Neuren presents Phase 2 clinical trial strategy for NNZ-2566

Key Points:

- Neuren to present clinical development plan at the US Army's trauma medicine conference
- Separate clinical trials planned for severe and mild to moderate head injury
- Opportunity for Fast Track designation and Orphan Drug status qualification due to numbers, lack of effective treatments on market and seriousness of brain injury indication

Monday 14 August 2006: Neuren Pharmaceuticals (ASX: NEU) announced today that Mr Larry Glass, Executive Vice President and head of Neuren's US operations, has been invited by the US Army to present Neuren's clinical trial strategy for NNZ-2566 at the Advanced Technology Applications for Combat Casualty Care (ATACCC) conference.

The ATACCC is the US Department of Defense's premier scientific meeting that addresses critical advances in trauma medicine. The conference is attended by senior scientists and physicians who represent the military's leadership in trauma medicine.

Mr Glass will detail for the first time the clinical trial design of the upcoming Phase 2 trials for traumatic brain injury (TBI) - one in severely brain injured patients and one in those with mild to moderate injuries – scheduled for commencement in 2007. The trials are being developed in collaboration with the US Army Walter Reed Army Institute of Research (WRAIR) and leading civilian experts in brain injury, including leading researchers from UCLA and the University of Florida McKnight Brain Institute.

Neuren believes that both severe and mild to moderate TBI programs are eligible for Fast Track designation due to the lack of effective treatments on market and seriousness of the indication. NNZ-2566 for severe TBI may also qualify for designation as an Orphan Drug under the US Orphan Drug Act which provides sponsors with tax credits, marketing incentives and possible access to government grants.

Dr Frank Tortella, Chief of the Department of Applied Neurobiology at the WRAIR and Research Director for the Combat Casualty Care Research Program in Brain Trauma and Neuroprotection, will also be presenting a comprehensive update of WRAIR's research on NNZ-2566 in preclinical models at the conference. This research continues to show promising results of the drug's ability to improve functional recovery and reduce brain wave abnormalities and neurological damage following injury.

Neuren's NNZ-2566 TBI development program has also been selected as one of the 10 most interesting neuroscience projects and will be presented at the Therapeutic Alliances in Neurosciences meeting in October following the prestigious Society of Neuroscience meeting in Atlanta, Georgia. At the Society of Neuroscience meeting, WRAIR scientists will also be reporting additional results from preclinical studies.

About NNZ-2566
NNZ-2566 is a novel neuroprotectant molecule obtained by modification of Neuren's lead molecule Glypromate® - a molecule that has recently completed Phase 2a clinical trials in Australia and New Zealand. NNZ-2566, by virtue of the chemical modification made to Glypromate®, has a pharmacokinetic profile suitable for both intravenous infusion and chronic oral delivery. It has been shown to be neuroprotective in numerous in vitro and in vivo models of brain injury.

Relationship between Neuren and US Army
In late 2004, Neuren entered into a Material Transfer Agreement with WRAIR under which WRAIR performed preliminary testing of NNZ-2566 in an animal model of traumatic brain injury. Following positive results from those preliminary studies, Neuren and the Army executed a follow-on Cooperative Research and Development Agreement (CRADA) to further develop NNZ-2566 as a therapy for traumatic brain injury. The CRADA subsequently was amended to include additional studies of non-convulsive seizures and EEG abnormalities. Under the agreement, WRAIR is conducting tests of NNZ-2566 to optimise the dose and timing of administration in animal models as well as experiments to determine the mechanism of action. Neuren is responsible for manufacturing, pharmacology and toxicology. Neuren, WRAIR and other Army physicians and scientists are collaborating in the development of clinical trial protocols and regulatory filings for planned clinical trials.

About Walter Reed Army Institute of Research
WRAIR is the largest, most diverse, and oldest laboratory in the US Army Medical Research and Material Command. It conducts research on a range of military relevant issues, including naturally occurring infectious diseases, combat casualty care, operational health hazards, and medical defence against biological and chemical weapons. WRAIR 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 Pharmaceuticals
Neuren Pharmaceuticals (ASX: NEU) is a biotechnology company developing novel therapeutics in the fields of neurotherapy 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, targeting a range of acute and chronic neurological conditions, and as recently announced NNZ-2591 targeted for the oral treatment of Parkinson's and related neurological diseases. Neuren has commercial and development partnerships, including the US Army's 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

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