



Prana Biotechnology Added To *Forbes* Neurological Drug Watch List

Melbourne, Australia — August 9, 2004 - Prana Biotechnology Limited (ASX: PBT, Nasdaq: PRAN) today announced that *Forbes.com* has once again added Prana to its list of “neurological drugs to watch”, highlighting the most promising experimental drugs to treat diseases of the brain and nervous system.

To obtain the web link of *Forbes* ‘Neurological Drugs to Watch’, please go to:
http://www.forbes.com/sciencesandmedicine/2004/01/26/cx_mh_rl_neurotearsheet.html

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About Prana

Prana is a Melbourne-based biotechnology established in 1997 to commercialize research into Alzheimer's disease and other major age-related degenerative disorders (Nasdaq: PRAN; ASX: PBT). Prana's technology was discovered by the company's researchers at prominent international institutions including Massachusetts General Hospital at Harvard Medical School, the University of Melbourne and the Mental Health Research Institute in Melbourne. For more information about Prana, please visit www.pranabio.com

This press release contains “forward looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 regarding the Company's business strategy and future plans of operation. Forward-looking statements involve known and unknown risks and uncertainties; both general and specific to the matters discussed in this press release. These and other important factors, including those mentioned in various Securities and Exchange Commission filings made by the Company, may cause the Company's actual results and performance to differ materially from the future results and performance expressed in or implied by such forward-looking statements. The forward-looking statements contained in this press release speak only as of the date hereof and the Company expressly disclaims any obligation to provide public updates, revisions or amendments to any forward-looking statements made herein to reflect changes in the Company's expectations or future events.

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