



Walter Reed Army Institute of Research Commits to Second Stage R&D Partnership with Neuren

15th March, 2005 - Neuren Pharmaceuticals Ltd. ("Neuren", ASX: NEU) is pleased to announce that the US Army Walter Reed Army Institute of Research ("Walter Reed") has executed a Cooperative Research and Development Agreement to develop Neuren's lead analogue, NNZ-2566, a neuroprotectant therapy for Traumatic Brain Injury ("TBI"). The Agreement was executed by Neuren's US company.

Neuren's prospectus noted Walter Reed's indication of interest in collaborating with Neuren in the research and development of NNZ-2566. This announcement marks the execution of that intention. Currently there are some 1.5 million head injuries in the USA p.a. that represent a potential market in excess of US\$1 billion p.a.

This alliance will result in a significant reduction in preclinical cost borne by Neuren.

"This is a critical progressive step for Neuren which will capitalise on a partnership with one of the most respected names in neuroscience research and drug development. We are delighted that our partnership is entering the next stage of development as foreshadowed in the prospectus." David Clarke, CEO of Neuren, said today.

The first stage preclinical results with NNZ-2566 at Walter Reed were highly successful. Tests conducted by US Army scientists showed a reduction of approximately 50% in neurological deficits as assessed by standard behavioural testing following experimental brain injury.

These results provide further evidence that NNZ-2566 has potent effects in protecting the brain from continued cell death following traumatic injury.

"This is particularly exciting as there are currently no proven drugs on the market to reduce brain cell loss after injury." David Clarke said today.

Walter Reed will now conduct further tests of the drug and optimise the dose and timing of administration in animal models with the intention of moving to a third stage of joint clinical trials and commercialisation.

NNZ-2566 is a neuroprotectant related to Glypromate®, a compound that occurs naturally in the brain in response to injury, which is Neuren's lead drug candidate.

Under the agreement, Neuren is responsible for pharmacological and toxicological research and manufacturing of NNZ-2566 and Walter Reed is responsible for conducting experiments to confirm the efficacy of the drug in their TBI model as well as studies to further evaluate NNZ-2566's mechanisms of action.

The securing of this agreement will extend and entrench Neuren's relationship with the Walter Reed Army Institute of Research, establishing a powerful partnership for the realisation of Neuren's goals as set out in the prospectus.

"Neuren is now in an advanced partnership with one of the strongest names in neurobiological research and drug development. We anticipate this announcement being one of a number of continuing significant milestones achieved by Neuren." David Clarke said.

About Walter Reed Army Institute of Research

Walter Reed is the largest, most diverse, and oldest laboratory in the US Army Medical Research and Materiel Command. It conducts research on a range of militarily relevant issues, including naturally occurring infectious diseases, combat casualty care, operational health hazards, and medical defense against biological and chemical weapons. Walter Reed is the Department of Defense's lead agency for infectious disease research and a crucial source of research support for medical product development.

About Neuren

Neuren Pharmaceuticals (ASX: NEU) is a biotechnology company developing novel therapeutics in the fields of neuroprotection and metabolic disorders. The Neuren portfolio consists of 72 patents across five product families, targeting markets with large unmet needs and limited competition. Neuren has two lead candidates, Glypromate (Phase 2 in 2005) and NNZ-2566 (Phase 1 in 2005), targeting a range of acute neurological conditions. Neuren enjoys commercial and development partnerships with Pfizer Inc and the US Army's Walter Reed Hospital among others. For more information, please visit the company's website at www.neurenpharma.com.

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