B·A·M
BALYASNY ASSET MANAGEMENT LP

www.bamfunds.com

23 May 2008

Company Announcements Office
Australian Stock Exchange Limited
Level 4
20 Bridge Street
Sydney NSW 2000

Re: Atlas Master Fund, Ltd. ("Atlas") Notice of Change of Interests of Substantial Holder for Prana Biotechnology Ltd. (ASX: PBT)

Balyasny Asset Management LP ("BAM") serves as investment manager to Atlas. On behalf of Atlas, we enclose a copy of the Notice of Change of Interests of Substantial Holder in connection with Atlas' ownership of Prana Biotechnology Ltd.

Sincerely,

Matthew J. Siclari, Esq.
Counsel/Compliance Officer

BALYASNY ASSET MANAGEMENT L.P.

135 E. 57th Street ♦ 27th Floor ♦ New York, NY 10022 ♦ T: 212 808 2300 ♦ F: 212 808 2301

Form 604

Corporations Act 2001
Section 671B

Notice of change of interests of substantial holder

1. Details of substantial holder (1)

Name	This notice is given by Atlas Master Fund Ltd on behalf of itself and its investment manager Balyasny Asset Management, LP and each of the bodies corporate controlled by or controlling Balyasny Asset Management, LP **(Balyasny Entities)** and the Balyasny Funds managed by the Balyasny Entities named in the list of 2 pages annexed to this notice and marked **A**
ACN/ARSN (if applicable)	N/A

There was a change in the interests of the substantial holder on **19/5/2008**

The previous notice was given to the company on **13/3/2008**

The previous notice was dated **9/3/2008**

2. Previous and present voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holing notice to the company or scheme, are as follows

Class of securities (4)	Previous Notice		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
Ordinary shares	9,263,507	5.06%	12,836,682	7.0%

3. Changes in relevant interests

Particulars of each change in,or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

3/13/2008	BAM Entities	Acquisition on Australian Stock Exchange (ASX)	2486,70 AUD	5,311 ordinary shares	5,311 increase
3/13/2008	BAM Entities	Acquisition on Australian Stock Exchange (ASX)	928.40 AUD	2,000 ordinary shares	2,000 increase
3/14/2008	BAM Entities	Acquisition on Australian Stock Exchange (ASX)	2,691.10 AUD	6,200 ordinary shares	6,200 increase
3/17/2008	BAM Entities	Acquisition on Australian Stock Exchange (ASX)	12,126.10 AUD	27,000 ordinary shares	27,000 increase
3/18/2008	BAM Entities	Acquisition on Australian Stock Exchange (ASX)	33,889.60 AUD	75,000 ordinary shares	75,000 increase
3/18/2008	BAM Entities	Acquisition on Australian Stock Exchange (ASX)	33,613 30 AUD	75,000 ordinary shares	75,000 increase
3/19/2008	BAM Entities	Acquisition on Australian Stock Exchange (ASX)	23,530 AUD	23,530 ordinary shares	23,530 increase
3/20/2008	BAM Entities	Acquisition on Australian Stock Exchange (ASX)	1,347.30 AUD	3,120 ordinary shares	3,120 increase
3/20/2008	BAM Entities	Acquisition on Australian Stock Exchange (ASX)	1,347.30 AUD	3, 000 ordinary shares	3,000 increase

