



Neuren Pharmaceuticals Ltd
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20 October 2011

Mr Cameron Bill
Adviser, Listings (Sydney)
Australian Stock Exchange Limited
Level 6, Exchange Centre
20 Bridge Street
Sydney NSW 1215

By Email

Dear Cameron

RE: PRICE & VOLUME QUERY

In response to your letter dated 20 October 2011 regarding the change in share price from 1.6 cents to a high of 2.9 cents and an increase in traded volume of Neuren shares, the Company provides the following answers to your questions:

1. The Company is not aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company.
2. Not applicable.
3. The Company believes that the price change and increase in volume was a result of the publication of an analyst's research report on the company by Bell Potter Securities Ltd on Tuesday 18 October 2011 which was subsequently posted on the Company's website. Bell Potter Securities Ltd acted as lead manager in the July 2011 placement and rights issue by the Company and received fees for that service. We note that the information contained in that report has previously been announced through filings by the Company with the ASX.
4. Neuren confirms that it is in compliance with the ASX listing rules and, in particular, listing rule 3.1.

Yours sincerely

A handwritten signature in black ink, appearing to read "Rob Turnbull", is written over a horizontal line.

Rob Turnbull
CFO



ASX Compliance Pty Ltd
ABN 26 087 780 489
20 Bridge Street
Sydney NSW 2000
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Sydney NSW 1215
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20 October 2011

Mr Rob Turnbull
Chief Financial Officer &
Company Secretary
Neuren Pharmaceuticals Limited
Level 2, 57 Wellington Street
Freemans Bay, Auckland
New Zealand

By Email

Dear Rob

Neuren Pharmaceuticals Limited (the "Company")

RE: PRICE & VOLUME QUERY

We have noted a change in the price of the Company's securities from an intra-day low of 1.6 cents on 18 October 2011 to a high of 2.9 cents today. We have also noted an increase in the volume of trading in the securities over this period.

In light of the price change and increase in volume, please respond to each of the following questions.

1. Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company?

Please note that as recent trading in the Company's securities could indicate that information has ceased to be confidential, the Company is unable to rely on the exceptions to listing rule 3.1 contained in listing rule 3.1A when answering this question.

2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

Please note, if the answer to question 1 is yes and an announcement cannot be made immediately, you need to contact us to discuss this and you may need to consider a trading halt (see below).

3. Is there any other explanation that the Company may have for the price change in the securities of the Company?

4. Please confirm whether the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Your response should be sent to me by e-mail or by facsimile on facsimile number (02) 9241 7620. It should

not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, not later than **1.30 p.m A.E.D.T** today.

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a suitable form and separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in listing rule 3.1A.

In responding to this letter you should consult listing rule 3.1 and Guidance Note 8 – Continuous Disclosure: listing rule 3.1.

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond by the time requested, or if the answer to question 1 is yes and an announcement cannot be made immediately, you should consider a request for a trading halt in the Company's securities. As set out in listing rule 17.1 and Guidance Note 16 – Trading Halts we may grant a trading halt at your request. We require the request to be in writing. We are not required to act on your request. You must tell us each of the following.

- The reasons for the trading halt.
- How long you want the trading halt to last.
- The event you expect to happen that will end the trading halt.
- That you are not aware of any reason why the trading halt should not be granted.
- Any other information necessary to inform the market about the trading halt, or that we ask for.

The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. If a trading halt is requested and granted and you are still unable to reply to this letter before the commencement of trading, suspension from quotation would normally be imposed by us from the commencement of trading if not previously requested by you. The same applies if you have requested a trading halt because you are unable to release information to the market, and are still unable to do so before the commencement of trading.

If you have any queries regarding any of the above, please let me know.

Yours sincerely



Cameron Bill

Adviser, Listings (Sydney)