Clinuvel declines unsolicited proposal from Retrophin

Non-binding offer materially undervalues Clinuvel

Melbourne, Australia and Baar, Switzerland, August 8 2014

As announced on 28 July, Clinuvel Pharmaceuticals Ltd (**ASX: CUV**) received an unsolicited proposal from Retrophin, Inc. (**NASDAQ: RTRX**) on 17 July to acquire all of the shares in Clinuvel via scheme of arrangement, for either:

- 0.175 Retrophin shares per Clinuvel share (valued at A$2.14 per share based on the one month VWAP of Retrophin shares on 16 July 2014); or
- A$2.17 in cash per Clinuvel share.

The proposal was subject to numerous conditions. Retrophin has acquired a stake of approximately 6.7% in Clinuvel.

The Clinuvel Board has evaluated the proposal in conjunction with its advisers Greenhill and Arnold Bloch Leibler.

The Board welcomes the interest in Clinuvel, but believes that Retrophin's proposal materially undervalues Clinuvel and therefore declines the proposal. Clinuvel has advised Retrophin accordingly.

Clinuvel has invested heavily in SCENESSE® and is in the final stages of the European Medicines Agency ("EMA") review process for marketing authorisation for the drug as a treatment for erythropoietic protoporphyria (EPP, orphan indication) in Europe. This proposal comes less than three months before the EMA decision, anticipated by the end of October 2014. Pending EMA approval, Clinuvel will be in the position to market SCENESSE® throughout Europe.

The Company has had correspondence from shareholders, expert physicians and patients, and the Board continues to believe that it is in the best interests of shareholders for the management team to remain focused for next 8 weeks on preparing for the upcoming final EMA exchange. The Clinuvel Board also believes that continuity is imperative in guiding Clinuvel through the ultimate stages of the EMA review process and then through the US FDA regulatory process.

Clinuvel has worked intensely with its stakeholders, including medical professionals, patients and regulatory assessors, in a lengthy regulatory review process and has carefully developed its corporate strategy over a period of nine years in cooperation with these stakeholders. The Clinuvel Board is committed to maximising shareholder value by appropriately preparing for positive regulatory outcome and efficient distribution of SCENESSE®.

The Company will continue to keep its shareholders updated on material developments and returns to its usual course of business.

- End -

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About Clinuvel Pharmaceuticals Limited

Clinuvel Pharmaceuticals Ltd (ASX: CUV; XETRA-DAX: UR9; ADR: CLVLY) is a global biopharmaceutical company focused on developing drugs for the treatment of a range of severe skin disorders. With its unique expertise in understanding the interaction of light and human skin, the company has identified three groups of patients with a clinical need for photoprotection and another group with a need for repigmentation. These patient groups range in size from 10,000 to 45 million. Clinuvel's lead compound, SCENESSE® (afamelanotide), a first-in-class drug targeting erythropoietic protoporphyria (EPP), has completed Phase II and III trials in the US and Europe, and has been filed for review by the European Medicines Agency. Based in Melbourne, Australia, Clinuvel has operations in Europe, the US and Singapore.

For more information go to http://www.clinuvel.com.

Clinuvel is an Australian biopharmaceutical company focussed on developing its photoprotective drug, SCENESSE® (afamelanotide) for a range of UV-related skin disorders resulting from exposure of the skin to harmful UV radiation. Pharmaceutical research and development involves long lead times and significant risks. Therefore, while all reasonable efforts have been made by Clinuvel to ensure that there is a reasonable basis for all statements made in this document that relate to prospective events or developments (forward-looking statements), investors should note the following:

- actual results may and often will differ materially from these forward-looking statements;
- no assurances can be given by Clinuvel that any stated objectives, outcomes or timeframes in respect of its development programme for SCENESSE® can or will be achieved;
- no assurances can be given by Clinuvel that, even if its development programme for SCENESSE® is successful, it will obtain regulatory approval for its pharmaceutical products or that such products, if approved for use, will be successful in the market place