

Ardea Biosciences, Inc./DE
Form SC 13D/A
December 29, 2008

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D/A
Under the Securities Exchange Act of 1934
(Amendment No. 6)*

ARDEA BIOSCIENCES, INC.
(Name of Issuer)

Common Stock, \$0.001 par value per share
(Title of Class of Securities)

03969P107
(CUSIP Number)

Kevin C. Tang
Tang Capital Management, LLC
4401 Eastgate Mall
San Diego, CA 92121
(858) 200-3830
(Name, Address and Telephone Number of Person Authorized to
Receive Notices and Communications)

December 17, 2008
(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box.

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See § 240.13d-7 for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

(Continued on following pages)

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1. Names of Reporting Persons.
I.R.S. Identification Nos. of above persons (entities only).

Tang Capital Partners, LP

2. Check the Appropriate Box if a Member of a Group
(a)
(b)
3. SEC Use Only
4. Source of Funds
WC
5. Check If Disclosure of Legal Proceeding Is Required Pursuant to Items 2(d) or 2(e)
6. Citizenship or Place of Organization
Delaware

| | | |
|---|-----|---------------------------------------|
| Number of Shares Beneficially Owned by Each Reporting Person With | 7. | Sole Voting Power 0 |
| | 8. | Shared Voting Power 3,359,275 |
| | 9. | Sole Dispositive Power 0 |
| | 10. | Shared Dispositive Power 3,359,275 |

11. Aggregate Amount Beneficially Owned by Each Reporting Person
3,359,275
12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares
13. Percent of Class Represented by Amount in Row (11)
18.8 %
14. Type of Reporting Person
PN

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1. Names of Reporting Persons.
I.R.S. Identification Nos. of above persons (entities only).

Tang Capital Management, LLC

2. Check the Appropriate Box if a Member of a Group

(a) ..

(b) ý

3. SEC Use Only

4. Source of Funds

WC

5. Check If Disclosure of Legal Proceeding Is Required Pursuant to Items 2(d) or 2(e)

..

6. Citizenship or Place of Organization

Delaware

Number of
Shares Beneficially
Owned by
Each Reporting
Person With

7. Sole Voting Power

0

8. Shared Voting Power

3,359,275

9. Sole Dispositive Power

0

10. Shared Dispositive Power

3,359,275

11. Aggregate Amount Beneficially Owned by Each Reporting Person

3,359,275

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares ..

13. Percent of Class Represented by Amount in Row (11)

18.8 %

14. Type of Reporting Person

OO

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1. Names of Reporting Persons.
I.R.S. Identification Nos. of above persons (entities only).

Kevin C. Tang
 2. Check the Appropriate Box if a Member of a Group
(a)
(b)
 3. SEC Use Only
 4. Source of Funds
PF, WC, OO
 5. Check If Disclosure of Legal Proceeding Is Required Pursuant to Items 2(d) or 2(e)
 6. Citizenship or Place of Organization
United States
- | | | |
|---|-----------------------|--|
| Number of Shares Beneficially Owned by Each Reporting Person With | 7. 8. 9. 10. | Sole Voting Power 170,891 Shared Voting Power 3,513,167 Sole Dispositive Power 170,891 Shared Dispositive Power 3,562,167 |
|---|-----------------------|--|
11. Aggregate Amount Beneficially Owned by Each Reporting Person
3,733,058
 12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares
 13. Percent of Class Represented by Amount in Row (11)
20.8 %
 14. Type of Reporting Person
IN

Explanatory Note: This Amendment No. 6 relates to and amends the Statement of Beneficial Ownership on Schedule 13D/A of Tang Capital Partners, LP, a Delaware partnership, Tang Capital Management, LLC, a Delaware limited liability company and Kevin C. Tang, a United States citizen (each, a “Reporting Person” and collectively, the “Reporting Persons”), initially filed jointly by the Reporting Persons with the Securities and Exchange Commission on March 3, 2006 (the “Statement”), with respect to the Common Stock, \$0.01 par value (the “Common Stock”), of Ardea Bioscience, Inc., a Delaware corporation (the “Issuer”).

Items 3 and 5 of the Statement are hereby amended to the extent hereinafter expressly set forth. All capitalized terms used and not expressly defined herein have the respective meanings ascribed to such terms in the Statement.

Item 3. Source and Amount of Funds or Other Consideration

Since the date of the last filing on Schedule 13D, on December 17, 2008 Tang Capital Partners, LP purchased 156,652 shares of the Issuer’s common stock through a private placement for \$11.14 per share.

Since the date of the last filing on Schedule 13D, on December 17, 2008 Tang Capital Partners, LP purchased warrants to purchase 39,163 shares of the Issuer’s common stock through a private placement for \$0.125 per share. The warrants are exercisable 180 days after the closing of the transaction at an exercise price of \$11.14 per share and expire in five years from the date of grant.

Tang Capital Partners, LP holds some of its shares in commingled margin accounts, which may extend margin credit to Tang Capital Partners, LP as and when required to open or carry positions in the margin accounts, subject to applicable federal margin regulations, stock exchange rules and credit policies. In such instances, the positions held in the margin accounts are pledged as collateral security for the repayment of debit balances in these accounts. The margin accounts may from time to time have debit balances. Since other securities are held in the margin accounts, it is not possible to determine the amounts, if any, of margin used to purchase the shares of common stock reported herein.

