

PRAN: NASDAQ

PBT:ASX

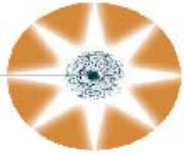
***An emerging Australian
drug developer targeting
neurodegenerative brain
disorders***



October 2011

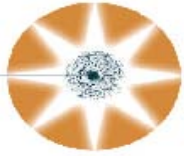
www.pranabio.com





Safe Harbour

This presentation may contain some statements that may be considered “Forward-Looking Statements”, within the meaning of the US Securities Laws. Thus, any forward-looking statement relating to financial projections or other statements relating to the Company’s plans, objectives, expectations or intentions involve risks and uncertainties that may cause actual results to differ materially. For a discussion of such risks and uncertainties as they relate to us, please refer to our 2010 Form 20-F, filed with the US Securities and Exchange Commission, in particular Item 3, Section D, titled “Risk Factors.”

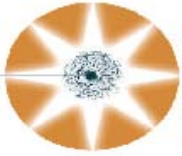


Who is Prana Biotechnology?

- **Mission:** To develop new therapies to treat neurodegenerative disorders; by modifying the cause of the disease.
- **Therapeutic Strategy:** Founded on our understanding that several key neurological disorders arise due to an imbalanced distribution of metals in the brain, resulting in toxic consequences: protein oligomerisation, oxidative stress, neuronal loss of function.
 - AD - *β -amyloid plaque.*
 - PD - *Lewy Bodies.*
 - HD - *Huntingtin deposits.*



Commercial Outcomes from the Science



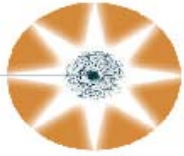
- **What deliverables?**
- **What commercial opportunities?**
- **Tough & long road to clinical milestones....**

(i) Science has delivered on opportunities for Product Differentiation

- Library of 800+ 'MPACS'
- PBT2 in Phase II; Alzheimer's & Huntington's
- PBT434 in pre IND studies; Parkinson's
- PBT519 discovery lead in Brain Cancer

(ii) Neurodegeneration, an ever increasing unmet medical need

- Aging Population
- Previous scientific strategies have not delivered effective disease modifying outcomes

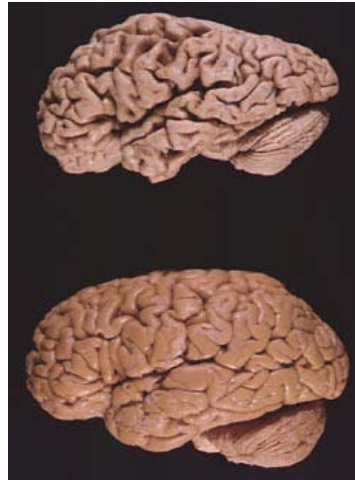


Our Focus Areas: Alzheimer's

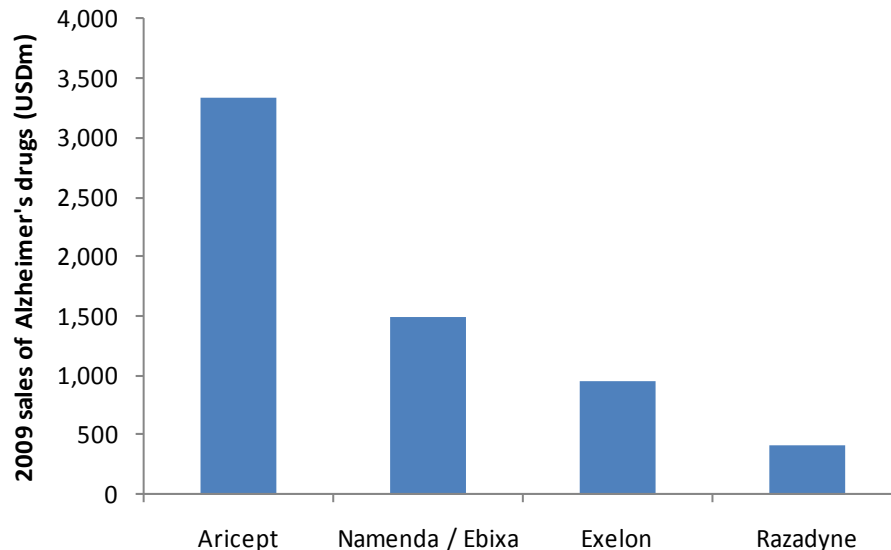
1. Alzheimer's Disease
2. Huntington's Disease
3. Parkinson's Disease
4. Brain Cancer

