend, and will be relying on the opinion of their respective tax counsel, that the merger will qualify as a "reorganization" under Section 368(a) of the Code. BioSante and ANI currently anticipate that neither ANI nor, generally, the U.S. holders of shares of ANI capital stock will recognize taxable gain or loss as a result of the merger. However, neither BioSante nor ANI has requested, or intends to request, a ruling from the Internal Revenue Service (IRS) with respect to the tax consequences of the merger, and there can be no assurance that the companies' position or the opinion of either company's respective tax counsel would be sustained if challenged by the IRS. Accordingly, if there is a final determination that the merger does not qualify as a "reorganization" under Section 368(a) of the Code and is taxable for U.S. federal income tax purposes (i) ANI would recognize taxable gain on its deemed receipt of BioSante common stock in exchange for the sale of substantially all of ANI's assets and assumption of ANI liabilities to the extent the fair market value of the BioSante common stock deemed received plus the ANI liabilities assumed by BioSante in the merger exceed ANI's adjusted tax basis in its assets deemed sold to BioSante, with such gain offset by available net operating losses and other tax attributes of ANI, if any, and (ii) ANI stockholders generally would recognize taxable gain or loss on their receipt of BioSante common stock in connection

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with the merger in an amount equal to the difference between such stockholder's adjusted tax basis in their shares of ANI capital stock and the fair market value of the BioSante common stock and cash received in lieu of fractional shares, if any. Any unpaid ANI tax liability incurred if the merger does not qualify as a reorganization would be assumed by BioSante in the merger. For a more complete discussion of the material U.S. federal income tax consequences of the merger, see the section entitled "Material U.S. Federal Income Tax Consequences of the Merger" beginning on page 172.

***The shares of BioSante common stock to be received by ANI stockholders as a result of the merger will have different rights from shares of ANI preferred stock or ANI common stock.***

Following completion of the merger, ANI stockholders will no longer be stockholders of ANI, but will be stockholders of BioSante. There will be important differences between your current rights as an ANI stockholder and the rights to which you will be entitled as a BioSante stockholder. See "Comparison of Rights of Holders of BioSante Stock and ANI Stock" beginning on page 286 for a discussion of the different rights associated with BioSante common stock and ANI preferred stock and ANI common stock.

***BioSante may not issue CVRs to holders of BioSante common stock prior to the merger and, even if issued, the CVRs will not be certificated or transferable and may not result in any cash payments to holders of CVRs.***

Although BioSante currently plans to enter into the contingent value rights agreement and issue CVRs to holders of BioSante common stock, there is no assurance that the CVRs will be issued at all or based on the terms currently set forth in the form of the contingent value rights agreement. See "Contingent Value Rights" for more information on the terms of the CVRs and the contingent value rights agreement. BioSante currently has not entered into the contingent value rights agreement and the BioSante board of directors may determine in its sole discretion not to issue the CVRs based on, among other things, the anticipated tax impact of the distribution and issuance of the CVRs to the holders of BioSante common stock. Furthermore, if BioSante and ANI agree, the terms of the contingent value rights agreement as currently contemplated may be changed prior to BioSante entering into the contingent value rights agreement.

Even if CVRs are issued, they will not be certificated or transferable and may not result in any cash payments to holders of CVRs. Under the contingent value rights agreement, the combined company will not have any obligation, other than an obligation to act in good faith to pursue, engage in, negotiate, enter into or consummate an actual or potential LibiGel transaction (as such term is defined in the contingent value rights agreement).

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

Certain conditions to BioSante's and ANI'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 ANI. In the event of a waiver of a condition, the boards of directors of BioSante and ANI 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 ANI 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. The conditions requiring the approval of each company's stockholders cannot, however, be waived.

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**Risks Related to the Combined Company if the Merger is Completed**

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

Following completion of the merger, the combined company will be susceptible to many of the risks described in the sections herein entitled "Risks Related to BioSante," "Risks Related to ANI" and "Risks Related to the Combined Company." To the extent any of the events in the risks described in those sections 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.

*The success of the merger will depend, in large part, on the ability of the combined company following completion of the merger to realize the anticipated benefits from combining the businesses of BioSante and ANI.*

The merger involves the integration of two companies that previously have operated independently with principal offices in two distinct locations. Due to legal restrictions, BioSante and ANI are able to conduct only limited planning regarding the integration of the two companies prior to completion of the merger. Significant management attention and resources will be required to integrate the two companies after completion of the merger. The failure to integrate successfully and to manage successfully the challenges presented by the integration process may result in the combined company's failure to achieve some or all of the anticipated benefits of the merger.

