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Neuren raises a minimum of \$3 million through share placement and underwritten Share Purchase Plan

Sydney, Wednesday 6 August 2008: Neuren Pharmaceuticals (ASX: NEU) today announced that it has secured a minimum of \$3.0 million in new funding sourced through a placement of 11.9 million fully paid ordinary shares at \$0.08 per share raising \$950,000 and a Share Purchase Plan ("SPP"). The SPP offer to existing shareholders will be at the same price per share as the placement. Taylor Collison Limited has agreed to underwrite the SPP up to a value of \$2,050,000.

The placement has been made to institutional and sophisticated clients in Australia and New Zealand and was managed by Taylor Collison.

Dr Robin Congreve, Chairman of Neuren commented "We are very pleased to receive this exceptional support from Australian and New Zealand shareholders and new investors. The success of this effort in a challenging market reinforces our view that Neuren has one of the most promising pipelines in Australasia."

The SPP will offer shareholders the opportunity to subscribe for up to A\$5,000 of new, fully paid ordinary shares in the Company, without brokerage costs, at A\$0.08 per share. This is the same price as the shares issued to institutional and sophisticated investors in the share placement. Neuren has approximately 1,600 shareholders in Australia and New Zealand.

The right to participate in the SPP will be available exclusively to Australian and New Zealand shareholders who are registered as holders of fully paid ordinary shares in Neuren on the record date, 13 August 2008 (prospective shareholders will need to have purchased shares on or before Friday, 8 August 2008). Further terms of the SPP will be announced via ASX later today.

The additional capital will be used to meet working capital requirements and development and reporting of top level efficacy results for the Phase 3 clinical trial of Glypromate[®] in which patient recruitment was recently completed. The top level efficacy results are to be released in 4Q 2008.

Neuren's Clinical Pipeline

Glypromate[®]

Glypromate[®] is being developed to reduce cognitive impairment following cardiac surgery with cardiopulmonary bypass which affects up to 70 percent of patients at discharge. Approximately one-third of patients still exhibit cognitive impairment three months following surgery. Annually, more than one million cardiac bypass procedures are performed worldwide but there is no treatment approved to reduce cognitive impairment resulting from the brain injury which can result from bypass. In June, Neuren announced that a blinded analysis of variance in the primary cognitive endpoint had determined that efficacy could be assessed with a substantially smaller number of patients and indicated that top-line results would be reported at the end of 2008, six months ahead of previous guidance. Recruitment has now been completed for this Phase 3 trial. Follow-up of the final patients enrolled in the study, through mid-July to the 12-week post-operative time point will be completed in September. Required data verification and cleaning are underway in preparation for statistical analysis and reporting.



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NNZ-2566

NNZ-2566, a synthetic analogue of Glypromate[®], is being developed in collaboration with the US Army to reduce neurological, cognitive and psychiatric consequences of traumatic brain injury. In May 2008, Neuren had a positive pre-IND meeting with the FDA during which the FDA indicated that NNZ-2566 would be a likely candidate for Fast Track status. The US Department of Defense has committed US\$4 million to fund the trial.

Motiva™

Motiva™ is a late stage clinical compound with proven safety and efficacy in patients with post-stroke apathy and depression. In the most recently completed Phase 2b trial conducted in the US and Canada, 12 weeks of twice per day treatment with Motiva™ resulted in a statistically significant improvement in symptoms among patients with co-existing apathy and depression. The incidence of adverse events for patients receiving active study drug was not different than for those receiving placebo.

About Neuren

Neuren Pharmaceuticals is a biopharmaceutical company developing novel therapeutics in the fields of brain injury, neurological diseases and conditions, and metabolic disorders. The Neuren portfolio comprises eight product families targeting markets with large unmet needs and limited competition. Neuren has three clinical-stage molecules — Glypromate[®], Motiva™ and NNZ-2566 —focused on a range of acute and chronic neurological conditions. For more information visit www.neurenpharma.com

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