Item 5. Interest in Securities of the Issuer

(a) Amount beneficially owned and percentage of class:

| | |
|------------------------------|--|
| Tang Capital Partners, LP | 3,359,275 shares, representing 18.8 % of the class |
| Tang Capital Management, LLC | 3,359,275 shares, representing 18.8 % of the class |
| Kevin C. Tang | 3,733,058 shares, representing 20.8 % of the class |

Tang Capital Partners, LP is the record and beneficial owner of 3,320,112 shares of the Issuer’s common stock, and has the right to acquire an additional 39,163 shares of common stock upon exercise of warrants it holds.

Tang Capital Management, LLC, as the general partner of Tang Capital Partners, LP, may be deemed to beneficially own the 3,359,275 shares held or acquirable by Tang Capital Partners, LP. Tang Capital Management, LLC shares voting and dispositive power over such shares with Tang Capital Partners, LP and Kevin C. Tang.

Kevin C. Tang is the beneficial owner of 3,733,058 shares of the Issuer's common stock, comprising 28,953 shares owned by Justin L. Tang under the Uniform Transfers to Minors Act ("UTMA"), for which Kevin C. Tang serves as trustee, 22,477 shares owned by Julian K. Tang under the UTMA, for which Kevin C. Tang serves as trustee, 4,819 shares owned by Noa Y. Tang under the UTMA, for which Kevin C. Tang serves as trustee, 10,803 shares owned by the Tang Advisors, LLC Profit Sharing Plan, for which Kevin C. Tang serves as trustee and is a participant, 129,242 shares held by the Tang Family Trust, for which Kevin C. Tang serves as co-trustee, 15,089 shares held by Kevin C. Tang's Individual Retirement Account, 88,750 shares issuable upon exercise of options held by Kevin C. Tang within 60 days of this Statement, 6,000 shares owned by the Individual Retirement Account for the benefit of Chang L. Kong (the "Chang IRA"), 6,000 shares owned by the Individual Retirement Account for the benefit of Chung W. Kong (the "Chung IRA"), 37,000 shares owned by Joan M. Lamb, 24,650 shares owned by the Haeyoung and Kevin Tang Foundation, Inc., and 3,359,275 shares held or acquirable by Tang Capital Partners, LP.

Justin L. Tang, Julian K. Tang and Noa Y. Tang are Kevin C. Tang's children. Kevin C. Tang is a beneficiary of the Tang Family Trust and shares voting and dispositive power over the shares held by the Tang Family Trust with his wife, Haeyoung K. Tang. Chang L. and Chung W. Kong are Kevin C. Tang's in-laws and Mr. Tang may be deemed to have shared dispositive power over the shares held in the Chang IRA and the Chung IRA. Joan M. Lamb is an acquaintance of Kevin C. Tang and Mr. Tang may be deemed to have shared dispositive power over the shares held by Ms. Lamb. The Haeyoung and Kevin Tang Foundation, Inc. is a private foundation, for which Kevin C. Tang serves as President and Treasurer. Mr. Tang shares voting and dispositive power over the shares held by this foundation with Haeyoung K. Tang. Tang Capital Management, LLC, as the general partner of Tang Capital Partners, LP, and Kevin C. Tang, as the manager of Tang Capital Management, LLC, may also be deemed to beneficially own the shares beneficially owned by Tang Capital Partners, LP. Kevin C. Tang disclaims beneficial ownership of all shares reported herein except to the extent of his pecuniary interest therein. Chang L. and Chung W. Kong are retired U.S. citizens and their address is 6429 Peinado Way, San Diego, CA 92121. Haeyoung K. Tang is a U.S. citizen and shares her residence with Kevin C. Tang. Joan M. Lamb is a U.S. citizen and her address is 1160 Park Avenue, New York, NY 10128. Ms. Lamb is self-employed in the design industry. The Haeyoung and Kevin Tang Foundation, Inc. is a not-for-profit corporation incorporated in the state of Delaware and its address is 4401 Eastgate Mall, San Diego, CA 92121.

(b) Voting and disposition powers:

Sole power to vote or direct the vote:

| | |
|------------------------------|----------------|
| Tang Capital Partners, LP | 0 shares |
| Tang Capital Management, LLC | 0 shares |
| Kevin C. Tang | 170,891 shares |

Shared power
to vote or
direct the
vote:

Tang Capital 3,359,275
Partners, LP shares
Tang Capital 3,359,275
Management, shares
LLC
Kevin C. 3,513,167
Tang shares

Sole power to
dispose or
direct the
disposition:

Tang Capital 0 shares
Partners, LP
Tang Capital 0 shares
Management,
LLC
Kevin C. 170,891
Tang shares

Shared power
to dispose or
direct the
disposition:

Tang Capital 3,359,275
Partners, LP shares
Tang Capital 3,359,275
Management, shares
LLC
Kevin C. 3,562,167
Tang shares

(c) Other than the purchases described in Item 3, none of Kevin C. Tang, Tang Capital Partners, LP and Tang Capital Management, LLC. have effected any transaction in the Issuer's common stock within the last 60 days.

(d) N/A.

(e) N/A.

SIGNATURES

After reasonable inquiry and to the best of his or its knowledge and belief, each of the following Reporting Persons certifies that the information set forth in this statement is true, complete and correct.

December 29, 2008

Tang Capital Partners, LP

By: Tang Capital Mangement, LLC

By: /s/ Kevin C. Tang
Kevin C. Tang, Manager

Tang Capital Management, LLC

By: /s/ Kevin C. Tang
Kevin C. Tang, Manager

/s/ Kevin C. Tang
Kevin C. Tang