



Neuren raises \$6.4 million in share placement

Friday 2 December 2005: Neuren Pharmaceuticals (ASX: NEU) today announced the successful placement of 12 million fully paid ordinary shares at 53 cents, raising A\$6,360,000 positioning the Company for further significant growth.

The private placement to institutions and sophisticated investors was significantly oversubscribed. The placement was co-managed by Taylor Collison Limited and Patersons Securities Limited. Under the ASX Listing Rules, the Company is not required to seek shareholder approval.

The Company will issue a prospectus. The purpose of this prospectus is to qualify the shares issued in the private placement for relief from secondary sale restrictions contained in the Corporations Act

The capital will principally be used to accelerate the Company's clinical trial program for Glypromate[®] and NNZ-2566. In particular, it will be used for preparatory costs related to next year's Phase 3 trial of Glypromate[®], and Phase 1 trial of NNZ-2566. Funds will also be used to advance oral formulations of NNZ-2566 and the diketopiperazine NNZ-2591, and for ongoing working capital.

The Company is currently undertaking a Phase 2a safety trial of Glypromate[®] in its first indication as a protection from neurocognitive disturbance following coronary artery bypass grafting surgery, where loss of brain function has been reported in up to 70 percent of patients on discharge. The Company will then proceed directly to a major Phase 3 efficacy trial. The Phase 3 trial is scheduled to start next year and will take place in sites in the US, Australia, New Zealand and the UK.

Mr David Clarke, CEO of Neuren commented: "We have received exceptional support from some of Australia's leading financial institutions and are very pleased to have attracted new investors to our share register through this capital raising. In addition, we received strong support from our existing institutional investors. This support validates the excellent commercial opportunities for our two lead compounds, Glypromate[®] and NNZ-2566".

About Neuren Pharmaceuticals

Neuren Pharmaceuticals (ASX: NEU) is a biopharmaceutical company developing novel therapeutics in the fields of neuroprotection and metabolic disorders. The Neuren portfolio consists of five product families, targeting markets with large unmet needs and limited competition. Neuren has two lead, clinical candidates, Glypromate[®] and NNZ-2566, presently in development to treat a range of acute neurological conditions. Neuren has commercial and development partnerships, including with Pfizer, the US Army's Walter Reed Army Institute of Research and Metabolic Pharmaceuticals.

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 2 9237 2800 M: +61 422 916 422