

**Company Announcements Office
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PROTEOME SYSTEMS AND HIGH Q FOUNDATION ANNOUNCE THE DISCOVERY OF CANDIDATE MARKERS FOR HUNTINGTON'S DISEASE

Two-year human study launched to validate markers and enable rapid drug development

Sydney, [Australia] January 13, 2006 - Proteome Systems [ASX:PXL] today announced an early outcome from its clinical collaboration with the High Q Foundation of the United States is the identification of multiple biomarkers for Huntington's Disease [HD] using the Proteome Systems discovery platforms.

A 2-year human study will now validate these markers which could then be used to accelerate the development of effective new drug treatments for Huntington's Disease and other neurodegenerative diseases, such as Alzheimer's and Parkinson's diseases.

Currently, there are no drugs available to treat HD, and rapid drug development requires diagnostic biomarkers to determine drug efficacy.

Proteome Systems and High Q are considering patenting several of these proteins as candidate biomarkers of the onset and progression of neurodegenerative diseases, including HD.

HD is caused by a defect in the Huntington gene which genetically programs degeneration of neurons in certain areas of the brain. This degeneration causes uncontrolled movements, loss of intellectual faculties, and emotional disturbance. In the United States alone, about 30,000 people have HD; estimates of its prevalence are about 1 in every 10,000 persons globally.

Those with the defective gene will develop this fatal neurodegenerative disease at some point in their lives, usually between ages of 30 and 50 years. The disease can be diagnosed with a DNA test at birth, but only about 5% of suspected cases in the USA are diagnosed early because there is currently no way of determining when the disease will manifest, and no treatment is available.

In the collaborative program, funded by the High Q Foundation in the United States, Proteome Systems has discovered novel proteins for HD using its proprietary ProteomIQ and BioinformatIQ platforms. These proteins found in human blood samples constitute potential biomarkers for detecting the onset and progression of HD. The next step is to validate these proteins as diagnostic/prognostic markers for early onset (i.e. prior to when the first neuropathological symptoms occur), and disease progression in a 2-year study of HD individuals.

Dr Jenny Harry, Deputy CEO and Head of Diagnostics for Proteome Systems said the ability to successfully manage and treat neurodegenerative disease is a serious challenge for clinicians, who now face a spiralling increase in age-associated diseases over the next 20 years.

"We are hopeful that the biomarkers we are developing will expedite the development of effective drugs and determine when and how they should be administered," Harry said.

Dr Allan Tobin, Scientific Advisor to High Q, said "the identification of biomarkers that can be used to monitor the pathological changes that occur during HD is essential for the development of effective drug treatments".

"At present, we have no way of knowing if a therapeutic compound is having a desired effect until physical signs appear. This can take months or even years," said Tobin.

In parallel with the Huntington's Disease marker validation program, Proteome Systems will analyse blood samples collected from people with Parkinson's and Alzheimer's diseases to investigate which of these biomarkers are useful to:

- determine efficacy of drugs being developed to treat these neurodegenerative diseases
- monitor progression of these diseases to administer the most effective drugs to patients,
- and screen people for early onset of disease.

About Proteome Systems:

Proteome Systems Limited [PSL] is a dynamic medical technology company with internationally sought-after diagnostics and therapeutics expertise in the fields of respiratory disease, neurobiology and ageing, cancer and infectious diseases. PSL's scientific leadership is demonstrated by its track record in partnering with US and European companies and research institutions to develop its core technologies and molecular compounds for use in diagnosis and treatment of some of the world's most debilitating and fatal conditions and diseases. PSL has a therapeutic and diagnostic portfolio which includes 22 worldwide patents (including 12 US patents) for its small molecule compounds, and another 23 pending which cover topical, injectable and potentially oral delivery forms.

Additional information about Proteome Systems can be found at www.proteomesystems.com.

About High Q Foundation and CHDI, Inc.

The High Q Foundation, Inc. and CHDI, Inc. are non-profit organizations that share the mission of bringing together academia, industry, governmental agencies, and other funding organizations in the search for Huntington's disease treatments. High Q supports HD research aimed at target identification and validation, the development and use of animal models, drug delivery and the search for markers of disease progression. For more information about High Q and its support of HD research please see www.highqfoundation.org or contact Ethan Signer (ethan.signer@highqfoundation.org) or Allan Tobin (allan.tobin@highqfoundation.org).

CHDI, Inc. is pursuing a biotech approach to rapidly discover and develop drugs that prevent or slow HD. Through collaborations with industrial and academic partners, CHDI, Inc., participates in all aspects of drug discovery and development from high throughput screening to preclinical development. For more information about CHDI, Inc. and its collaborative programs please see www.chdi-inc.org or contact Robert Pacifici (robert.pacifici@chdi-inc.org).