

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

Neuren Pharmaceuticals Limited

ABN

111 496 130

We (the entity) give ASX the following information.

### Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- |   |  |   |
|---|--|---|
| 1 | +Class of +securities issued or to be issued   | Convertible Note  |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued  | A\$60,000   |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | <ul style="list-style-type: none"><li>▪ The Principal Amount of the Note is A\$60,000;</li><li>▪ The Note does not bear interest and is unsecured;</li><li>▪ The Maturity Date is 20 May 2011;</li><li>▪ On maturity the Note shall convert to new ordinary shares in the Company determined by dividing the Principal Amount, or part thereof to be converted, by the lesser of:<ul style="list-style-type: none"><li>i. 130% of the average of the Volume Weighted Average Prices per share of the Company's ordinary shares quoted on the ASX ("VWAPs") for the twenty (20) business days immediately prior to 18 November 2009; and</li><li>ii. 85% of the lowest of the VWAPs during the term of the Note;</li></ul></li><li>▪ The ordinary shares issued upon conversion of the Note will rank equally in all respects with the then existing ordinary shares on issue;</li><li>▪ On maturity the Note shall also convert into a number of options in the Company determined as one option for each new ordinary share issued on conversion of the convertible note with an</li></ul> |

+ See chapter 19 for defined terms.

	<p>exercise price of 120% of the per share price at which the convertible note converts (as noted above) and have a 48 month term. These options otherwise have the following principal terms:</p> <ul style="list-style-type: none"> <li>• Each option is exercisable into one new ordinary share;</li> <li>• Exercisable at any time prior to expiry;</li> <li>• The options do not entitle the option holder to participate in any new issue of ordinary shares by the Company prior to exercise of the options;</li> <li>• Any new ordinary shares issued pursuant to the exercise of the options shall have attached to them the same rights, privileges, limitations and conditions as the existing ordinary shares in the Company at the exercise date, except as to rights to any dividend declared prior to the exercise date;</li> <li>• The terms of the options must at all times comply with the ASX Listing Rules. Should there be any inconsistency between the terms of the options and the ASX Listing Rules, then the ASX Listing Rules will prevail.</li> </ul> <ul style="list-style-type: none"> <li>▪ The Notes do not carry any voting rights at meetings of shareholders of Neuren, and have no rights of participation in any rights issue undertaken by Neuren prior to conversion of the Notes.</li> </ul>
<p>4 Do the <sup>+</sup>securities rank equally in all respects from the date of allotment with an existing <sup>+</sup>class of quoted <sup>+</sup>securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>No</p> <p>On conversion of the notes, the acquired Ordinary Shares will rank equally with existing Ordinary Shares.</p>
<p>5 Issue price or consideration</p>	<p>A\$60,000 cash</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Clinical trial costs, research and development, and working capital.</p>
<p>7 Dates of entering <sup>+</sup>securities into uncertificated holdings or despatch of certificates</p>	<p>22 April 2011</p>

+ See chapter 19 for defined terms.

	Number	+Class
8	443,193,865	Ordinary Shares
9	20,000,000	Ordinary Share Options exercisable at A\$0.0445 before 18 November 2013
	4,629,630	Ordinary Share Options exercisable at A\$0.0389 before 4 December 2013
	40,306,174	Ordinary Share Options exercisable at A\$0.0457 before 23 December 2013
	14,234,876	Ordinary Share Options exercisable at A\$0.0337 before 17 February 2014
	3,597,122	Ordinary Share Options exercisable at A\$0.0334 before 22 March 2014
	26,000,000	Ordinary Share Options exercisable at A\$0.03 before 25 March 2015
	3,787,879	Ordinary Share Options exercisable at A\$0.0317 before 21 April 2014
	4,504,505	Ordinary Share Options exercisable at A\$0.0266 before 21 May 2014
	5,347,594	Ordinary Share Options exercisable at A\$0.0224 before 21 June 2014
	5,917,160	Ordinary Share Options exercisable at A\$0.0203 before 21 July 2014
	6,172,840	Ordinary Share Options exercisable at A\$0.0194 before 20 August 2014
	6,896,552	Ordinary Share Options exercisable at A\$0.0174 before 21 September 2014
	7,352,941	Ordinary Share Options exercisable at A\$0.0163 before 20 October 2014
	7,352,941	Ordinary Share Options exercisable at A\$0.0163 before 19 November 2014
	7,352,941	Ordinary Share Options exercisable at A\$0.0163 before 20 December 2014
	4,411,765	Ordinary Share Options exercisable at A\$0.0163 before 19 January 2015
	4,411,765	Ordinary Share Options exercisable at A\$0.0163 before 18 February 2015
	4,918,033	Ordinary Share Options exercisable at A\$0.0146 before 21 March 2015
	4,687,500	Ordinary Share Options exercisable at A\$0.0154 before 20 April 2015
	A\$60,000	Convertible note maturing 20 May 2011

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A\$400,000	Convertible note maturing 18 November 2011
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10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not applicable
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**Part 2 - Bonus issue or pro rata issue**

11 Is security holder approval required?	Not applicable
12 Is the issue renounceable or non-renounceable?	Not applicable
13 Ratio in which the +securities will be offered	Not applicable
14 +Class of +securities to which the offer relates	Not applicable
15 +Record date to determine entitlements	Not applicable
16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Not applicable
17 Policy for deciding entitlements in relation to fractions	Not applicable
18 Names of countries in which the entity has +security holders who will not be sent new issue documents  <small>Note: Security holders must be told how their entitlements are to be dealt with.  Cross reference: rule 7.7.</small>	Not applicable
19 Closing date for receipt of acceptances or renunciations	Not applicable
20 Names of any underwriters	Not applicable
21 Amount of any underwriting fee or commission	Not applicable

+ See chapter 19 for defined terms.

22	Names of any brokers to the issue	Not applicable
23	Fee or commission payable to the broker to the issue	Not applicable
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	Not applicable
25	If the issue is contingent on +security holders' approval, the date of the meeting	Not applicable
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	Not applicable
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Not applicable
28	Date rights trading will begin (if applicable)	Not applicable
29	Date rights trading will end (if applicable)	Not applicable
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	Not applicable
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Not applicable
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	Not applicable
33	+Despatch date	Not applicable

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## Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34 Type of securities  
(tick one)

(a)  Securities described in Part 1

(b)  All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

### Entities that have ticked box 34(a)

#### Additional securities forming a new class of securities

*Tick to indicate you are providing the information or documents*

35  If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36  If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over

37  A copy of any trust deed for the additional +securities

### Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

Not applicable

39 Class of +securities for which quotation is sought

Not applicable

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<p>40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>Not applicable</p>				
<p>41 Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another security, clearly identify that other security)</p>	<p>Not applicable</p>				
<p>42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; padding: 2px;">Number</th> <th style="text-align: left; padding: 2px;">+Class</th> </tr> </thead> <tbody> <tr> <td style="padding: 2px;">Not applicable</td> <td style="padding: 2px;"></td> </tr> </tbody> </table>	Number	+Class	Not applicable	
Number	+Class				
Not applicable					

**Quotation agreement**

- 1 +Quotation of our additional +securities is in ASX’s absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
  - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
  - There is no reason why those +securities should not be granted +quotation.
  - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
 

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
  - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and

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that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.

- We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: ..... Date: 27 April 2011  
Chief Financial Officer

Print name: Rob Turnbull

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