

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available.  
Information and documents given to ASX become ASX's property and may be made public.*

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

### Name of entity:

PRANA BIOTECHNOLOGY LIMITED (ASX: PBT)

### ABN:

37 080 699 065

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |  |  |
|---|--|--|
| 1 | *Class of *securities issued or to be issued   | Ordinary Shares                                |
| 2 | Number of *securities issued or to be issued (if known) or maximum number which may be issued  | a) 25,641,030<br>b) 1,455,870                  |
| 3 | Principal terms of the *securities (eg, if options, exercise price and expiry date; if partly paid *securities, the amount outstanding and due dates for payment; if *convertible securities, the conversion price and dates for conversion) | Pari passu with existing Ordinary Shares (PBT) |

4	<p>Do the <sup>+</sup>securities rank equally in all respects from the date of allotment with an existing <sup>+</sup>class of quoted <sup>+</sup>securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	Yes(PBT)
5	Issue price or consideration	a) \$5,000,000 b) \$309,489
6	<p>Purpose of the issue</p> <p>(If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	To further fund and extend the Company's current clinical development, research programs and working capital.
6a	<p>Is the entity an <sup>+</sup>eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the <sup>+</sup>securities the subject of this Appendix 3B</i>, and comply with section 6i</p>	YES
6b	The date the security holder resolution under rule 7.1A was passed	12 December 2012
6c	Number of <sup>+</sup> securities issued without security holder approval under rule 7.1	1,455,870
6d	Number of <sup>+</sup> securities issued with security holder approval under rule 7.1A	25,641,030
6e	Number of <sup>+</sup> securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil
6f	Number of securities issued under an exception in rule 7.2	Nil

6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	Yes, issue was at least 75% of VWAP. Issue date: 8 April 2013. 15 day VWAP before issue date: \$0.2235 Issue Price: \$0.195 per share. VWAP Source: IRESS					
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A					
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Refer annexure 1					
7	Dates of entering *securities into uncertificated holdings or despatch of certificates	8 April 2013					
8	Number and *class of all *securities quoted on ASX (including the securities in section 2 if applicable)	<table><tr><th>Number</th><th>*Class</th></tr><tr><td>371,239,938</td><td>Ordinary Shares (PBT)</td></tr></table>	Number	*Class	371,239,938	Ordinary Shares (PBT)	
Number	*Class						
371,239,938	Ordinary Shares (PBT)						

- 9 Number and \*class of all \*securities not quoted on ASX (*including* the securities in section 2 if applicable)

ASX Code	Number	Class of Securities			Issued under an ESOP
		Security Type	Exercise Price	Expiry Date	
PBTAB	2,270,690	Unlisted Options	\$Nil	7 Aug 2014	2004 ASX Plan
PBTAI	8,512,645	Unlisted Options	AUD\$0.225	24 Mar 2015	-
PBTAM	10,000,000	Unlisted Options	AUD\$0.30	11 Sep 2013	-
PBTAO	612,397	Unlisted Options	AUD\$0.17	24 Feb 2016	-
PBTAS	1,418,756	Unlisted Options	AUD\$0.15	31 Mar 2014	2004 ASX Plan
PBTAU	1,000,000	Unlisted Options	AUD\$0.25	19 Dec 2014	2004 ASX Plan
PBTAW	1,658,237	Unlisted Options	AUD\$0.25	20 Mar 2017	2004 ASX Plan
PBTAQ	9,000,000	Unlisted Options	AUD\$0.33	13 Dec 2017	2004 ASX Plan
<b>TOTAL</b>	<b>34,852,725</b>				

- 10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

Unchanged

## Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	
12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the *securities will be offered	
14	*Class of *securities to which the offer relates	
15	*Record date to determine entitlements	
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17	Policy for deciding entitlements in relation to fractions	
18	Names of countries in which the entity has *security holders who will not be sent new issue documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	
19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of *security holders	

25	If the issue is contingent on *security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do *security holders sell their entitlements <i>in full</i> through a broker?	
31	How do *security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	
32	How do *security holders dispose of their entitlements (except by sale through a broker)?	
33	*Despatch date	

## Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34 Type of securities  
(tick one)

(a) ☐ Securities described in Part 1

(b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

## Entities that have ticked box 34(a)

### Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 ☐ If the \*securities are \*equity securities, the names of the 20 largest holders of the additional \*securities, and the number and percentage of additional \*securities held by those holders
- 36 ☐ If the \*securities are \*equity securities, a distribution schedule of the additional \*securities setting out the number of holders in the categories
- 1 - 1,000
  - 1,001 - 5,000
  - 5,001 - 10,000
  - 10,001 - 100,000
  - 100,001 and over
- 37 ☐ A copy of any trust deed for the additional \*securities

