Professor Rudy Tanzi Appointed Prana's Chief Scientific Advisor

Melbourne – 11 January, 2012: Prana Biotechnology (NASDAQ:PRAN; ASX:PBT) today announced that Professor Rudy Tanzi has been appointed as Chief Scientific Advisor to the Company. Professor Tanzi is the Joseph P. and Rose F. Kennedy Professor of Neurology at Harvard University, and Director of the Genetics and Aging Research Unit at Massachusetts General Hospital (MGH). Professor Tanzi has been investigating the genetics of neurological disease since 1980 when he participated in the study that led to the first disease gene being identified by genetic analysis (Huntington's Disease).

Geoffrey Kempler, Prana's Executive Chairman commented, "Professor Tanzi, who has been involved with Prana from its inception, is significantly increasing his role in the Company as we commence two clinical trials – one in Alzheimer's and one in Huntington's Disease. Professor Tanzi will work closely at all levels of the Company as we advance the commercialization of our key assets".

Prana recently announced that it has received approval from the United States Food and Drug Administration (FDA) to start recruiting patients for the company's first clinical trial using PBT2 in patients with Huntington's Disease (HD). It has also commenced recruitment and screening of patients for a 12 month Phase II Imaging trial testing PBT2 in Alzheimer's patients.

Professor Tanzi commented, "I am very pleased to take a more active role in Prana at this exciting time in the company's development. I have always believed that PBT2 shows great promise in both Alzheimer's and Huntington's Disease and we are now testing the drug in clinical trials which can lead to commercialization."

Professor Tanzi is the Chair of the Cure Alzheimer's Fund Research Consortium. He has received many awards, including the three highest awards for Alzheimer's Disease (AD) research: The Metropolitan Life Award, The Potamkin Prize, and The Reagan Award.

In 2007, Professor Tanzi was included on the list of the "Harvard 100 Most Influential Alumni", and in 2009, he was chosen by the Geoffrey Beene Foundation as a "Rock Star of Science".

In 2010, Professor Tanzi served on a 3-person task force invited by President Obama to the White House to assess the impact of AD in the U.S.A. He also serves on the Alzheimer's Disease Leadership Council and is a member of Leaders Engaged in Alzheimer's Disease (LEAD). In 2011, he was honored with delivering the NIH Annual Director's Lecture. Professor Tanzi has co-authored over 400 research articles, including three of the top ten most cited AD papers.

He also co-authored the popular trade book “Decoding Darkness: The Search for the Genetic Causes of Alzheimer’s Disease”.

In 1987, Professor Tanzi isolated the first familial Alzheimer's Disease (FAD) gene, known as the amyloid ß-protein (A4) precursor (APP). In 1993, he discovered the gene responsible for Wilson’s disease, and 1995, he co-discovered the second two FAD genes: presenilin 1 and 2. Professor Tanzi has carried out multiple genome wide association studies of thousands of Alzheimer’s families; these studies have identified dozens of novel AD candidate genes as part of the Alzheimer’s Genome Project. In 2008, he discovered the first two rare mutations that cause a form of late-onset AD in the ADAM10 gene.

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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