



Prana's senior scientific consultant to take up Federation Fellowship in Melbourne

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Prana Biotechnology Limited (Nasdaq: PRAN, ASX: PBT) today announced that Dr Ashley Bush, co-founding scientist and senior scientific consultant to Prana Biotechnology, has been awarded the highly prestigious Federation Fellowship from the Australian Research Council to continue, in Australia, his ground-breaking research into neurodegenerative diseases. Dr Bush will return from Harvard Medical School to take up the five-year Fellowship at Melbourne's Mental Health Research Institute (MHRI), which initiated and sponsored his application, and guaranteed financial, infrastructural and equipment-related support. The Federation Fellowships are designed to develop and retain "...world-class Australian researchers in key positions, and create new...incentives for the application of their talents in Australia."

Dr Bush's research, conducted with Professor Rudy Tanzi at Harvard Medical School, forms the basis of the Prana's technology to treat Alzheimer's disease. As a result of the Fellowship, Dr Bush will make the Mental Health Research Institute in Australia his primary research base, while maintaining his close collaborations around the world by continuing his work on the role of metals in the brain and their relationship to neurodegenerative diseases, particularly in Alzheimer's disease.

Executive Chairman of Prana, Geoffrey Kempler, stated, "We are delighted and applaud the high profile recognition and support of Ashley's skill by the ARC and the Mental Health Research Institute.

"In our rapidly ageing society, neurodegenerative disorders such as Alzheimer's and Parkinson's diseases will present a huge medical and economic challenge and demand novel and powerful science such as Ashley's research into the interactions between metals and proteins in the brain.

"This Federation Fellowship will lead to a deeper understanding of the basic mechanisms underlying such disorders, which is likely to improve the treatment of Alzheimer's disease and other neurodegenerative disorders" concluded Mr Kempler.

Federation Fellowships, awarded via the Australian Research Council, were created to develop and retain outstanding research in Australia. The internationally competitive salary that accompanies each Fellowship makes the return to Australia by expatriate researchers an attractive proposal.

Prana's MPACs (metal protein attenuating compounds) are chemicals that bind zinc and copper, and have been shown by Prana to lower the levels of the amyloid beta protein and the associated toxicity in the brain. A better understanding of metal-protein interactions in the brain is expected to advance the development of Prana's MPACs. One of them, PBT-1, has already established proof of concept of Prana's technology in a successful clinical trial.

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About Prana Biotechnology Limited

Prana Biotechnology was established to commercialise research into Alzheimer's disease and other major age-related degenerative disorders. The company was incorporated in 1997 and listed on the Australian Stock Exchange in March 2000. Researchers at prominent international institutions including the University of Melbourne and Massachusetts General Hospital at Harvard Medical School discovered Prana's technology.

About the Mental Health Research Institute (MHRI)

The MHRI is Australia's premier mental health research institute. Our mission is to discover the causes and improve the diagnosis and treatment of the major functional psychoses, such as schizophrenia, bipolar disorder and major depression, and neurodegenerative diseases, such as Alzheimer's Type Dementia. The Institute's research is multidisciplinary and seeks to integrate basic and clinical platforms. Comprised of over 90 staff of whom more than 30 are doctoral, the MHRI is an independent institute (company limited by guarantee), which has close and productive links with Melbourne and Monash Universities, the Austin Hospital and related institutes. The Institute is a founding partner of Neuroscience Victoria and has several links with Industry including Eli Lilly, Schering AG and Prana. The award of a Federation Fellowship to Ashley Bush through and at the MHRI will have a major positive impact on the Institute's science, especially in the area of neurodegenerative disorders.

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