## Entities that have ticked box 34(b)

- 38 Number of securities for which \*quotation is sought
- 39 Class of \*securities for which quotation is sought
- 40 Do the \*securities rank equally in all respects from the date of allotment with an existing \*class of quoted \*securities?
- If the additional securities do not rank equally, please state:
- the date from which they do
  - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
  - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment
- 41 Reason for request for quotation now  
(if issued upon conversion of another security, clearly identify that other security)
- Example: In the case of restricted securities, end of restriction period
- 42 Number and \*class of all \*securities quoted on ASX (including the securities in clause 38)
- | Number               | *Class               |
|----------------------|----------------------|
| <input type="text"/> | <input type="text"/> |

## Quotation Agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
  - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
  - There is no reason why those +securities should not be granted +quotation.
  - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
  - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
  - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign Here:

\_\_\_\_\_  
Company Secretary

Date: Monday 8<sup>th</sup> April 2013

Print Name: Mr Richard Revelins



The CFO Solution

08.04.2013



# Appendix 3B – Annexure 1

## Calculation of placement capacity under rule 7.1 and rule 7.1A for <sup>+</sup>eligible entities

Introduced 01/08/12

### Part 1

Rule 7.1 – Issues exceeding 15% of capital	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>Insert</b> number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue	297,166,518
<b>Add</b> the following: <ul style="list-style-type: none"> <li>Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2</li> <li>Number of fully paid ordinary securities issued in that 12 month period with shareholder approval</li> <li>Number of partly paid ordinary securities that became fully paid in that 12 month period</li> </ul> <b>Note:</b> <ul style="list-style-type: none"> <li>Include only ordinary securities here – other classes of equity securities cannot be added</li> <li>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</li> <li>It may be useful to set out issues of securities on different dates as separate line items</li> </ul>	110,000  43,523,410  Nil
<b>Subtract</b> the number of fully paid ordinary securities cancelled during that 12 month period	Nil
<b>“A”</b>	340,799,928
<b>Step 2: Calculate 15% of “A”</b>	
<b>“B”</b>	0.15 <i>[Note: this value cannot be changed]</i>
<b>Multiply “A” by 0.15</b>	51,119,989

<b>Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used</b>	
<p><b>Insert</b> number of equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> <li>• Under an exception in rule 7.2</li> <li>• Under rule 7.1A</li> <li>• With security holder approval under rule 7.1 or rule 7.4</li> </ul> <p><b>Note:</b></p> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i></li> <li>• <i>Include here (if applicable ) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	4,798,980
<b>“C”</b>	<b>4,798,980</b>

<b>Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1</b>	
<p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	51,119,989
<p><b>Subtract “C”</b></p> <p><i>Note: number must be same as shown in Step 3</i></p>	4,798,980
<p><b>Total</b> [“A” x 0.15] – “C”</p>	<p>46,321,009</p> <p><i>[Note: this is the remaining placement capacity under rule 7.1]</i></p>

## Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
<b>“A”</b> <i>Note: number must be same as shown in Step 1 of Part 1</i>	340,799,928

Step 2: Calculate 10% of “A”	
<b>“D”</b>	0.10 <i>Note: this value cannot be changed</i>
<b>Multiply “A” by 0.10</b>	34,079,993

Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
<b>Insert</b> number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A  <b>Notes:</b> <ul style="list-style-type: none"> <li>• This applies to equity securities – not just ordinary securities</li> <li>• Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</li> <li>• Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</li> <li>• It may be useful to set out issues of securities on different dates as separate line items</li> </ul>	25,641,030
<b>“E”</b>	<b>25,641,030</b>

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
<b>“A” x 0.10</b> <i>Note: number must be same as shown in Step 2</i>	34,079,993
<b>Subtract “E”</b> <i>Note: number must be same as shown in Step 3</i>	25,641,030
<b>Total [“A” x 0.10] – “E”</b>	8,438,963  <i>Note: this is the remaining placement capacity under rule 7.1A</i>

## ASX ANNOUNCEMENT

### Information disclosed under LR 3.10.5A and 7.1A.4(b) [ASX Code: PBT]

Prana advises that pursuant to the Capital Raising announced 27<sup>th</sup> March 2013, 25,641,030 New Ordinary Shares in the Company have been issued to Australian Institutions and High Net Worth Investors, raising A\$5 million. The issue price of \$0.195 per share represents a price equal to 87% of the 15 day VWAP from 13 March 2013. In addition 1,455,870 New Ordinary Shares have been issued via the 'At The Market' (ATM) facility operating in the USA, raising approximately A\$309,489.

