



## **Neuren Announces Private Placement and Rights Issue**

**SYDNEY, Australia, 4 May 2011:** Neuren Pharmaceuticals (ASX:NEU) announced today that it has negotiated a private placement which will raise A\$2 million through the issue of shares at 1.3 cents per share. Investors in the private placement include interests associated with Lang Walker of Sydney and other sophisticated and professional investors. 66,479,000 new shares will be issued immediately to the Walker interests. The balance of the placement will be subject to shareholder approval. In June, the Company plans to undertake a renounceable rights issue offering existing shareholders the right to acquire one share for every share owned at the same price per share as the private placement.

By mutual agreement between Neuren and SpringTree Global Opportunities Fund, LP ("SpringTree") the convertible debt agreement pursuant to which SpringTree supported the Company with its funding between November 2009 and today, will be terminated. SpringTree has voluntarily agreed to waive the termination fee that would otherwise have been due in connection with the termination of that agreement. The Company would like to express its appreciation to SpringTree for being a supportive financial partner that recognised the Company's potential.

The placement and rights issue funds will cover corporate overhead and operating costs through the completion of the two ongoing Phase 2 trials of NNZ-2566 and Motiva® and to expand opportunities for those and the cancer programmes wherever possible.

Further announcements and the offer documents relating to the rights issue will be provided to shareholders in the next few weeks. The EGM at which shareholder approval will be sought for the private placement will be held at the same time as the AGM on 31 May 2011 in Sydney. A separate notice of meeting will be sent to shareholders regarding the EGM.

A representative of interests associated with Lang Walker said, "We welcome this opportunity to support a company of Neuren's calibre and look forward to sharing in its future success."

Commenting on the placement and rights issue, Dr Robin Congreve, Neuren's Chairman, said: "The opportunity to add a new Australian cornerstone investor with a long-term, strategic view of the Company to the register is most welcome. Neuren's board and management fully appreciate that the enthusiasm and commitment of existing shareholders have sustained the Company from the beginning. In recognising that, we believe that it is clearly in the best interests of both our shareholders and the Company to enable existing shareholders to participate in this fundraising on the same terms as our new investors. As we drive the clinical trials toward completion and work to add value to all our programmes, we look forward to the continued support of and engagement with all our shareholders."



### **About Neuren**

Neuren Pharmaceuticals is a biopharmaceutical company developing new therapies for brain injury, chronic neurological diseases and cancer. Neuren presently has two clinical-stage molecules, NNZ-2566 and Motiva®, in Phase 2 clinical trials largely funded by the U.S. Army and the National Health and Medical Research Council, respectively. Through its subsidiary, Perseis Therapeutics Limited, Neuren is developing monoclonal antibodies against Trefoil Factors 1 and 3, proteins produced by cancer cells that are associated with cancer spread and reduced patient survival. For more information, please visit [www.neurenpharma.com](http://www.neurenpharma.com).

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