Journal of Huntington's Disease Publishes Benefits of PBT2

Melbourne – December 13, 2012; Prana Biotechnology (NASDAQ:PRAN; ASX:PBT) today announced that the *Journal of Huntington's Disease* has in its December, 2012 edition, published data showing the benefits of PBT2 in Huntington Disease*. The paper describes PBT2's ability to inhibit the development of the symptoms and pathological features of Huntington Disease in pre-clinical transgenic animal models.

"PBT2 markedly reduced neurodegeneration, significantly increased lifespan and improved motor function and coordination in an aggressive animal model of the disease", said lead author and Head of Research at Prana, Associate Professor Robert Cherny.

"It is already well established that PBT2 prevents the aggregation of the Abeta protein outside neurons, in Alzheimer's Disease. It is also established that the mutant Huntingtin (Htt) protein aggregates inside the neuron in Huntington Disease. There is published evidence that the protein aggregation in both diseases is driven by the interaction with metals. Our work has shown that PBT2 can prevent this protein aggregation caused by interaction with metals", he added.

At a recent New York Academy of Sciences symposium on targeting metals to treat neurodegenerative diseases, Professor Steven M. Hersch, of Massachusetts General Hospital and Harvard Medical School commented that "transition metals, especially iron and copper, have been implicated in the pathogenesis of Huntington Disease. Copper may directly modulate the toxicity of the Htt protein while iron accumulation in response to neurodegeneration likely potentiates the damage to the central nervous system, making both metals potential therapeutic targets. PBT2 is the first clinical candidate that modulates Htt directly."

PBT2 is being trialed in Huntington Disease patients in 20 sites across the USA and Australia. Results are expected in the second half of 2013.

Key Data Points:

- PBT2 reduced the toxicity caused by polyQ overexpression in a C.elegans roundworm (transgenic model);
- In the R6/2 transgenic mouse model of Huntington Disease, PBT2, significantly reduced brain striatal atrophy (40% reduction in lateral ventricular volume);
- PBT2 increased median lifespan by 26%;
- PBT2 improved motor function (Rotorod performance);
- PBT2 reduced the incidence of the 'clasping behavior' associated with striatal damage;
- PBT2 improved maintenance of body weight.

*Cherny R.A. *et al*, "PBT2 reduces toxicity in a C.elegans model of polyQ aggregation and extends lifespan, reduces striatal atrophy and improves motor performance in the R6/2 mouse model of Huntington's disease", *J Hunt Dis (2012) 1: 211-219. DOI: 10.3233/JHD-120029*

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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.

Contacts:

Australia
Prana Biotechnology
+61 3 9349 4906

US
Leslie Wolf-Creutzfeldt
T: 646-284-9472
E: leslie.wolf-creutzfeldt@grayling.com