# PBT2 reverses the loss of synaptic activity in neurons

***Independent data presented at The Society for Neuroscience***

**Melbourne – 14 November, 2011: Prana Biotechnology (NASDAQ:PRAN; ASX:PBT)** today announced that scientists from Merz Pharmaceuticals GmbH and the Max Planck Institute presented data showing that Prana's PBT2 improves synaptic activity in neurons needed for memory. The scientists presented their data at The Society for Neuroscience meeting in Washington D.C. in a poster titled "Aggregation inhibitors reverse β-amyloid (Aβ)-induced inhibition of long term potentiation (LTP) in murine hippocampal slices".

The experiments reported that PBT2 was able to prevent synapatic toxicity or loss of signal conductivity, caused by the formation of toxic Aβ oligomers. The data indicates that it may be most beneficial for neuroprotective agents such as PBT2, that can interrupt Aβ self-assembly into aggregates, to be administered to early stage patients to best maintain synaptic plasticity and function as an effective treatment for Alzheimer's Disease (AD).

Associate Professor Robert Cherny, Prana's Head of Research noted that "these independent data help us to understand how PBT2 can help the brain create new memories by preventing the formation and toxicity of soluble β-amyloid oligomers. Whilst these findings confirm our belief that Alzheimer's Disease patients will most benefit from early intervention in the disease process, we believe that PBT2's benefits will include but not be limited to helping early patients."

PBT2 is in development for the treatment of both Alzheimer's and Huntington's Disease, both of which affect a patient's memory and ability to plan and execute tasks. Pathologically, both diseases are associated with the formation of toxic oligomers of a protein. PBT2 is able to prevent these oligomers from forming and can also disaggregate many existing oligomers. PBT2 resulted in significant cognitive improvement in a clinical trial with Alzheimer's Disease patients. The next PBT2 trials, in both Alzheimer's and Huntington's Diseases, will further advance PBT2's potential as a therapy for these diseases.

**About Prana Biotechnology Limited**

Prana Biotechnology was established to commercialize research into age-related neurodegenerative disorders. The Company was incorporated in 1997 and listed on the Australian Securities 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 factions 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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