



Neuren announces A\$10.1 million non-renounceable rights issue

Wednesday, 19 December 2007: Neuren Pharmaceuticals Limited (ASX: NEU) advises that it will undertake a non-renounceable rights issue to raise up to A\$10.1 million.

The rights issue will be offered to shareholders on the basis of one new share for every two shares held on the record date of 2 January 2008, at a subscription price of A\$0.14 per share for Australian resident shareholders and the New Zealand dollar equivalent of NZ\$0.16 per share for New Zealand resident shareholders.

The Company has entered into an underwriting agreement with respect to the rights issue whereby Taylor Collison Limited has agreed to underwrite the issue of 50.7 million shares, ensuring that the issue will raise a minimum of \$7.1 million before costs.

The underwritten amount of A\$7.1 million will support Glypromate[®] clinical trial costs and overhead through 2008. The full A\$10.1 million will support completion of the Glypromate[®] Phase 3 trial as well as associated overhead and corporate operating expenses. The Glypromate[®] Phase 3 trial is proceeding to plan.

Neuren has a number of licensing and joint venture initiatives underway both locally and internationally to assist in the funding required to ensure that the Company's pipeline of other lead compounds moves through to the next stage of clinical trials during CY08. The Directors have decided that until such funding is available, the primary focus of the Company will be the completion of the current Phase 3 Glypromate[®] trial.

A shortfall facility has also been included in the Offer for those who wish to subscribe for more than their entitlement.

Option holders will not be entitled to participate in the offer unless they exercise and are registered by the record date of 2 January 2008.



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Full details of the rights issue are contained in a Letter of Offer (for Australian resident shareholders) and an Investment Statement and Prospectus (for New Zealand resident shareholders) that will be lodged with ASX Limited later today.

The indicative timetable for the Rights Issue is as follows (TABLE):

Announcement of Rights Issue	19 December 2007
“Ex” Date	24 December 2007
Record Date	2 January 2008
Letter of Offer and Investment Statement and Prospectus mailing date	8 January 2008
Offer closes	25 January 2008
Despatch date	5 February 2008

About Neuren Pharmaceuticals

Neuren Pharmaceuticals (ASX: NEU) is a biopharmaceutical company developing novel therapeutics in the fields of brain injury, neurological diseases and metabolic disorders. The Neuren portfolio comprises eight product families targeting markets with large unmet needs and limited competition. Neuren has four lead candidate molecules—Glypromate[®], Motiva[™], NNZ-2566 and NNZ-2591—focused on a range of acute and chronic neurological conditions. The company also has a robust R&D program which includes drug discovery platforms addressing neurology, oncology and endocrinology.

For more information, please visit Neuren’s website at www.neurenpharma.com

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