

PUMA BIOTECHNOLOGY, INC.
Form DFAN14A
November 30, 2015

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

SCHEDULE 14A

(Rule 14a-101)

INFORMATION REQUIRED IN CONSENT STATEMENT

SCHEDULE 14A INFORMATION

Consent Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Consent Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Consent Statement
- Definitive Additional Materials
- Soliciting Material Under Rule 14a-12

PUMA BIOTECHNOLOGY, INC.

(Name of Registrant as Specified in Its Charter)

FREDRIC N. ESHELMAN, PHARM.D.

JAMES M. DALY

SETH A. RUDNICK, M.D.

KENNETH B. LEE, JR.

(Name of Persons(s) Filing Consent Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials:

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

(1) Amount previously paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Dr. Fredric N. Eshelman, James M. Daly, Seth A. Rudnick, and Kenneth B. Lee, Jr. (collectively, the Participants), filed a definitive consent statement and accompanying form of consent card with the Securities and Exchange Commission to be used in the solicitation of written consents from the stockholders of Puma Biotechnology, Inc. (the Company) to increase the size of the Company s board of directors from five to nine members and elect four new directors.

On November 30, 2015, the Participants made a presentation to Institutional Shareholder Services Inc. A copy of the slides used in that presentation is provided below.

PUMA BIOTECHNOLOGY, INC.
CONSENT SOLICITATION
Information for Investors
November 2015

Certain Disclosures

DR. FREDRIC N. ESHELMAN (DR. ESHELMAN) DOES NOT ASSUME RESPONSIBILITY FOR INVESTMENT DE
PURCHASE
OR
SALE
OF
ANY

SECURITY.

UNDER

NO

CIRCUMSTANCES

IS

THIS

PRESENTATION

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BE

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OR

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SOLICITATION

OF AN

OFFER TO BUY ANY SECURITY. IT IS POSSIBLE THAT THERE WILL BE DEVELOPMENTS IN THE FUTURE THAT

SELL ALL OR A PORTION OF THEIR SHARES IN OPEN MARKET TRANSACTIONS OR OTHERWISE (INCLUDING

PRIVATELY NEGOTIATED TRANSACTIONS OR OTHERWISE) OR TRADE IN OPTIONS, PUTS, CALLS OR OTHER

DR.

ESHELMAN

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DR.

ESHELMAN

DISCLAIMS

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ON
NOVEMBER
18,
2015,
DR.
ESHELMAN,
JAMES
M.

DALY,
SETH

A.
RUDNICK
AND
KENNETH

B.
LEE,
JR.
(TOGETHER
WITH
DR.

ESHELMAN,
THE
"PARTICIPANTS")

FILED
A
DEFINITIVE
CONSENT
STATEMENT
AND
ACCOMPANYING
FORM

OF
CONSENT
CARD
WITH
THE
SECURITIES
AND
EXCHANGE
COMMISSION

(THE
SEC)

ON
SCHEDULE 14A

TO BE USED IN CONNECTION WITH THE SOLICITATION OF CONSENTS (THE CONSENT SOLICITATION) FROM
(THE

"COMPANY")

TO
INCREASE
THE
SIZE
OF
THE
COMPANY'S
BOARD
OF
DIRECTORS
FROM

FIVE
TO
NINE
MEMBERS
AND
ELECT
FOUR
NEW
DIRECTORS.

ALL

STOCKHOLDERS OF THE COMPANY ARE ADVISED TO READ THE DEFINITIVE CONSENT STATEMENT AND O
THE

PARTICIPANTS

BECAUSE

THEY

CONTAIN

IMPORTANT

INFORMATION,

INCLUDING

ADDITIONAL

INFORMATION

RELATED

TO

THE

PARTICIPANTS

AND

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BY

SECURITY

HOLDINGS.

THE

DEFINITIVE

CONSENT

STATEMENT

AND

ACCOMPANYING

CONSENT

CARD

HAVE

BEEN

FURNISHED

TO SOME OR ALL OF THE COMPANY'S STOCKHOLDERS AND ARE, ALONG WITH OTHER RELEVANT DOCUM

WWW.OKAPIVOTE.COM/PUMABIOTECHNOLOGY

OR
ON
THE
SEC'S
WEBSITE

AT
[HTTP://WWW.SEC.GOV/](http://www.sec.gov/).

IN
ADDITION,
OKAPI
PARTNERS
LLC,
DR.
ESHELMAN'S
CONSENT

SOLICITOR, WILL PROVIDE COPIES OF THE DEFINITIVE CONSENT STATEMENT AND ACCOMPANYING CONS
(877) 869-0171 OR BY EMAILING INFO@OKAPIPARTNERS.COM.

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Fredric N. Eshelman, Pharm.D.

Founder of Eshelman

Ventures, LLC, an investment company primarily
focused on healthcare companies.

