



Neuren raises \$6.0 million through share placement and announces Share Purchase Plan

Tuesday 19 September 2006: Neuren Pharmaceuticals (ASX: NEU) today announced the successful placement of 15 million fully paid ordinary shares at \$0.40 per share, raising A\$6.0 million. The Company will also be undertaking a Share Purchase Plan (SPP) to existing shareholders to raise up to A\$1.5 million.

The placement has been made to institutional and sophisticated clients in Australia and New Zealand and was co-managed by Taylor Collison Limited and Bell Potter Securities Limited. Due to the institutional and sophisticated nature of the shareholders who participated in the placement, Neuren is not required to release a disclosure document and under the ASX Listing Rules is not required to seek shareholder approval for the transaction.

Mr David Clarke, CEO of Neuren commented "We have received exceptional support from existing Australian and New Zealand institutional shareholders and are very pleased to attract new investors to our share register. This validates the commercial opportunities which are available to Neuren."

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\$0.40 per share. This is the same price as the shares issued to institutional and sophisticated investors in the share placement.

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 which will be determined and announced shortly by the Company together with the terms of the SPP.

The additional capital will be used to implement Neuren's business strategy and fund the Company's expanded business development programme. This includes undertaking four active clinical trial programs during 2007 (involving Glypromate[®] and NNZ-2566) and packaging up four other compounds as part of an active out-licensing/co-development program, being NNZ-2566 (oral), NNZ-2591, NNZ-3006 and NNZ-8000.

Neuren is currently finalising plans for commencement of the Phase 3 clinical trial of Glypromate[®] to treat the mild cognitive impairment observed in up to 70% of patients following cardiac surgery. The trial is expected to commence in the last quarter of 2006 and will enrol up to 520 patients across the United States, Australia and New Zealand. The recently announced second Phase 2, investigator initiated clinical trial supported by the US Army will examine the effects of Glypromate[®] in reducing brain injury following cardiac arrest.

Two further Phase 2 clinical trials in 2007 will examine NNZ-2566 in treating both severe and mild/moderate Traumatic Brain Injury (TBI) in partnership with the US Army.



About Neuren's Portfolio

Molecule	Therapeutic Area	Target Indication
Glypromate®	Acute brain protection & repair	Post operative cognitive impairment
NNZ-2566 (intravenous)	Acute brain protection & repair	Traumatic brain injury (TBI)
NNZ-2566 (oral)	Chronic brain protection & repair	Alzheimer's disease
NNZ-2591 (oral)	Chronic brain protection & repair	Parkinson's disease / PD dementia
NNZ-4921	Nervous system protection & repair	Peripheral neuropathy
NNZ-3006	Metabolism (growth hormone)	Obesity
NNZ-8000	Growth hormone mediated cancers	Breast cancer

About Neuren Pharmaceuticals

Neuren Pharmaceuticals (ASX: NEU) is a biopharmaceutical company developing novel therapeutics in the fields of brain injury and diseases and metabolic disorders. The Neuren portfolio consists of six product families, targeting markets with large unmet needs and limited competition. Neuren has three lead candidates, Glypromate® and NNZ-2566, presently in clinical trials to treat a range of acute neurological conditions, and NNZ-2591 in preclinical development for Parkinson's and other chronic conditions. Neuren has commercial and development partnerships, including with the US Army Walter Reed Army Institute of Research, Metabolic Pharmaceuticals, UCLA Medical Center and the National Trauma Research Institute in Melbourne.

For more information, please visit Neuren's website at www.neurenpharma.com

Contact details

Company	Media and investor relations
David Clarke CEO of Neuren T: 1800 259 181 (Australia) T: +64 9 3 367 7167 ext 82308(New Zealand) M: +64 21 988 052	Rebecca Piercy Buchan Consulting T: +61 3 9866 4722 M: +61 422 916 422