Potential difficulties that may be encountered in the integration process include the following:

using the combined company's cash and other assets efficiently to develop the business of the combined company;

appropriately managing the liabilities of the combined company;

potential unknown or currently unquantifiable liabilities associated with the merger and the operations of the combined company;

potential unknown and unforeseen expenses, delays or regulatory conditions associated with the merger; and

performance shortfalls at one or both of the companies as a result of the diversion of management's attention caused by completing the merger and integrating the companies' operations.

Delays in the integration process could adversely affect the combined company's business, financial results, financial condition and stock price following the merger. Even if the combined company were able to integrate the business operations successfully, there can be no assurance that this integration will result in the realization of the full benefits of synergies, innovation and operational efficiencies that may be possible from this integration and that these benefits will be achieved within a reasonable period of time.

*The merger will result in changes to the BioSante board of directors and the combined company may pursue different strategies than either BioSante or ANI may have pursued independently.*

If BioSante and ANI complete the merger, the composition of the BioSante board of directors will change in accordance with the merger agreement. Following completion of the merger, the combined company's board of directors will consist of seven members, including two of the current directors of BioSante and five of the current directors of ANI. Currently, it is anticipated that the combined company will continue to advance the product development efforts and business strategies of ANI primarily. However, because the composition of the board of directors of the combined company will

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consist of directors from both BioSante and ANI, the combined company may determine to pursue certain business strategies that neither ANI nor BioSante would have pursued independently.

***Ownership of the combined company's common stock may be highly concentrated, and it may prevent you and other stockholders from influencing significant corporate decisions and may result in conflicts of interest that could cause the combined company's stock price to decline.***

Upon completion of the merger, ANI's directors and executive officers continuing with the combined company, together with their respective affiliates, are expected to beneficially own or control approximately 41 percent of the combined company (see the sections entitled "Principal Stockholders of ANI" beginning on page 276 and "Principal Stockholders of Combined Company" beginning on page 280 for more information on the estimated ownership of the combined company following the merger). Accordingly, these directors, executive officers and their affiliates, acting individually or as a group, will have substantial influence over the outcome of a corporate action of the combined company requiring stockholder approval, including the election of directors, any merger, consolidation or sale of all or substantially all of the combined company's assets or any other significant corporate transaction. These stockholders also may exert influence in delaying or preventing a change in control of the combined company, even if such change in control would benefit the other stockholders of the combined company. In addition, the significant concentration of stock ownership may affect adversely the market value of the combined company's common stock due to investors' perception that conflicts of interest may exist or arise.

***Future results of the combined company may differ materially from the unaudited pro forma financial statements presented in this joint proxy statement/prospectus and the financial forecasts prepared by ANI in connection with discussions concerning the merger.***

The future results of the combined company may be materially different from those shown in the unaudited pro forma condensed combined financial statements presented in this joint proxy statement/prospectus, which show only a combination of the historical results of BioSante and ANI, and the financial forecasts prepared by ANI in connection with discussions concerning the merger. BioSante and ANI expect to incur significant costs associated with completion of the merger and combining the operations of the two companies. The exact magnitude of these costs is not yet known, but is estimated to be approximately \$3.1 million. Furthermore, these costs may decrease the capital that the combined company could use for continued development of the combined company's business in the future or may cause the combined company to seek to raise new capital sooner than expected.

***The combined company's ability to utilize BioSante's or ANI's net operating loss and tax credit carryforwards in the future is subject to substantial limitations and may be further limited as a result of the merger.***

Under Section 382 of the Code, if a corporation undergoes an "ownership change" (generally defined as a greater than 50 percent change (by value) in its equity ownership over a three-year period), the corporation's ability to use its pre-change net operating loss carryforwards and other pre-change tax attributes to offset its post-change income may be limited. Further, if the historic business of BioSante is not treated as being continued by the combined entity for the two-year period beginning on the date of the merger (referred to as the "continuity of business requirement"), the pre-transaction net operating loss carryforward deductions become substantially reduced or unavailable for use by the surviving corporation in the transaction. In 2009, an "ownership change" occurred with respect to BioSante, and it is expected that the merger with ANI will result in another "ownership change" of BioSante. Accordingly, the combined company's ability to utilize BioSante's net operating loss and tax credit carryforwards may be substantially limited. These limitations, in turn, could result in increased

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future tax payments for the combined company, which could have a material adverse effect on the business, financial condition or results of operations of the combined company.

Under Section 384 of the Code, available net operating loss carryovers of BioSante or ANI may not be available to offset certain gains arising after the merger from assets held by the other corporation at the effective time of the merger. This limitation will apply to the extent that the gain is attributable to an unrealized built-in-gain in the assets of BioSante or ANI existing at the effective time of the merger. To the extent that any such gains are recognized in the five year period after the merger upon the disposition of any such assets, the net operating loss carryovers of the other corporation will not be available to offset such gains (but the net operating loss carryovers of the corporation that owned such assets will not be limited by Section 384 although they may be subject to other limitations under Section 382 as described above).

