



Prana Provides Detailed Analysis of PBT2 Therapeutic Strategy for Alzheimer's Disease

Melbourne – April 29, 2010: Prana Biotechnology (NASDAQ:PRAN; ASX:PBT) today announced the release of a position statement on the proposed mechanism of action of PBT2, Prana's lead drug for the treatment of Alzheimer's Disease. The statement provides an overview of a range of therapeutic strategies based on the 'amyloid hypothesis,' that typically aim to reduce the amount of the A-beta protein in the brain, in contrast to PBT2, where the therapeutic strategy is to not only clear A-beta from the brain, but also prevent it from becoming toxic to the brain, restoring normal neuronal function. The statement, entitled, "PBT2 – evidence based unique mechanism to treat AD" is available on the company's website at <http://www.pranabio.com>.

Mr Geoffrey Kempler, Prana's CEO said, "The timing of this statement is important to address the many inquiries we have received recently both from patients and investors alike, who have expressed interest in better understanding Prana's technology especially in light of the fact that a number of well advertised clinical trials have failed to prove useful for Alzheimer's Disease. It is essential that the role of amyloid in treating the disease is better understood and that novel and unique approaches such as offered by PBT2 are assessed on their merits".

The paper explores the approaches of the anti-amyloid antibodies and secretase inhibitors and asks the question, 'whether direct intervention in brain A-beta level buildup is the optimal therapeutic strategy within the amyloid hypothesis, compared to prevention of A-beta induced toxicity of itself?'

"Unlike other approaches, Prana's PBT2 appears to both neutralize the neurotoxicity of A-beta while also facilitating it's clearance from the brain. In addition, PBT2 helps to restore the balance of metals like copper and zinc that are essential for normal neuronal function in the brain. This clearly differentiates PBT2 from other amyloid-targeted AD therapies. It is my strong belief that PBT2 is among the very best therapies available for potentially slowing down disease progress in AD." noted Dr. Rudy Tanzi, a scientific co-founder of Prana and professor of neurology at Harvard Medical School and Mass. General Hospital.

The results of Prana's 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 the Neuropsychological Test Battery (NTB) within 12 weeks of treatment. Improvement in Executive Function is strongly related to improvement in daily function and to the quality of the daily life of patients.

Mr. Kempler continued, "Recently we announced plans to commence a large Phase IIb clinical trial to consolidate the evidence that PBT2 improves cognition and could go onto to become the market leader in Alzheimer's Disease therapeutics. The Position Statement, now available on our website, describes how PBT2 works and also puts PBT2 into the context of other approaches to the treatment of the disease".

"We encourage everyone to read the report. It is more accessible to the non-scientist than the academic publications containing this information. Our hope is that readers achieve better clarity and understanding of Prana's approach especially in light of the complexity and uncertainty that surrounds much of the current information and data from other Alzheimer's Disease studies in recent months," concluded Mr Kempler.

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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