



New analysis of Prana's Clinical Trial is published in the Journal of Alzheimer's Disease

PBT2 Rapidly Improves Cognitive Performance in Alzheimer's Disease

Melbourne – 19 April 2010: Prana Biotechnology (NASDAQ:PRAN; ASX:PBT) today announced that the authoritative scientific journal, *Journal of Alzheimer's Disease* published an article on April 19 about Prana's lead drug candidate for Alzheimer's disease, PBT2, providing new analysis that it is effective in reversing dementia symptoms. The analysis conducted by Professor Ashley Bush, of The Mental Health Research Institute and The University of Melbourne, Australia, is based on tracking and ranking the responses of each individual patient, rather than only groups of patients, in Prana's PBT2's Phase IIa Alzheimer's disease clinical trial.

The results of the Phase IIa clinical trial, previously reported in *The Lancet Neurology* (July 2008 and an erratum in July 2009), showed that patients with mild Alzheimer's Disease treated with 250mg of PBT2, experienced an overall statistically significant improvement in Executive Function on a Neuropsychological Test Battery (NTB) within 12 weeks of treatment.

"Improvements in Executive Function is strongly related to improvement in daily function and to the quality of the daily life of patients," noted Dr Jeffrey Cummings, Director, Alzheimer Disease Research Center, UCLA, and Chairman of Prana's Scientific Advisory Board.

"Very few drugs in clinical development have been able to bring these benefits to Alzheimer's Disease patients. I am very encouraged by these findings," concluded Dr Cummings.

The *Journal of Alzheimer's Disease* paper reports the results of a post-unblinding analysis of the cognitive data that was not included in the original paper. The objective of the analysis was to see how individual patients who were receiving PBT2 responded compared to the individual patients who only received placebo. Importantly, even placebo patients showed some improvement in the tests because of a 'learning effect' of repeated testing. This new analysis has adjusted for this and demonstrated that:

- 81% of patients on the 250mg dose of PBT2 responded better on the Executive Factor NTB score than the best performing patient on placebo.
- 41% of patients on the 250mg dose of PBT2 responded better on the overall Composite NTB score than the best performing patient on placebo (of which Executive Function is one of 2 parts).

Asking the specific question, 'What is the probability that any patient who showed cognitive improvement was receiving PBT2?', the paper reports there was a significant probability that:

- Patients who improved in Executive Function were probably receiving 250mg of PBT2 ($p=1.3 \times 10^{-9}$)
- Patients who improved their Composite NTB were probably receiving 250mg of PBT2($p=.0007$)

Improvement in ADAS-Cog, a measure of memory and cognition, almost achieved a statistically significant level in the 12 week trial. Patients who improved their ADAS-Cog score were probably receiving 250mg of PBT2 ($p=.056$).

Professor Colin Masters of the Mental Health Research Institute and internationally acknowledged leader in Alzheimer's Disease research, commented that: "These results are very exciting given that they were achieved in mild Alzheimer's Disease sufferers in a relatively short period of time. Based on clinical trial outcomes to date, Prana's therapeutic strategy stands up as one of the safest and most effective means of treating the disease."

PBT2 targets the pathological interaction between A-beta and synaptic metal ions to prevent downstream toxic A-beta oligomer formation. PBT2 can also transfer metal ions otherwise trapped by A-beta oligomers into neurons, helping to promote normal memory function.

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.

Contacts:

**[Prana](#) Biotechnology Limited
+61 3 9349 4906**

**Kyahn Williamson
Buchan Consulting
+61 (03) 9866 4722
kwilliamson@bcg.com.au**