This, and the proceeds raised from the Shareholder Purchase Plan (SPP) currently underway, concludes the current round of financing required for Prana's on-going projects.

Prana will continue to make use of a variety of financing options in order to take its lead compound, PBT2, to market over the coming years. These options include Capital Raisings, Government Grants, Private Grants, Tax Rebate Programs, Licencing agreements and the ATM facility.

Of the total 27,096,900 shares issued today; 25,641,030 were issued under listing rule 7.1A.

The following information is disclosed under ASX LR 3.10.5A in relation to the 25,641,030 securities issued under LR 7.1A.

#### a) Details of dilution to the existing holders of ordinary securities caused by the issue.

	Pre placement Qty	% of Qty issued	Qty Issued under LR 7.1A	Post placement Qty (excluding issue under LR 7.1)	% of Post Placement Held
Qty of ordinary shares held by existing shareholders participating in issue	196,258,328	6.75%	23,230,030	219,488,358	59.36%
Qty of ordinary shares held by existing shareholders not participating in issue	147,884,710	-	-	147,884,710	39.99%
Qty of ordinary shares issued to new shareholders under the issue	-	0.70%	2,411,000	2,411,000	0.65%
<b>Total ordinary shares</b>	<b>344,143,038</b>	<b>7.45%</b>	<b>25,641,030</b>	<b>369,784,068</b>	<b>100%</b>

- b) Where the equity securities were issued for cash consideration, a statement of the reasons why the issue was made under LR 7.1A and not as another type of issue which existing ordinary security holders would have been eligible to participate.**

The Board believes that an issue under LR7.1A is appropriate in these circumstances due to the Company's desire to complete the fund raising within a short time frame. The funds will enable Prana to accelerate the regulatory pathway of its key clinical asset PBT2, now in two concurrent Phase II clinical trials in Huntington Disease and Alzheimer's Disease. The Company is grateful for the support of both existing and new investors. As well as this Placement, Prana will offer eligible existing ordinary shareholders the right to participate in the Share Purchase Plan (SPP), as announced by the Company on the ASX on 27 March 2013. The SPP will enable eligible shareholders to apply for up to A\$15,000 of shares (subject to any scale back) at the same price as this Placement.

- c) Details of any underwriting arrangements, including fees payable to the underwriter.**

No underwriting arrangements were entered into.

- d) Any other fees or costs incurred in connection with the issue.**

The Company entered into a mandate agreement with JM Financial Group Limited which requires the payment of fees equating to 5% of the total amount raised under the placement. The Company estimates that these fees and other costs associated with the issue to be approximately \$300,000 plus GST.

For and on behalf of the Company,

A handwritten signature in black ink, appearing to read 'Richard Revelins', with a stylized flourish at the end.

Richard Revelins  
Company Secretary



## ASX ANNOUNCEMENT

### Notice Under Section 708A(5) of the Corporations Act [ASX Code: PBT]

Monday 8<sup>th</sup> April 2013

This notice is given under paragraph (5)(e) of section 708A of the Corporations Act.

Type:	Ordinary Shares
Class/Description:	Ordinary Fully Paid Shares
ASX Code:	PBT
Date of Issue:	8 <sup>th</sup> April 2013
Number Issued:	a) 25,641,030 b) 1,455,870
Issue Price:	a) \$5,000,000 b) \$309,489

The Company intends to apply to ASX Limited for quotation of the above shares.

Accordingly the Company gives notice under section 708A(5)(e) of the *Corporations Act 2001* (Cth) (the "Corporations Act") that:

1. the abovementioned ordinary shares were issued without disclosure to investors under Part 6D.2 of the *Corporations Act*;
2. as at the date of this notice the Company has complied with:
  - (i) the provisions of Chapter 2M *Corporations Act* as they apply to the Company; and
  - (ii) section 674 *Corporations Act*; and
3. as at the date of this notice there is no "excluded information" (as defined in subsection 708A(7) of the Corporations Act) which is required to be disclosed by the Company.

For and on behalf of the Company,

A handwritten signature in black ink, appearing to read 'Richard Revelins'.

Richard Revelins  
Company Secretary  
Prana Biotechnology Limited