Supported by the Alzheimer Drug Discovery Foundation

Key points: Alzheimer's Disease (AD)



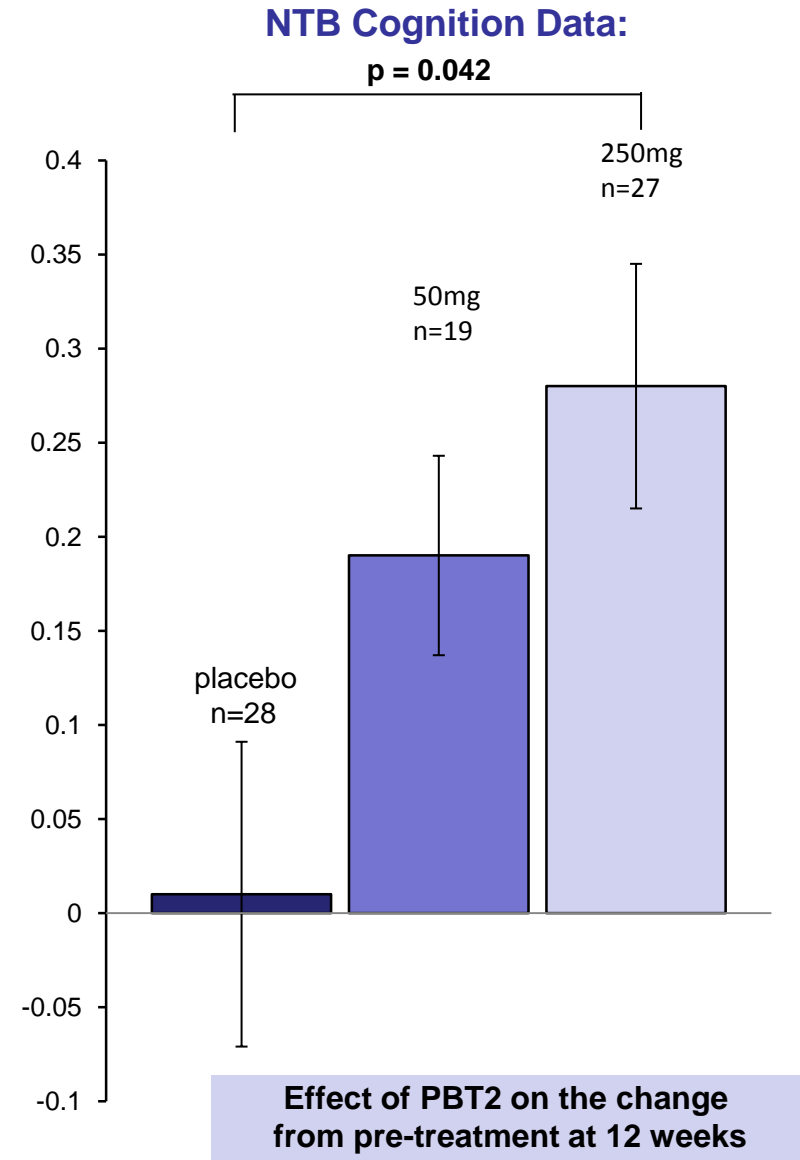
- Alzheimer's is a devastating age-related neurodegenerative disease
- The most common form of dementia
- 26.6 million patients worldwide
- Over 100 million by 2050
- Potential \$25 billion dollar market
- Current treatments temporarily improve symptoms, yet these symptomatics earns >7.5B p.a.
- Leading brands coming off patent (1-3 years)
- Recent Phase III clinical failures.

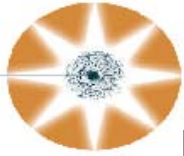


PBT2: Promising PBT2 Phase IIa data



Phase III AD	Phase II readouts
J&J/Pfizer <i>Bapinuzumab</i>	18 months (n=230pts) - No significant Cognitive improvement: NTB & ADAS-cog . - Minimal Abeta biomarker change
Baxter <i>Gammaguard</i>	6 months & 12 months open label (n=24pts) - Significant ADAS-Cog improvement at 3 & 9 months, not at 6 months.
Eli Lilly <i>Solanezumab</i>	12 weeks (n=52pts) - No Cognitive improvement - Signif. increase in Abeta in plasma & CSF
Elan/Transistion <i>ELND005</i>	18 months (n=351pts) - 'biological effect' on CSF Abeta - No significant change in cognition; NTB scale and functional ADCS-ADL
Medivation/Pfizer <i>Dimebon</i>	6 months +6 months (n=183pts) - Significant Cognitive improvement: ADAS-cog & CIBIC plus
Eli Lilly <i>Semagacestat</i>	14 weeks (n=51pts) - No significant Cognitive improvement: ADAS-cog & ADL scale. - Significant plasma Abeta (64%) decrease, no change in CSF Abeta





