

Ardea Biosciences, Inc./DE  
Form 4  
June 20, 2012

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
Expires: January 31, 2015  
Estimated average burden hours per response... 0.5

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**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
TANG KEVIN C

(Last) (First) (Middle)

4747 EXECUTIVE DRIVE,, SUITE 510

(Street)

SAN DIEGO, CA 92121

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

Ardea Biosciences, Inc./DE [RDEA]

3. Date of Earliest Transaction (Month/Day/Year)

06/19/2012

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director  10% Owner  
 Officer (give title below)  Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)

Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |                                    |
|---------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|----------------------------------------------------------|-------------------------------------------------------|------------------------------------|
|                                 |                                      |                                                    | Code                           | V                                                                 | Amount                                                                                        | (A) or (D)                                               | Price                                                 |                                    |
| Common Stock                    | 06/19/2012                           |                                                    | D                              |                                                                   | 15,089                                                                                        | D                                                        | \$ 32 0                                               | D <u>(1)</u>                       |
| Common Stock                    | 06/19/2012                           |                                                    | D                              |                                                                   | 67,052                                                                                        | D                                                        | \$ 32 0                                               | I <u>(2)</u> As Trustee <u>(2)</u> |
| Common Stock                    | 06/19/2012                           |                                                    | D                              |                                                                   | 3,733,582                                                                                     | D                                                        | \$ 32 0                                               | I <u>(3)</u> By LP <u>(3)</u>      |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

number.

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) |                 | 7. Title and Amount of Underlying Security (Instr. 3 and 4) | Amount or Number of Shares |
|--------------------------------------------|--------------------------------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-----------------------------------------------------------------------------------------|----------------------------------------------------------|-----------------|-------------------------------------------------------------|----------------------------|
|                                            |                                                        |                                      |                                                    | Code                           | V (A) (D)                                                                               | Date Exercisable                                         | Expiration Date | Title                                                       |                            |
| Non-Qualified Stock Option (right to buy)  | \$ 16.49                                               | 06/19/2012                           |                                                    | D                              | 5,000                                                                                   | <u>(4)</u>                                               | 02/01/2014      | Common Stock                                                | 5,000                      |
| Non-Qualified Stock Option (right to buy)  | \$ 13.93                                               | 06/19/2012                           |                                                    | D                              | 25,000                                                                                  | <u>(4)</u>                                               | 06/10/2014      | Common Stock                                                | 25,000                     |
| Non-Qualified Stock Option (right to buy)  | \$ 4.08                                                | 06/19/2012                           |                                                    | D                              | 10,000                                                                                  | <u>(4)</u>                                               | 01/02/2015      | Common Stock                                                | 10,000                     |
| Non-Qualified Stock Option (right to buy)  | \$ 3.5                                                 | 06/19/2012                           |                                                    | D                              | 12,500                                                                                  | <u>(4)</u>                                               | 02/12/2016      | Common Stock                                                | 12,500                     |
| Non-Qualified Stock Option (right to buy)  | \$ 4.24                                                | 06/19/2012                           |                                                    | D                              | 12,500                                                                                  | <u>(4)</u>                                               | 01/02/2017      | Common Stock                                                | 12,500                     |
| Non-Qualified Stock Option (right to buy)  | \$ 5.85                                                | 06/19/2012                           |                                                    | D                              | 1,250                                                                                   | <u>(4)</u>                                               | 06/14/2017      | Common Stock                                                | 1,250                      |
| Non-Qualified Stock Option (right to buy)  | \$ 5.85                                                | 06/19/2012                           |                                                    | D                              | 2,500                                                                                   | <u>(4)</u>                                               | 06/14/2017      | Common Stock                                                | 2,500                      |
| Non-Qualified Stock Option (right to buy)  | \$ 15.69                                               | 06/19/2012                           |                                                    | D                              | 12,500                                                                                  | <u>(4)</u>                                               | 01/01/2018      | Common Stock                                                | 12,500                     |
| Non-Qualified Stock Option (right to buy)  | \$ 15.69                                               | 06/19/2012                           |                                                    | D                              | 7,500                                                                                   | <u>(4)</u>                                               | 01/01/2018      | Common Stock                                                | 7,500                      |
| Non-Qualified Stock Option (right to buy)  | \$ 12.16                                               | 06/19/2012                           |                                                    | D                              | 12,500                                                                                  | <u>(4)</u>                                               | 01/01/2019      | Common Stock                                                | 12,500                     |

|                                           |          |            |   |        |     |            |              |        |
|-------------------------------------------|----------|------------|---|--------|-----|------------|--------------|--------|
| Non-Qualified Stock Option (right to buy) | \$ 12.16 | 06/19/2012 | D | 5,000  | (4) | 01/01/2019 | Common Stock | 5,000  |
| Non-Qualified Stock Option (right to buy) | \$ 12.16 | 06/19/2012 | D | 2,500  | (4) | 01/01/2019 | Common Stock | 2,500  |
| Non-Qualified Stock Option (right to buy) | \$ 14.29 | 06/19/2012 | D | 12,500 | (4) | 01/03/2020 | Common Stock | 12,500 |
| Non-Qualified Stock Option (right to buy) | \$ 25.97 | 06/19/2012 | D | 12,500 | (4) | 01/02/2021 | Common Stock | 12,500 |
| Non-Qualified Stock Option (right to buy) | \$ 16.47 | 06/19/2012 | D | 12,500 | (4) | 01/02/2022 | Common Stock | 12,500 |
| Common Stock Warrant (right to buy)       | \$ 11.14 | 06/19/2012 | D | 39,163 | (5) | 12/18/2013 | Common Stock | 39,163 |

## Reporting Owners

| Reporting Owner Name / Address                                            | Relationships |           |         |       |
|---------------------------------------------------------------------------|---------------|-----------|---------|-------|
|                                                                           | Director      | 10% Owner | Officer | Other |
| TANG KEVIN C<br>4747 EXECUTIVE DRIVE,<br>SUITE 510<br>SAN DIEGO, CA 92121 | X             | X         |         |       |

## Signatures

/s/ Kevin C.  
Tang

06/20/2012

\*\*Signature of  
Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) The securities are owned by Kevin C. Tang's IRA.

The securities are owned by Kevin C. Tang as custodian for his minor children and as Trustee of the Tang Advisors, LLC Profit Sharing Plan, for which Mr. Tang serves as Trustee and in which he is a participant. Mr. Tang disclaims beneficial ownership of such securities except to the extent of his pecuniary interest therein.

(3) The securities are held by Tang Capital Partners, LP. Kevin C. Tang is the sole manager of Tang Capital Management, LLC, which is the general partner of Tang Capital Partners, LP. Mr. Tang disclaims beneficial ownership of such securities except to the extent of his pecuniary interest therein.

(4) This option was canceled pursuant to the Agreement and Plan of Merger, dated as of April 21, 2012, by and among Ardea Biosciences, Inc. ("Ardea"), Zeneca Inc. and QAM Corp. (the "Merger Agreement"), in exchange for a payment in cash, without interest and less the

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amount of any required tax withholding, equal to the product of: (i) the excess of \$32.00 (the per share merger consideration pursuant to the Merger Agreement) over the exercise price of the option; and (ii) the number of shares of Ardea common stock underlying the option.

This warrant was canceled pursuant to the Merger Agreement in exchange for a payment in cash, without interest and less the amount of (5) any required tax withholding, equal to the product of: (i) the excess of \$32.00 (the per share merger consideration pursuant to the Merger Agreement) over the exercise price of the warrant; and (ii) the number of shares of Ardea common stock underlying the warrant.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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