***The price of BioSante common stock after the merger is completed may be affected by factors different from those currently affecting the price of BioSante common stock.***

Upon completion of the merger, holders of ANI capital stock who receive shares of BioSante common stock in connection with the merger will become holders of BioSante common stock. The business of BioSante differs significantly from the business of ANI; and, accordingly, the results of operations of the combined company and the trading price of BioSante common stock following completion of the merger may be affected significantly by factors different from those currently affecting the independent results of operations of BioSante. For a discussion of the businesses of BioSante and ANI and of certain factors to consider in connection with those businesses, see the sections entitled "BioSante's Business," "BioSante's Management's Discussion and Analysis of Financial Condition and Results of Operations," "ANI's Business," "ANI's Management's Discussion and Analysis of Financial Condition and Results of Operations" and the audited and unaudited historical financial statements of BioSante and ANI, including the notes thereto, which are included elsewhere in this joint proxy statement/prospectus, and the other information contained in this joint proxy statement/prospectus.

***The NASDAQ Global Market considers the anticipated merger of BioSante and ANI to be a business combination with a non-NASDAQ entity, resulting in a change in control of BioSante; and therefore, has required that BioSante submit a new initial listing application, which requires certain actions on the part of the combined company which may not be successful and, if unsuccessful, could make it more difficult for holders of shares of the combined company to sell their shares.***

The NASDAQ Global Market considers the merger proposed in this joint proxy statement/prospectus to be a business combination with a non-NASDAQ entity, resulting in a change in control of BioSante and has required that BioSante submit a new initial listing application. The NASDAQ Global Market may not approve BioSante's new initial listing application for The NASDAQ Global Market on a timely basis, or at all. If this occurs and the merger is still completed, you may have difficulty converting your investments into cash effectively.

Additionally, as part of the new initial listing application, BioSante will be required to submit, among other things, a plan for the combined company to effect a reverse stock split. A reverse stock split likely would increase the per share trading price by an as yet undetermined multiple. The change in share price may affect the volatility and liquidity of the combined company's stock, as well as the marketplace's perception of the stock. As a result, the relative price of the combined company's stock may decline and/or fluctuate more than in the past, and you may have trouble converting your investments in the combined company into cash effectively.

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***The combined company's management will be required to devote substantial time to comply with public company regulations.***

As a public company, the combined company will incur significant legal, accounting and other expenses that ANI did not incur as a private company. The Sarbanes-Oxley Act of 2002, the Dodd-Frank Wall Street Reform and Consumer Protection Act as well as rules implemented by the SEC and The NASDAQ Global Market, impose various requirements on public companies, including those related to corporate governance practices. The combined company's management and other personnel will need to devote a substantial amount of time to these requirements. Certain members of ANI's management, which will continue as the management of the combined company, do not have significant experience in addressing these requirements. Moreover, these rules and regulations will increase the combined company's legal and financial compliance costs relative to those of ANI and will make some activities more time consuming and costly.

The Sarbanes-Oxley Act requires, among other things, that the combined company maintain effective internal control for financial reporting and disclosure controls and procedures. In particular, the combined company must perform system and process evaluation and testing of its internal control over financial reporting to allow management and the combined company's independent registered public accounting firm to report on the effectiveness of its internal control over financial reporting, as required by Section 404 of the Sarbanes-Oxley Act. The combined company's compliance with these requirements will require that it incur substantial accounting and related expenses and expend significant management efforts. The combined company will need to hire additional accounting and financial staff to satisfy the ongoing requirements of Section 404 of the Sarbanes-Oxley Act. The costs of hiring such staff may be material and there can be no assurance that such staff will be immediately available to the combined company. Moreover, if the combined company is not able to comply with the requirements of Section 404 of the Sarbanes-Oxley Act, or if the combined company or its independent registered public accounting firm identifies deficiencies in its internal control over financial reporting that are deemed to be material weaknesses, investors could lose confidence in the accuracy and completeness of the combined company's financial reports, the market price of the combined company's common stock could decline and the combined company could be subject to sanctions or investigations by The NASDAQ Global Market, the SEC or other regulatory authorities.

***After 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 ANI. Discovery of previously undisclosed or unknown 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. After 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 ANI. Although BioSante conducted a due diligence investigation of ANI and its known and potential liabilities and obligations, and ANI conducted a due diligence investigation of BioSante and its known and potential liabilities and obligations, it is possible that undisclosed, contingent or other liabilities or problems may arise after completion of the merger, which could have an adverse effect on the combined company's business, operating results and financial condition.