Alzheimer's: next steps for PBT2

Phase II Imaging Trial

- Australian trial with 40 early AD patients, start end 2011.
- 12 months Rx.

Measures PBT2 effects on:

- distribution of amyloid plaques in the brains of AD patients using PET -PiB Imaging
- brain volume using MRI
- Cognition, functional outcomes
- Brain energy utilisation using FDG PET scanning
- Reporting expected end 2013

Commercial Strategy:

- Build clinical and safety data package, beyond 12 weeks, to support a major licensing partnership.
 - [Medivation's 'Dimebon'; US\$225M upfront; US\$ 500M milestones; 40% U.S. Royalty].



Our focus areas: Huntington's (HD)

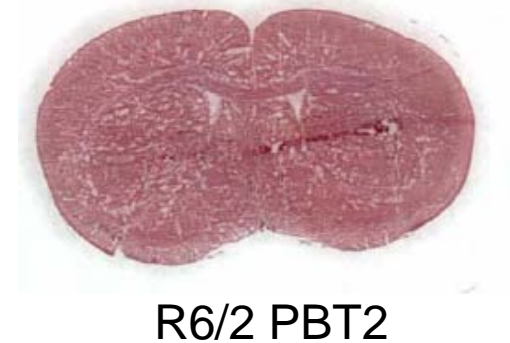
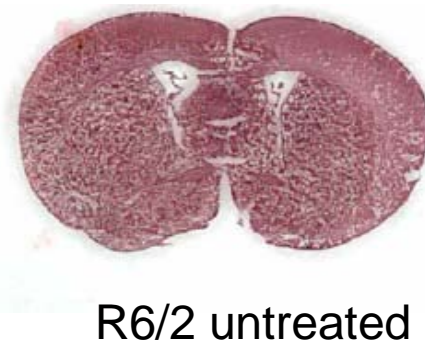
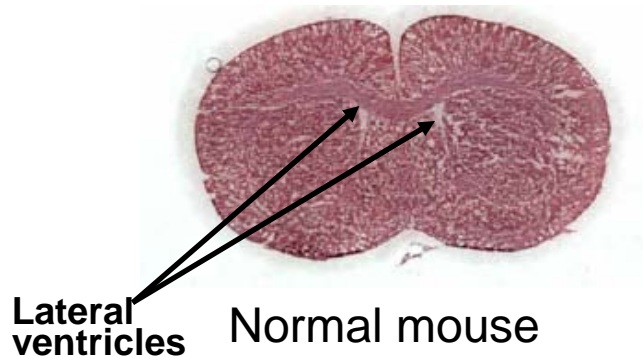
1. Alzheimer's Disease
2. **Huntington's Disease**
3. Parkinson's Disease

