Prana Comments on *Nature Medicine*, *PNAS* and *Journal of Alzheimer's Disease* articles that highlight the Role of Metals in Neurological Diseases

Melbourne – 2 February, 2012: Prana Biotechnology (NASDAQ:PRAN; ASX:PBT) today commented on three recent high profile scientific journal articles that the company believes provide support for Prana's therapeutic strategy for treating neurodegenerative disease.

Professor Rudy Tanzi, the Joseph P. and Rose F. Kennedy Professor of Neurology at Harvard University and Prana's Chief Scientific Advisor said, "It bodes well for PBT2 that at a time when so many drugs have failed, many independent researchers are shifting their focus around to the role of metals in neurodegenerative disease, providing data that promotes optimism for the outcome of Prana's trials. Prana's therapeutic strategy for treating neurodegenerative disease is very different from the anti-beta-amyloid drugs that have failed. I believe that PBT2 has a very good chance of success for providing real benefit to millions of patients in need of effective treatments".

Recent articles in the *Proceedings of the National Academy of Science USA (PNAS)*[1] *Journal of Alzheimer's Disease*[2], and *Nature Medicine*[3], have brought the roles of metals, both in normal synaptic function as well as in disease, into sharper focus. Released successively over the last three weeks of January 2012, the publications relate to different aspects of metal biology in neuronal health and disease and implications for therapy.

Prana has recently commenced clinical trials for Alzheimer's Disease and Huntington's Disease, both using the drug PBT2. PBT2 addresses the disruption in the normal balance of metals (Copper, Zinc and Iron) in the brain, brought on by the accumulation of misfolded proteins in neurodegenerative disease. Proper metal homeostasis is required for healthy brain function.

[1] You H *et al* (2012) Aβ neurotoxicity depends on interactions between copper ions, prion protein, and N-methyl-D-aspartate receptors Proc Natl Acad Sci USA www.pnas.org/cgi/doi/10.1073/pnas.1110789109

[2] Wang T *et al* (2012) Clioquinol Reduces Zinc Accumulation in Neuritic Plaques and Inhibits the Amyloidogenic Pathway in AβPP/PS1 Transgenic Mouse Brain J Alz Dis 28: 1–11

[3] Lei P *et al* (2012) Tau deficiency induces parkinsonism with dementia by impairing APP-mediated iron export. Nat Med doi:10.1038/nm.2613

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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