***BioSante and ANI do not expect the combined company to pay cash dividends.***

BioSante and ANI anticipate that the combined company will retain its earnings, if any, for future growth and therefore not pay any cash dividends in the foreseeable future. Investors seeking cash dividends should not invest in the combined company's common stock for that purpose.

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***Anti-takeover provisions in the combined company's charter and bylaws may prevent or frustrate attempts by stockholders to change the board of directors or management and could make a third-party acquisition of the combined company difficult.***

The combined company's certificate of incorporation and bylaws, as amended, will contain provisions that may discourage, delay or prevent a merger, acquisition or other change in control that stockholders may consider favorable, including transactions in which stockholders might otherwise receive a premium for their shares. These provisions could limit the price that investors might be willing to pay in the future for shares of the combined company's common stock.

***The sale or availability for sale of a substantial number of shares of common stock of the combined company after the merger and after expiration of the lock-up period could adversely affect the market price of such shares after the merger.***

Sales of a substantial number of shares of common stock of the combined company in the public market after the merger or after expiration of the lock-up period, or the perception that these sales could occur, could adversely affect the market price of such shares and could materially impair the combined company's ability to raise capital through equity offerings in the future. BioSante and ANI are unable to predict what effect, if any, market sales of securities held by significant stockholders, directors or officers of the combined company or the availability of these securities for future sale will have on the market price of the combined company's common stock after the merger.

**Risks Related to BioSante**

***Risks Related to BioSante's Financial Condition and Future Capital Requirements***

***BioSante has not generated significant revenues and does not expect to in the near future. BioSante has a history of operating losses, expects continuing losses and may never become profitable.***

Substantially all of BioSante's revenue to date has been derived from upfront and milestone payments earned on licensing transactions, revenue earned from subcontracts and royalty revenue. In order to generate new and significant revenues, BioSante must develop and commercialize successfully its own products or enter into strategic partnering agreements with others who can develop and commercialize them successfully, or acquire additional new products that generate or have the potential to generate revenues. Because of the numerous risks and uncertainties associated with BioSante's and its strategic partners' product development programs and BioSante's ability to acquire additional new products, BioSante is unable to predict when it will be able to generate significant revenue or become profitable, if at all. BioSante incurred a net loss of \$51.6 million for the year ended December 31, 2011 and a net loss of \$23.7 million for the nine months ended September 30, 2012. As of September 30, 2012, BioSante's accumulated deficit was \$241.0 million. BioSante expects to continue to incur substantial and continuing losses for the foreseeable future. These losses will increase if BioSante decides to pursue the two new LibiGel Phase III efficacy trials or in-license additional new products that require further development. Even if BioSante's approved products, products in development or any additional new products BioSante may acquire or in-license are introduced commercially, BioSante may never achieve market acceptance and it may never generate sufficient revenues or receive sufficient license fees or royalties on its licensed products and technologies in order to achieve or sustain future profitability.



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***Because BioSante has no source of significant recurring revenue, BioSante must depend on financing or partnering to sustain its operations. BioSante likely will need to raise substantial additional capital or enter into strategic partnering agreements to fund its operations and BioSante may be unable to raise such funds or enter into strategic partnering agreements when needed and on acceptable terms.***

Developing products requires substantial amounts of capital. BioSante estimates that the cost of the two new LibiGel Phase III efficacy trials will be approximately \$15 to \$18 million each, or a combined \$30 to \$36 million spread over 18 months. No assurance can be provided, however, that BioSante's cost estimates will be correct. It is possible that the two new LibiGel Phase III efficacy trials will cost more than BioSante anticipates. If BioSante decides to pursue the two new LibiGel Phase III efficacy trials or in-license additional new products that require further development, BioSante will need to raise substantial additional capital or enter into strategic partnering agreements to fund its operations and it may be unable to raise such funds or enter into strategic partnering agreements when needed and on acceptable terms.

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

the progress, timing, cost and results of its clinical development programs, including the two new LibiGel Phase III efficacy trials if BioSante decides to pursue them and if BioSante in-licenses additional new products that require further development;

the cost, timing and outcome of regulatory actions with respect to BioSante's products;

the success, progress, timing and costs of BioSante's business development efforts to implement business collaborations, licenses and other business combinations or transactions, and its efforts to evaluate various strategic alternatives available with respect to its products and its company.