.... A complementary and new opportunity for partners and Prana

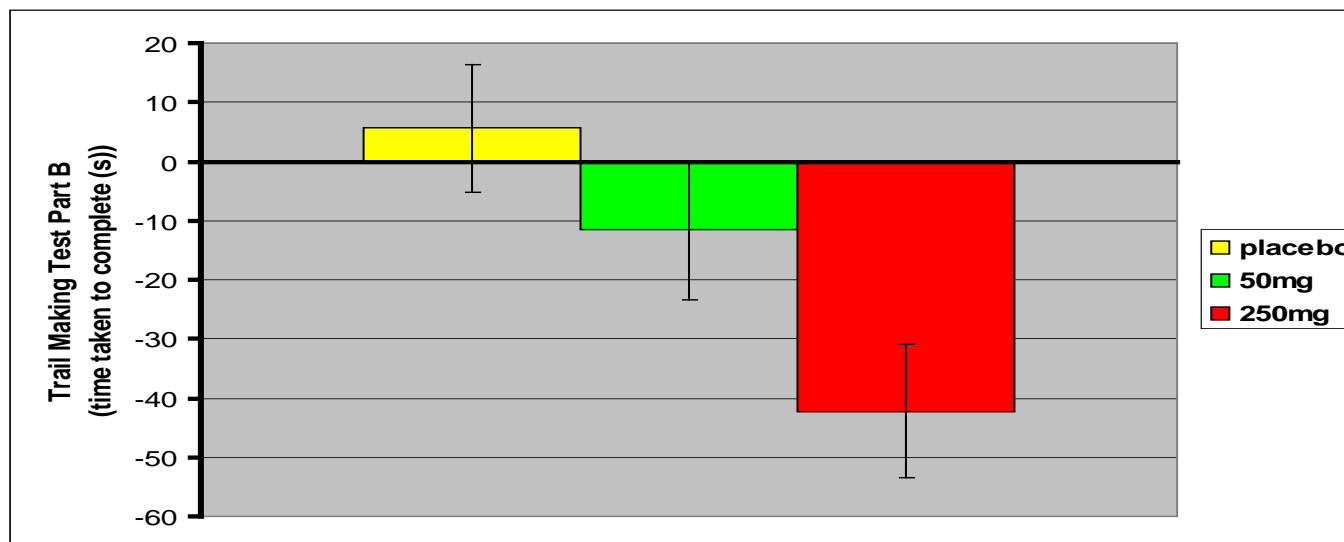
PBT2: Huntington's Disease



Reduced atrophy of basal striatal cells in HD tg mouse



30mg/kg for 8 weeks



**Phase IIa AD Trial
Executive Function**

**LSMean Change (SE) from
Screening at Week 12**

*** p = 0.009 compared to placebo**



Huntington's: next steps for PBT2

Phase IIa Trial

- US & Aust: trial 100 Mild – Moderate HD patients
- 6 Month Rx.
- **Measures effect on:**
 - safety & tolerability
 - cognition; executive function
 - motor function
 - behavioral, psychiatric, functional
- Reporting: 2H; 2013

Commercial strategy: Why HD?

- 'Orphan' Indication; expedited regulatory review, tax incentives, market exclusivity.
- More proximate market entry.
- Less investment required.
- Competitive Landscape open: Tetrabenzine only FDA approved drug. (Symptomatic).
- High Potential Pricing Reimbursement.
- Exit could be on market distribution.
- Prana's trial, one of the most promising trials offering hope of cognitive improvement.



Our focus areas: Parkinson's (PD)

1. Alzheimer's Disease
2. Huntington's Disease
3. **Parkinson's Disease**

Supported by The Michael J Fox Foundation



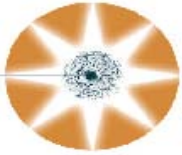
PBT434: Parkinson's Disease

- PBT434, represents first fruit of Prana's pipeline diversification strategy.
- The Michael J. Fox foundation to initiate pre-IND development.
- PD lead
 - protects the target tissue in PD, *substantia nigra*
 - reduce Fe mediated neuronal toxicity
 - disease modifying strategy
 - improves motor function in 2 PD models

Commercial Strategy:

- PD is the second most common neurological disorder.
- Current Sales US\$4.0 Billion.
- Market dominated by dopaminergic agents.
- Partnering & co-development of PBT434 when the IND is opened.

SUMMARY



- Heavy investment in science, paying dividends in Phase II clinical trials and a rich discovery platform.
- Business Plan directed to a diversity of commercial exits; early licensing (PD), development partner (PD, AD), late stage licensing to potential role in market entry (HD).

~Thank you~



Company and financial overview

Listing:	ASX (PBT) and NASDAQ (PRAN) – 1 ADR = 10 shares
Focus:	Targeting unmet needs in neurological disease including Alzheimer's, Huntington's, Parkinson's and Brain Cancer
Lead products:	PBT2 - preparing to enter Phase 2 trial for Alzheimer's Disease and Phase 2a trial for Huntington's Disease in 2011. PBT434 – leveraging Michael J Fox Foundation Grant for Parkinson's Disease
Corporate Headquarters:	Parkville, Melbourne
Laboratories:	The University of Melbourne, Mental Health Research Institute (Melbourne) and Massachusetts General Hospital, Harvard (Boston)
Collaborations:	UCSF, University of California, San Francisco; Royal Melbourne Hospital, Royal Children's Hospital (Melbourne), Howard Florey Institute (Melbourne)
Shares on issue:	273 million (equivalent to 27.3 million ADR's traded on NASDAQ)
Market cap:	A\$45-50 million