



Independent Study Corroborates Prana's strategy to treat Alzheimer's Disease patients.

- Journal of Neuroscience paper describes role of Zinc in developing Alzheimer's -

MELBOURNE, Australia – April 2, 2009: Prana Biotechnology (ASX:PBT; NASDAQ:PRAN) today announced that an independent study conducted by researchers at the University of California, Irvine, validates Prana's fundamental drug strategy for Alzheimer's Disease in blocking the toxic interaction between Abeta and brain metals, such as zinc, that damages synapses and cause cognitive loss.

The study, published in the Journal of Neuroscience showed that the release of zinc from synapses is critical for Abeta to form oligomers and to aggregate. Dr Glabe an author of the paper noted, "These results are very exciting news for understanding the mechanism of Alzheimer pathogenesis. They help elucidate the fundamental role of metal ions like zinc in causing the formation of Abeta oligomers which damage synapses".

Prana's lead Alzheimer's Disease compound, PBT2, targets a toxic form of the Abeta protein in the synapses of the brain by inhibiting the interaction between Abeta and zinc. The findings provide an explanation as to how PBT2 has demonstrated the ability to restore normal function to Abeta-impaired synapses and so reverse cognitive loss in animal models of AD. PBT2 has completed a Phase IIa study in Alzheimer's Disease patients, demonstrating a lowering of Abeta levels in the CSF and signs of cognitive improvement within three months.

Commenting on the significance of these findings Dr Jeffrey Cummings of UCLA, and Chair of Prana's Scientific Advisory Board, noted that, "the role of Abeta oligomers in damaging synapses resulting in cognitive impairment is well established in the literature. What has been less clear is why oligomers congregate at the synapse. The work by Dr. Glabe and his colleagues provides an explanation, showing that synaptic activity stimulates the release of Abeta and zinc leading to the build up of toxic Abeta oligomers at the synapse. Previous studies demonstrating that PBT2, can disperse Abeta oligomers attracted by synaptic zinc, suggest that the benefit of PBT2 seen in the recent clinical trial may reflect this synaptic effect".

Professor Colin Masters, Director of the Mental Health Research Institute and Laureate Professor of Medicine at the University of Melbourne, said "these findings provide independent validation that this therapeutic approach is likely to benefit Alzheimer's Disease patients by slowing down or delaying the onset of the illness".

The study titled "A role for Synaptic Zinc in Activity-Dependent A β Oligomer Formation and Accumulation at Excitatory Synapses" published in the April issue of the Journal of Neuroscience¹

¹Deshpande A, Kawai H, Metherate R, Glabe CG, and Busciglio J. J. Neurosci 2009; 29 (13)

About Prana Biotechnology Limited

Prana Biotechnology was established to commercialise research into Alzheimer's Disease and other major age-related neurodegenerative disorders. The Company was incorporated in 1997 and listed on the Australian Stock Exchange in March 2000 and listed on NASDAQ in September 2002. Researchers at prominent international institutions including The University of Melbourne, The Mental Health Research Institute (Melbourne) and Massachusetts General Hospital, a teaching hospital of Harvard Medical School, contributed to the discovery of Prana's technology.

For further information please visit the Company's web site at www.pranabio.com.

Forward Looking Statements

This press release contains "forward-looking statements" within the meaning of section 27A of the Securities Act of 1933 and section 21E of the Securities Exchange Act of 1934. The Company has tried to identify such forward-looking statements by use of such words as "expects," "intends," "hopes," "anticipates," "believes," "could," "may," "evidences" and "estimates," and other similar expressions, but these words are not the exclusive means of identifying such statements. Such statements include, but are not limited to any statements relating to the Company's drug development program, including, but not limited to the initiation, progress and outcomes of clinical trials of the Company's drug development program, including, but not limited to, PBT2, and any other statements that are not historical facts. Such statements involve risks and uncertainties, including, but not limited to, those risks and uncertainties relating to the difficulties or delays in financing, development, testing, regulatory approval, production and marketing of the Company's drug components, including, but not limited to, PBT2, the ability of the Company to procure additional future sources of financing, unexpected adverse side effects or inadequate therapeutic efficacy of the Company's drug compounds, including, but not limited to, PBT2, that could slow or prevent products coming to market, the uncertainty of patent protection for the Company's intellectual property or trade secrets, including, but not limited to, the intellectual property relating to PBT2, and other risks detailed from time to time in the filings the Company makes with Securities and Exchange Commission including its annual reports on Form 20-F and its reports on Form 6-K. Such statements are based on management's current expectations, but actual results may differ materially due to various factors including those risks and uncertainties mentioned or referred to in this press release. Accordingly, you should not rely on those forward-looking statements as a prediction of actual future results.

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