BioSante's ability to obtain value from its current products and technologies and its ability to out-license its products and technologies to third parties for development and commercialization and the terms of such out-licenses;

BioSante's ability to acquire or in-license additional new products and technologies and the costs and expenses of such acquisitions or licenses;

the timing and amount of any royalties, milestone or other payments BioSante may receive from or be obligated to pay to current and potential licensors, licensees and other third parties;

the costs of preparing, filing, prosecuting, maintaining and enforcing patent claims and other intellectual property rights;

the emergence of competing products and technologies, and other adverse market developments;

the perceived, potential and actual commercial success of BioSante's products;

the outstanding principal amount of BioSante's 3.125% convertible senior notes due May 1, 2013 (convertible senior notes) that are scheduled to mature and become due and payable on May 1, 2013 and BioSante's ability to avoid a "fundamental change" or an "event of default" under the indenture governing such notes, which may cause such notes to become due and payable prior to their maturity date on May 1, 2013;

BioSante's operating expenses; and

the resolution of BioSante's pending purported class action and shareholder derivative litigation and any amount it may be required to pay in excess of its directors' and officers' liability insurance.

BioSante's future capital requirements and projected expenditures are based upon numerous assumptions and subject to many uncertainties, and actual requirements and expenditures may differ

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significantly from its projections. To date, BioSante has relied primarily upon proceeds from sales of its equity securities to finance its business and operations. BioSante likely will need to raise additional capital to fund its operations. As of September 30, 2012, BioSante had \$38.0 million of cash and cash equivalents. BioSante does not have any existing credit facilities under which it may borrow funds. Absent the receipt of any additional licensing income or financing, BioSante expects its cash and cash equivalents balance to decrease as it continues to use cash to fund its operations, including in particular the two new LibiGel Phase III efficacy trials if BioSante decides to pursue them. As of September 30, 2012, BioSante has \$8.3 million in principal amount of convertible senior notes outstanding that mature on May 1, 2013. Assuming the merger is completed during the first quarter of 2013 and BioSante decides not to commence the two new efficacy trials for LibiGel, BioSante expects its cash equivalents as of September 30, 2012 to meet its liquidity requirements through at least its anticipated closing of the merger, including the closing condition under the merger agreement to have at least \$17.0 million of "net cash," as defined in the merger agreement, available upon the closing of the merger. If the merger is not completed, BioSante will need to reevaluate its strategic alternatives, which may include continuing to operate its business as an independent, stand-alone company, a sale of the company, liquidation of the company or other strategic transaction. BioSante's liquidity position will be dependent upon the strategic alternative selected; however, assuming BioSante does not enter into another strategic transaction, and assuming BioSante decides not to commence the two new efficacy trials for LibiGel, BioSante expects its cash and cash equivalents as of September 30, 2012 will be sufficient to meet its liquidity requirements for at least the next three to five years. Additional financing would be required should BioSante decide to commence the two new efficacy trials for LibiGel. These estimates may prove incorrect or BioSante, nonetheless, may choose to raise additional financing earlier in order to create a "cash cushion" and take advantage of favorable financing conditions.

The December 2011 announcement of the results of BioSante's prior completed LibiGel Phase III efficacy trials has significantly depressed the trading price of BioSante common stock and harmed BioSante's ability to raise additional capital. BioSante can provide no assurance that additional financing, if needed, will be available on terms favorable to BioSante, or at all. This is particularly true if investors are not confident in BioSante's LibiGel Phase III development program, the future value of the company and/or if economic and market conditions deteriorate. BioSante has on file effective shelf registration statements that allow it to raise up to an aggregate of \$102.4 million from the sale of common stock, preferred stock, warrants or units comprised of the foregoing. However, under applicable SEC rules, if BioSante has a public float of less than \$75.0 million, it can only offer to sell under the registration statement up to one-third of its public float during any 12-month period. BioSante can provide no assurance that additional financing, if needed, 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 need to make changes to its operations to reduce costs. As an alternative to raising additional financing, BioSante may choose to license LibiGel, Elestrin (outside the territories already licensed) or another product, e.g., GVAX cancer vaccines, to a third party who may finance a portion or all of the continued development and, if approved, commercialization of that licensed product, sell certain assets or rights BioSante has under its existing license agreements or decide or be forced to explore other strategic alternatives, such as selling or merging the company or winding down its operations and liquidating the company. In such case, the BioSante stockholders could lose some or all of their investment.

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***Raising additional funds by issuing additional equity securities may cause dilution to existing BioSante stockholders, raising additional funds by issuing additional debt financing may restrict BioSante's operations and raising additional funds through licensing arrangements may require BioSante to relinquish proprietary rights.***

If BioSante raises additional funds through the issuance of additional equity or convertible debt securities, the percentage ownership of its stockholders could be diluted significantly, and these newly issued securities may have rights, preferences or privileges senior to those of its existing stockholders. In addition, the issuance of any equity securities could be at a discount to the market price.