3/25/2008	BAM Entities	Acquisition on Australian Stock Exchange (ASX)	9,243.40 AUD	20,000 ordinary shares	20,000 increase
3/25/2008	BAM Entities	Acquisition on Australian Stock Exchange (ASX)	73,981AUD	159,653 ordinary shares	159,653 increase
3/28/2008	BAM Entities	Acquisition on Australian Stock Exchange (ASX)	9,385.50 AUD	20,730 ordinary shares	20,730 increase
3/31/2008	BAM Entities	Acquisition on Australian Stock Exchange (ASX)	22,236 30 AUD	50,000 ordinary shares	50,000 increase
3/31/2008	BAM Entities	Acquisition on Australian Stock Exchange (ASX)	1,347.30 AUD	3,000 ordinary shares	3,000 increase
4/2/2008	BAM Entities	Acquisition on Australian Stock Exchange (ASX)	3,035.40 AUD	6,875 ordinary shares	6,875 increase
4/3/2008	BAM Entities	Acquisition on Australian Stock Exchange (ASX)	2,238.10 AUD	5,000 ordinary shares	5,000 increase
4/7/2008	BAM Entities	Acquisition on Australian Stock Exchange (ASX)	2,646.10 AUD	6,236 ordinary shares	6,236 increase
4/10/2008	BAM Entities	Acquisition on Australian Stock Exchange (ASX)	2,173.80 AUD	5,000 ordinary shares	5,000 increase
4/14/2008	BAM Entities	Acquisition on Australian Stock Exchange (ASX)	12,227.00 AUD	21,438 ordinary shares	21,438 increase
4/14/2008	BAM Entities	Acquisition on Australian Stock Exchange (ASX)	-33,456.60 AUD	75,000 ordinary shares	75,000 decrease
4/15/2008	BAM Entities	Acquisition on Australian Stock Exchange (ASX)	3,494.80 AUD	8,000 ordinary shares	8,000 increase
4/15/2008	BAM Entities	Acquisition on Australian Stock Exchange (ASX)	14,096.40 AUD	33,666 ordinary shares	33,666 increase
4/17/2008	BAM Entities	Acquisition on Australian Stock Exchange (ASX)	12,227.00 AUD	30,467 ordinary shares	30,467 increase
4/18/2008	BAM Entities	Acquisition on Australian Stock Exchange (ASX)	6,571 AUD	16,579 ordinary shares	16,579 increase
4/21/2008	BAM Entities	Acquisition on Australian Stock Exchange (ASX)	10,621.20 AUD	24,758 ordinary shares	24,758 increase
4/22/2008	BAM Entities	Acquisition on Australian Stock Exchange (ASX)	6,918 AUD	16,500 ordinary shares	16,500 increase
4/24/2008	BAM Entities	Acquisition on Australian Stock Exchange (ASX)	77,477.50 AUD	186,900 ordinary shares	186,900 increase
4/29/2008	BAM Entities	Acquisition on Australian Stock Exchange (ASX)	3,891.90 AUD	9,000 ordinary shares	9,000 increase

4/30/2008	BAM Entities	Acquisition on Australian Stock Exchange (ASX)	13,416.30 AUD	32,887 ordinary shares	32,887 increase
5/1/2008	BAM Entities	Acquisition on Australian Stock Exchange (ASX)	413.30 AUD	1,000 ordinary shares	1,000 increase
5/2/2008	BAM Entities	Acquisition on Australian Stock Exchange (ASX)	410.10 AUD	1,000 ordinary shares	1,000 increase
5/5/2008	BAM Entities	Acquisition on Australian Stock Exchange (ASX)	832.10 AUD	2,000 ordinary shares	2,000 increase
5/5/2008	BAM Entities	Acquisition on Australian Stock Exchange (ASX)	416.00 AUD	1,000 ordinary shares	1,000 increase
5/6/2008	BAM Entities	Acquisition on Australian Stock Exchange (ASX)	-249,788.70 AUD	600,000 ordinary shares	600,000 decrease
5/8/2008	BAM Entities	Acquisition on Australian Stock Exchange (ASX)	414.20 AUD	1,000 ordinary shares	1,000 increase
5/15/2008	BAM Entities	Acquisition on Australian Stock Exchange (ASX)	415.70 AUD	1,000 ordinary shares	1,000 increase
5/19/2008	BAM Entities	Acquisition on Australian	1,000,000 AUD	2,500,000 ordinary shares	2,500,000 increase
5/19/2008	BAM Entities	Acquisition on Australian	2,155.40 AUD	5,300 ordinary	5,300 increase

4. **Present relevant interests**

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
BAM Entities	BAM Entities	BAM Entities	Holder of the securities	12,836,682 ordinary shares	12,836,682

5. **Changes in association**

The persons who have become associates (2) of, ceased to be associates of, or have changed their association (9) with, the substantial holder in relation to voting interests as follows:

Name and CAN/ARSN (if applicable)	Nature of Association
NIL	NIL

6. **Addresses**

The addresses of persons named in this form are as follows:

Name and CAN/ARSN (if applicable)	Address
BAM Entities	135 E 57th St., 27th Floor, New York, NY 10022, USA

Signature

print name	Scott H. Schroeder	capacity	Authorised Represenlaive
sign here		date	19th May 2008

DIRECTIONS

(1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.

(2) See the definition of "associate" in section 9 of the Corporations Act 2001.

(3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.

(4) The voting shares of a company constitute one class unless divided into separate classes.

(5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100

(6) Include details of:

(a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement, and

(b) Any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies)

See the definition of "relevant agreement" in sections 608 and 671B(7) of the Corporations Act 2001.

(7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included on any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

(8) If the substantial holder is unable to determine the identity of the person (eg. If the relevant interest arises because of an option) write "unknown"

(9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.

