



Prana Shows Significant Promise in the Fight Against Alzheimer's Disease According to Experts at Celebration of Science Conference

Melbourne – September 11, 2012; Prana Biotechnology (NASDAQ:PRAN; ASX:PBT) today provided highlights and excerpts from the panel discussion entitled, 'Alzheimer's and Other Issues of Aging' which took place on Sunday, September 9th at the Celebration of Science Conference in Washington, D.C. Freda Lewis-Hall, Executive Vice President and Chief Medical Officer of Pfizer moderated the panel. The Celebration of Science gathered over 1,000 leaders from the scientific, government, industry, philanthropic and academic communities to honor the tremendous accomplishments of science and to discuss promising possibilities for future breakthroughs.

Professor Jeffrey Cummings, Director of the Cleveland Clinic Lou Ruvo Center for Brain Health in Las Vegas, and Chairman of Prana's Scientific Advisory Board, discussed the rising Alzheimer's epidemic among the aging US population and the need to find drugs that can reverse the disease. According to Dr. Cummings, "Patients with Alzheimer's Disease urgently need new therapies. While recent late stage clinical drug failures are disappointing, there is a promising pipeline of emerging therapies including PBT2, Prana's Metal Protein Attenuating Compound."

Dr. Rudy Tanzi, Joseph P. and Rose F. Kennedy Professor of Neurology, Harvard Medical School and Prana's Chief Scientific Advisor reviewed why he felt that the late-stage therapeutic candidates had failed and said that there is mounting evidence that compounds like PBT2 that can simultaneously prevent amyloid beta protein from accumulating, neutralize its toxicity, and restore metal homeostasis in the neuron. Accordingly PBT2 can stop and perhaps even reverse the neurodegenerative process of Alzheimer's disease. According to Professor Tanzi, "Prana's PBT2 may prove to be the winning technology, based on not only a large and growing literature of scientific research but also on Phase II trial data. PBT2 has a unique therapeutic action that can benefit people suffering neurodegenerative disease because of its specialized ability to prevent the toxic relationship between disease proteins and the metals, zinc and copper,

in the brain. In a 12 week trial PBT2 both significantly lowered beta-amyloid levels in spinal fluid and improved the cognition of patients with Alzheimer's disease."

The currently ongoing IMAGINE trial, with 12 months of treatment, aims to establish PBT2 as a safe and effective treatment for Alzheimer's disease. The double blind placebo controlled trial is enrolling 40 patients with prodromal or mild Alzheimer's disease in five sites in Melbourne, Australia. Brain Imaging is being used to measure PBT2's effect on amyloid deposits in the brain (using PiB-PET scanning) and effects on increasing brain activity (FDG PET). Cognition effects are being measured by the Neuropsychological Test Battery (NTB).

Prana is also conducting a 6 month trial in 100 patients with early to mid-stage Huntington disease and the company believes that PBT2 has the potential to bring real benefit to Huntington Disease patients who suffer from a range of motor, behavioural and cognitive symptoms. The trial objective is to demonstrate safety, motor and behavioural benefits and the same cognitive benefits for Huntington's patients that it has already demonstrated in Alzheimer's patients treated with PBT2.

The Celebration of Science gathered over 1,000 leaders from the scientific, government, industry, philanthropic and academic communities to honor the tremendous accomplishments of science so far and to imagine what's possible for the future.

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 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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