If BioSante incurs additional debt financing, the payment of principal and interest on such indebtedness may limit 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. There is no assurance that any equity or debt financing transaction will be available on terms acceptable to BioSante, or at all.

As an alternative to raising additional financing by issuing additional equity or debt securities, BioSante may choose to license one or more of its products or technologies to a third party who may finance a portion or all of the continued development and, if approved, commercialization of that licensed product, sell certain assets or rights under BioSante's existing license agreements or enter into other business collaborations or combinations, including a possible sale or merger of its company. If BioSante raises additional funds through licensing arrangements, BioSante may be required to relinquish greater or all rights to BioSante's products at an earlier stage of development or on less favorable terms than BioSante otherwise would choose.

***BioSante has substantial indebtedness, in the form of convertible senior notes, which notes BioSante may not be able to pay when they become due and payable on May 1, 2013, or earlier if BioSante experiences a "fundamental change" or an "event of default" under the indenture governing such notes.***

As of December 31, 2012, BioSante had \$8.3 million in aggregate principal amount of convertible senior notes outstanding. The annual interest payment on these notes is approximately \$259,000. At maturity, on May 1, 2013, the entire then remaining aggregate outstanding principal amount of the convertible senior notes will become due and payable. In addition, upon the occurrence of a "fundamental change", holders of the convertible senior notes may require BioSante to purchase their notes prior to the May 1, 2013 maturity date. A fundamental change includes a significant change in BioSante's ownership; the first day the majority of its board of directors does not consist of continuing directors; the consummation of certain recapitalizations, reclassifications, or changes of common stock, share exchanges or consolidations or mergers; or the termination of trading of its common stock (which will be deemed to have occurred if its common stock is neither listed for trading on a United States national securities exchange nor any United States system of automated dissemination of quotations of securities prices or traded in over-the-counter securities markets). The proposed merger between BioSante and ANI will not amount to a "fundamental change" under the indenture. Additionally, the aggregate principal amount of the outstanding convertible senior notes will become due and payable upon an uncured or unwaived event of default. Although BioSante believes it will be able to pay the aggregate outstanding principal amount of its convertible senior notes plus accrued interest when the notes mature on May 1, 2013, it is possible that BioSante may not have sufficient funds to pay the aggregate principal amount of its then outstanding convertible senior notes when they mature on May 1, 2013, or become due and payable earlier if BioSante were to experience a "fundamental change" or an "event of default" under the indenture governing such notes.

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***The indentures governing BioSante's convertible senior notes contains covenants, which if not complied with, could result in an event of default and the acceleration of all amounts due under the notes.***

The indenture governing BioSante's convertible senior notes contains 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. If BioSante does not comply with the covenants in the indenture, an event of default could occur and all amounts due under the notes could become immediately due and payable. Upon the occurrence of an event of default under the indenture, 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 BioSante could negotiate a waiver with the trustee and the holders of the notes, such a waiver likely would involve significant costs. It also is possible that BioSante could refinance or restructure its obligations under the notes; however, such a refinancing or restructuring also likely would involve significant costs and likely would result in higher interest rates than the current 3.125% annual interest rate on the notes.

***Future purchases, exchanges or restructurings of BioSante's outstanding convertible senior notes could dilute the percentage ownership of the BioSante stockholders, result in the issuance of securities at a discount to market price or that may have rights, preferences or privileges senior to those of BioSante's existing stockholders and/or decrease its cash balance.***

In February 2012, BioSante entered into privately-negotiated securities exchange agreements with one of the holders of its convertible senior notes pursuant to which BioSante issued an aggregate of 1,868,055 shares of its common stock, as adjusted to reflect its one-for-six reverse stock split effected on June 1, 2012, to the note holder in exchange for the cancellation of an aggregate of \$9.0 million principal amount of BioSante's convertible senior notes, including accrued and unpaid interest. In July 2012, BioSante entered into a privately-negotiated securities exchange agreement with two of the holders of its convertible senior notes pursuant to which BioSante issued an aggregate of 1,784,070 shares of its common stock to the note holder in exchange for the cancellation of an aggregate of \$3.5 million principal amount of BioSante's convertible senior notes and accrued and unpaid interest of \$20,686. As a result of these exchanges, an aggregate of \$8.3 million principal amount of the convertible senior notes remained outstanding as of September 30, 2012. From time-to-time, BioSante again may purchase, exchange or restructure its outstanding convertible senior notes through cash purchases and/or exchanges for other equity securities of its company, in open market purchases, privately negotiated transactions and/or a tender offer. Such additional purchases, exchanges or restructurings, if any, will depend on prevailing market conditions, the trading price and volume of BioSante common stock, the willingness of the note holders to sell, exchange or restructure their notes, BioSante's available cash and cash equivalents, its liquidity requirements, regulatory limitations, contractual restrictions and other factors. Such future purchases, exchanges or restructurings could dilute the percentage ownership of the BioSante stockholders, result in the issuance of securities at a discount to market price or that may have rights, preferences or privileges senior to those of existing BioSante stockholders and/or decrease BioSante's cash balance. A significant decrease in BioSante's cash balance may impair its ability to execute strategic alternatives, including the proposed merger with ANI, or leave BioSante without sufficient cash remaining for operations.