Annexure "A"

This is the Annexure of 2 pages marked "A" referred

to in the form 604 Notice of initial substantial holder

Signed by me and ~~dated~~ 19 May 2008

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Scott H. Schroeder- Authorised Representative

BAM Entities

BALYASNY FUNDS	
Name	**Address**
Atlas Master Fund Ltd	Walker House, 87 Mary Street, George Town, Cayman Islands, KY1-9002
Atlas Global LLC	181 W. Madison Street STE 3600 Chicago, IL, USA 60602
Atlas Global Investments Ltd	Walker House, 87 Mary Street, George Town, Cayman Islands, KY1-9002
Atlas Institutional Ltd	Walker House, 87 Mary Street, George Town, Cayman Islands, KY1-9002
BALYASNY ENTITIES	
Balyasny Capital Management LLC	181 W. Madison Street STE 3600 Chicago, IL, USA 60602
Dimitri Balyasny	181 W. Madison Street STE 3600 Chicago, IL, USA 60602
Dames GP LLC	181 W. Madison Street STE 3600 Chicago, IL, USA 60602
Balyasny Asset Management, LP	181 W. Madison Street STE 3600 Chicago, IL, USA 60602

Annexure "B"

This is the Annexure of 4 pages marked "B" referred to in the form 604 Notice of initial substantial holder

Signed by me and dated 19 May 2008

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Scott H. Schroeder- Authorised Representative

BAM Entities

PRANA BIOTECHNOLOGY

Level 2, 369 Royal Parade
Parkville Vic 3052 Australia
Telephone: +61 3 9349 4906
Facsimile: +61 3 9348 0377

16 May 2008

Confidential

Mr Matthew Siclari
Atlas Master Fund Ltd
Walker House
87 Mary Street
George Town
Cayman Island
msiclari@bamfunds.com

Dear Matthew

RE: PLACEMENT OF NEW ORDINARY SHARES IN PRANA BIOTECHNOLOGY LIMITED TO RAISE UP TO AUD$10 MILLION

We refer to the above and confirm our previous discussions in respect of a placement of new ordinary shares in Prana Biotechnology Limited [ACN 080 699 065] ("Prana" or "the Company"). As part of the placement, you have been allocated, on a firm basis, the following shares:

Number of fully paid ordinary shares at an issue price of 40 Australian cents (AUD$0.40) each:	Total (application monies for shares)
2,500,000	AUD$ ~~1069.427~~ 1,000,000

The funds are being raised to fund the ongoing operations of the Company's programs and working capital requirements.

The Company will apply to ASX Limited for quotation of the placement shares on ASX (the Australian Securities Exchange). The Company will not be seeking to list the placement shares (as ADRs or otherwise) on NASDAQ or a US exchange. Should the applicant wish to convert the placement shares into ADRs, they do so that their own cost and subject to US law which may include restrictions on their ability to trade the ADRs.

Non-Australian entities wishing to participate in the placement must confirm their eligibility to participate in an offer under the laws applicable in their place of domicile and/or receipt and acceptance of the offer (as applicable). No offer is made by this letter to, or capable of acceptance by, any person who is an Australian entity, or is within Australia at a relevant time, or is a resident of or in a place where to make an offer would breach the laws of the applicable place. No steps are being or will be taken to qualify the offer or the shares the subject of this letter in any place outside Australia or under the US Securities Act. Investors will need to satisfy themselves that they are eligible to participate under the applicable local laws.

Pending completion of the issue please acknowledge your eligibility and acceptance of the above allocation by completing and signing the enclosed application form and faxing it to Prana Biotechnology Limited (fax: +61 3 9824 8161 to the attention of the Company Secretary, Mr Richard Revelins) so as to be received by 19 May 2008. Return of the signed application form constitutes a binding commitment to subscribe for the specified number of shares and to pay the application monies on the due date.

Settlement is required by close of business on 19 May 2008 (Melbourne, Victoria, Australia, Eastern Standard Time), unless Prana advises a later time or date in writing ("the due date"). Payments can be made by cheque (payable to "Prana Biotechnology Limited") or by direct credit to the following account:

AUSTRALIAN BANK ACCOUNT

Account Name:	Prana Biotechnology Ltd
BSB Number:	013-141
Account Number:	2515-70622
Bank:	ANZ
Swift Code:	ANZBAU3M

Payments must be made in Australian dollars for the full amount. Payment cannot be made in US dollars. If less than the full amount in Australian dollars is received, the Company may allocate fewer shares than applied for unless sufficient further funds are paid promptly.

Only the person or entity to whom this letter is addressed may accept this offer (subject always to being eligible to receive and accept an offer under the laws of the relevant place). Purported acceptance by another person or entity shall not be effective, provided that Prana may at its discretion extend an offer to such person or entity in lieu of an offer to person or entity to whom this letter is addressed.

The Company may withdraw this offer before acceptance or cancel the placement at any time, in which case all funds received shall be refunded without interest to the applicant, but otherwise the Company will have no further obligation to the applicant.

The placement is subject to shareholder and regulatory approvals being obtained by the Company.