Non-Executive Chairman of The Medicines Company, a global
biopharmaceutical company focused on saving lives, alleviating suffering
and contributing to the economics of healthcare by focusing on the leading

acute and intensive care hospitals worldwide.

Founder and former CEO and Executive Chairman of Pharmaceutical Product Development, Inc. (PPDI), a global contract pharmaceutical research organization.

Founding Chairman of Furiex

Pharmaceuticals, Inc. (Furiex), a company that licensed and rapidly developed new medicines.

Former director and Senior Vice President, Development of Glaxo, Inc., predecessor to GlaxoSmithKline plc.

Education: Pharm.D., University of Cincinnati; B.S., UNC-Chapel Hill.

PPDI: Total Shareholder Return

Furiex: Total Shareholder Return

421%

495%

3

Background Of Investment

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Between May 18, 2015 and June 4, 2015, I purchased a total of 150,000 shares of Puma's common stock.

Between October 22, 2015 and November 3, 2015, I

acquired options to purchase 150,000 shares of Puma's common stock.

As a result of these transactions, I am the beneficial owner of 300,000 shares, representing approximately 1% of Puma's common stock.

Meanwhile, over the last 2 years, current directors and officers have collectively engaged in net aggregate sales of stock valued at a total of approximately \$18,761,916.57.

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1. Source: Transactions listed in Participant Transaction Chart on page 43 of the Preliminary Consent Revocation Statement. Calculations based on closing price for the date of sale listed.

Company Overview

Puma Biotechnology, Inc. (NYSE: PBYI) (Puma or the Company), a Delaware corporation and development stage biopharmaceutical company, focuses on the acquisition, development and commercialization of products for the treatment of various forms of cancer.

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Name

% Outstanding

Adage Capital Management LP

17.5%

Fidelity Management &
Research Co.

14.9%

Alan H. Auerbach

12.5%*

The Vanguard Group, Inc.

5.5%

Capital Research &
Management Co. (Global
Investors)

5.4%

T. Rowe Price Associates, Inc.

5.3%

Grantham, Mayo, Van Otterloo
& Co. LLC

5.2%

Orbimed

Advisors LLC

3.7%

Franklin Advisers, Inc.

3.0%

Frank Zavrl

2.8%

Alan H. Auerbach

CEO

and President

Richard Bryce

SVP,

Clinical Research and
Development

Charles R. Eyler

SVP,

Finance and Administration
and Treasurer

Alan H. Auerbach

Chairman

Jay M. Moyes

Adrian M.

Senderowicz

Troy E. Wilson

Frank E. Zavrl

Headquarters: Los Angeles, CA

Full-time Employees (12/31/14):
120

Market Cap (11/27/15): \$2.426 billion

Closing price (11/27/15): \$74.78 per share

* Excludes 2,116,250 shares exercisable pursuant to anti-dilutive warrant and options to purchase 399,999 shares exercisable within 60 days of April 17, 2015.

Sources: Capital IQ; SEC Filings; Bloomberg; NASDAQ. Amounts as of September 30, 2015 unless otherwise indicated. Calculation of percentage outstanding assumes 32,435,748 shares outstanding as of November 2, 2015, as reported in Form 10-Q filed on November 9, 2015.

Single Drug Candidate
Neratinib/PB272
(oral): treatment
of breast cancer patients, non-
small cell lung cancer patients,
and patients with HER2
mutation-

positive solid tumors.

Puma is scheduled to present three-year data from the ExteNET trial of neratinib on December 11, 2015 at the San Antonio Breast Cancer Symposium (SABCS).

This data will form the basis of the Company's new drug application (NDA) to be filed with the FDA in Q1 2016. NDA filings are an onerous and complicated process that require significant expertise and experience.

Previous data releases from the ExteNET trial have been the main driver of Puma's stock value. According to Company CEO Alan H. Auerbach, they expect widening of curve separation (more survival effect) with three-year data.

Company Overview

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Source: SEC filings

Source: Puma website.

Why Am I Soliciting Consents?

7

Board and management practices are reducing stockholder value.

o

Stock price underperformance relative to the biotechnology industry and the Company's closest peers over the most recent six-month and one-year periods. Stockholders have

been whipsawed in both directions by management; we have seen significant stock volatility over the last six to nine months.

- o History of mismanaging market expectations, including making problematic statements and not meeting announced targets or milestones relating to clinical trials.

- o Stockholder unfriendly executive compensation practices.

- o Board and management unresponsive and not transparent

- my requests for Company documents, including board minutes, through 220 demands under Delaware Corporate Law, were denied after repeated requests. Recently I had to file suit in Delaware to obtain requested stockholder information that is readily available to companies and that I am entitled to as a shareholder.

Nominees would add unique expertise and bring a more stockholder-friendly perspective.

- o Highly qualified and experienced slate of nominees

will