***BioSante is subject to pending purported securities class action and shareholder derivative litigation, which could divert management's attention, harm its business and/or reputation and result in significant liabilities, as well as harm its ability to raise additional financing and execute certain strategic alternatives.***

BioSante is subject to pending purported securities class action and shareholder derivative litigation.

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On February 3, 2012, a purported class action lawsuit was filed in the United States District Court for the Northern District of Illinois under the caption Thomas Lauria, on behalf of himself and all others similarly situated v. BioSante Pharmaceuticals, Inc. and Stephen M. Simes naming BioSante and its President and Chief Executive Officer, Stephen M. Simes, as defendants. The complaint alleges that certain of BioSante's disclosures relating to the efficacy of LibiGel and its commercial potential were false and/or misleading and that such false and/or misleading statements had the effect of artificially inflating the price of BioSante's securities resulting in violations of Section 10(b) of the Securities Exchange Act of 1934, as amended, Rule 10b-5 and Section 20(a) of the Exchange Act. Although a substantially similar complaint was filed in the same court on February 21, 2012, such complaint was voluntarily dismissed by the plaintiff in April 2012. The plaintiff seeks to represent a class of persons who purchased BioSante's securities between February 12, 2010 and December 15, 2011, and seeks unspecified compensatory damages, equitable and/or injunctive relief, and reasonable costs, expert fees and attorneys' fees on behalf of such purchasers. BioSante believes the action is without merit and intends to defend the action vigorously. On November 6, 2012, the plaintiff filed a consolidated amended complaint. BioSante and Mr. Simes filed motions to dismiss the consolidated amended complaint on December 28, 2012.

On May 7, 2012, Jerome W. Weinstein, a purported stockholder of BioSante filed a shareholder derivative action in the United States District Court for the Northern District of Illinois under the caption Weinstein v. BioSante Pharmaceuticals, Inc. et al., naming BioSante's directors as defendants and BioSante as a nominal defendant. A substantially similar complaint was filed in the same court on May 22, 2012 and another substantially similar complaint was filed in the Circuit Court for Cook County, Illinois, County Department, Chancery Division, on June 27, 2012. The suits generally related to the same events that are the subject of the class action litigation described above. The complaints allege breaches of fiduciary duty, abuse of control, gross mismanagement and unjust enrichment as causes of action occurring from at least February 2010 through December 2011. The complaints seek unspecified damages, punitive damages, costs and disbursements and unspecified reform and improvements in BioSante's corporate governance and internal control procedures. On September 24, 2012, the District Court consolidated the two cases before it and on November 20, 2012 plaintiffs filed their consolidated amended complaint. On January 11, 2013, the defendants filed a motion to dismiss this complaint. On November 27, 2012, the plaintiff in the action pending in Illinois state court filed an amended complaint. On January 11, 2013, the defendants filed a motion to dismiss this complaint.

The lawsuits are in their early stages; and, therefore, BioSante is unable to predict the outcome of the lawsuits and the possible loss or range of loss, if any, associated with their resolution or any potential effect the lawsuits may have on BioSante's operations. Depending on the outcome or resolution of these lawsuits, they could have a material effect on BioSante's operations, including its financial condition, results of operations, or cash flows.

BioSante is not involved in any other legal actions, however, from time to time may be subject to various pending or threatened legal actions and proceedings, including those that arise in the ordinary course of its business. Such matters are subject to many uncertainties and to outcomes that are not predictable with assurance and that may not be known for extended periods of time.

***Risks Related to BioSante's Business***

***BioSante's two pivotal LibiGel Phase III efficacy trials did not meet the co-primary and secondary endpoints, and it is possible that the two new LibiGel Phase III efficacy trials, if BioSante decides to pursue them, will not meet the co-primary and secondary endpoints, which could harm BioSante's business and further disappoint BioSante stockholders and cause the trading price of BioSante common stock to decrease.***

BioSante's lead near term product in development is LibiGel for the treatment of FSD, specifically HSDD, in postmenopausal women, for which there is no FDA-approved product. In June 2012,

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BioSante announced a plan to initiate two new LibiGel Phase III efficacy trials. This decision was based on an extensive analysis of previous efficacy data, consultation with key opinion leaders in FSD, testosterone therapy and placebo effects, as well as a meeting with the FDA. The protocol for the two new efficacy trials is in development. BioSante intends to apply for an FDA Special Protocol Assessment (SPA) agreement prior to initiating the two new efficacy trials. Currently, it is expected that the efficacy trials will include the same FDA-required efficacy endpoints as prior Phase III efficacy trials: an increase in the number of satisfying sexual events and sexual desire, and decreased distress associated with low desire.