Timetable
The timetable relating to this Placement is as follows:

	Date:
Confirmation (signed application form) to be lodged with the Company: *by fax to +61 3 9824 8161 to the attention of Mr Richard Revelins*	19 May 2008
Payment to be received by Prana:	19 May 2008
Dispatch of Shareholder Statements (expected):	26 May 2008

Note: The above timetable may change without consultation with you and your commitment will remain binding notwithstanding such changes.

We thank you for your interest and participation in this issue.

Yours sincerely,
PRANA BIOTECHNOLOGY LIMITED

GEOFFREY KEMPLER
Executive Chairman

Attachments: Application Form

APPLICATION FOR ORDINARY SHARES

PRANA BIOTECHNOLOGY LIMITED

ACN 080 699 065
("the Company")

Placement of up to 25,000,000 ordinary shares at an issue price of 40 Australian cents (AUD$0.40), per ordinary share to raise a total of up to AUD$10 million before costs of the placement

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TO: The Secretary, Mr Richard Revelins
Prana Biotechnology Limited
C/- Suite 2, 1233 High St
Armadale, Victoria, 3143

BY FAX: +61 3 9824 8161

TO BE COMPLETED BY THE APPLICANT – PLEASE COMPLETE ALL QUESTIONS

NOTE: CHEQUES TO BE EXPRESSED IN AUSTRALIAN DOLLARS AND TO BE MADE PAYABLE TO ***PRANA BIOTECHNOLOGY LIMITED*** *AND MARKED "NOT NEGOTIABLE"*

FUND TRANSFERS MUST BE MADE IN AUSTRALIAN DOLLARS FOR THE FULL AMOUNT. PAYMENT CANNOT BE MADE IN US DOLLARS.

If an individual **Name**	 Matthew Siclari
If a corporation **Name:** **Registration number or similar, if applicable:**	 Atlas Master Fund Ltd I0030020189
Address:	Walker House 87 Mary Street George Town Cayman Island

The above named applicant ("the applicant"):

(a) Applies for:

Number of fully paid ordinary shares at an issue price of 40 Australian cents (**AUD$0.40**) each:	Total (application monies for shares)
2,500,000	AUD$ 1,000,000

(b) Agrees to forward a cheque for the above application monies or make payment in clear funds to the account nominated by the Company in the Company's letter dated 16 May 2008, so that payment is to be received by the Company by the close of business on 19 May 2008 (Melbourne, Victoria, Australia, , Eastern Standard Time);

(c) Requests that upon issue of the shares the applicant's address be shown on the Company's share holder register as the address stated above;

(d) Agrees that the allotment of shares to it/them constitutes acceptance of this application by the Company;

(e) Agrees to be bound by the Constitution of Prana Biotechnology Limited;

(f) Confirms that:

a. The applicant is not an Australian or Australian resident entity, is and all applicable times was and will remain eligible to receive the offer and to participate in the placement as described in the Company's letter addressed to the Applicant dated 16 May 2008 which accompanied this Application form;

b. It received a letter from the Company addressed to the Applicant dated 16 May 2008;

c. This application will not be withdrawn prior to the issue of shares by the Company;

d. The applicant understands the proposed placement is subject to shareholder and regulatory approvals (as applicable) being obtained by the Company; and

e. The applicant understands the shares will not be tradeable on an exchange other than ASX (the Australian Securities Exchange);

(g) Warrants and undertakes that the shares for which the applicant is applying are required for investment purposes; and

(h) Agrees that any blanks or corrections required to give effect to this application may be filled in or made by representatives of the Company and that this application will remain binding notwithstanding any such filling in or amendment, provided that the applicant will not be obliged to acquire more shares than indicated in this form.

Acknowledgment

The applicant accepts the firm allocation offer on the terms set out in this application form and in the Company's letter addressed to the applicant dated 16 May 2008 which accompanied this Application form.

In accepting the firm allocation offer the applicant declares as follows:

a) Neither Prana Biotechnology Limited nor its related bodies corporate, or any of its directors, officers, employees or advisers has made any warranty or representation as to the accuracy or completeness of any information including, without limitation, information relating to the placement, the application form and all other documents annexed to them ("Information") given to the applicant, and the Company excludes and disclaims all liability for any expenses, losses, damages or costs that may be incurred by the applicant, as a result of Information being inaccurate or incomplete in any way for any reason;

b) The applicant shall act and have acted entirely on the basis of the applicant's own investigation and not in reliance upon any act or representation made by the Company or any other person;

c) The applicant agrees to indemnify the Company and hold the Company harmless against any liability cost, loss, damage or expense suffered or incurred by the Company as a consequence of any breach by the applicant of the terms set out in this application (including this acknowledgement) and the letter which accompanied this application form; and

d) The placement does not constitute a securities recommendation.

[signature]
Signed by or for and on behalf of the applicant

5/16/08
Date

Scott Schroeder Director
Name and position (printed)

Atlas Master Fund, Ltd
Name of applicant