The initiation of the two new LibiGel Phase III efficacy trials involves risk, especially since BioSante's prior LibiGel Phase III efficacy trials failed to meet the co-primary or secondary endpoints. Although the results indicated that LibiGel performed as predicted based on previous experience with testosterone products for female sexual dysfunction, the placebo response in the two efficacy trials was greater than expected; and therefore, LibiGel's results were not shown to be statistically different from placebo. No assurance can be provided that BioSante will be able to design the two new LibiGel Phase III efficacy trials to minimize sufficiently the placebo effect and meet the co-primary and secondary endpoints for the trials. In addition, BioSante can provide no assurance that it will be able to obtain an FDA SPA agreement for such trials or that BioSante will initiate or complete the trials on a timely basis, or ever. Any of these possible results could harm BioSante's business and further disappoint BioSante stockholders and cause the trading price of BioSante common stock to decrease.

***Although BioSante's male testosterone gel is approved by the FDA, BioSante is uncertain as to when Teva will begin to market and sell the male testosterone gel and thus when or if BioSante would begin to receive royalties from such sales in light of Teva's settlement agreement with a subsidiary of Abbott Laboratories.***

BioSante's male testosterone gel initially was developed by BioSante, and then licensed by BioSante to Teva for late stage clinical development. Teva submitted a New Drug Application, which NDA was approved by the FDA in February 2012. Subsequent to Teva submitting the NDA, in April 2011, a subsidiary of Abbott Laboratories, a marketer of a testosterone gel for men, filed a complaint against Teva alleging patent infringement. The Teva/Abbott Laboratories patent infringement litigation was settled in December 2011; however, the terms of the settlement agreement are confidential and have not been publicly disclosed. In light of the settlement agreement, BioSante is uncertain as to when or if Teva will begin to market and sell its male testosterone gel and thus when or if BioSante would begin to receive royalties from such sales.

***Several of BioSante's products are in the clinical development stages and, depending on the product, likely will not be approved by regulatory authorities or introduced commercially for at least several years and likely more, if at all.***

Several of BioSante's products are in the clinical development stages and will require further development, preclinical and clinical testing and investment prior to obtaining required regulatory approvals and commercialization in the United States and abroad. Other than Elestrin and BioSante's male testosterone gel, none of BioSante's products have been approved by the FDA or other regulatory authorities; and accordingly, none of BioSante's products have been introduced commercially and most are not expected to be for several years and likely more, if at all. BioSante cannot assure you that any of its products in clinical development will:

be developed successfully;

prove to be safe and effective in clinical studies;

meet applicable regulatory standards or obtain required regulatory approvals;

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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 marketed successfully 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 BioSante intends to commercialize. The FDA approval process typically is very lengthy and expensive, and approval never is 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 eventually are approved for sale. Because of the risks and uncertainties in biopharmaceutical development, BioSante's products could take a significantly longer time to gain regulatory approval 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 BioSante and its operating results and liquidity would be affected adversely. Even if a product gains regulatory approval, the product and the manufacturer of the product may be subject to continuing regulatory review and BioSante may be restricted or prohibited from marketing or manufacturing a product if previously unknown problems with the product or its manufacture of the product subsequently are 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 many of BioSante's products, costly and lengthy 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 or other entities, clinical trials in human subjects on each of BioSante's products. BioSante expects the number of 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. Depending on the stage of development, 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 BioSante's ability to market its products. Furthermore, even if BioSante obtains favorable results in pre-clinical studies on animals, the results in humans may be different.

In order to receive regulatory approval for commercial sale, BioSante must demonstrate that its products are safe and effective for use in the target human population. 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. As an example, BioSante's prior two pivotal LibiGel Phase III efficacy trials did not meet the co-primary endpoints of an increase in satisfying sexual events and an increase in desire and the secondary endpoint of a decrease in distress compared to placebo even though treatment with LibiGel in BioSante's Phase II clinical trial significantly increased satisfying sexual events compared to placebo. A number of companies in the



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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 submitting for regulatory approval of its products.

Additional factors that can cause delay or termination of BioSante's human clinical trials include: