*16 November 2004*

## CogState Awarded $250,000 Grant For Further Research Into Parkinson's Drug

Melbourne biotech, CogState Ltd, today announced it has been awarded a major federal government grant of $250,000 for further development into its novel drug treatment for Parkinson's Disease.

The announcement was followed by the release of new animal data showing that CogState's Parkinson's drug, called NLT or Cog0392, has potential as a therapy for the treatment of the disease.

The latest announcements confirm the research strategy being taken by CogState's scientists, while the company continues to deliver substantial new revenue from sales of its computerised cognitive testing, which is now sold across Europe and the US.

In recognition of the potential of CogState's drug treatment for Parkinson's disease, NLT or Cog0392, the Federal Government's Industry Research & development Board has awarded CogState a $250,000 funding grant through its Biotechnology Innovation Fund. This grant will fund 50% of eligible project costs up to $250,000 and will be available over the 2005 and 2006 financial years. The company envisages that this grant will enable completion of proof of concept animal studies allowing the company to make a decision as to whether to enter the drug for subsequent pre-clinical toxicology and human Phase I trials.

CogState has also just received the bioavailability results from a recent testing of rats orally dosed with the NLT drug. In brief, the 5 fold increase in dopamine levels in healthy rats 4 hours after a single oral dose of NLT suggests that NLT could be useful as a treatment in patients with Parkinson's Disease. (Parkinson's disease is believed to be caused by a deficiency of dopamine. Dopamine is a neurotransmitter, a chemical messenger between nerve cells in the brain.) The test results are only in animals and not humans but do have positive implications for the company.

NLT, short for N-(a-linolenoyl) tyrosine, was first developed by Professor Shlomo Yehuda of Bar Ilan University in Israel and in-licensed by CogState Ltd in 2002. The patented product (see WO/00/09476) represents omega 3, also known as alpha-linolenic acid, chemically combined with the dopamine precursor tyrosine. Unlike tyrosine alone, NLT allows tyrosine to be delivered above the blood-brain barrier, which may make up for the

natural lack of dopamine in patients suffering from Parkinson's disease. With the successful completion of the above mentioned animal experiments it is anticipated that NLT will move into the pre-clinical stage of development during 2005.

About CogState: CogState Ltd. was established in 1999 with headquarters in Melbourne, Australia. In February 2004 the company listed on the Australian Stock Exchange (ASX) as "CGS." The company specializes in neuroscience, particularly in the development and commercialization of computer-based tests for neurodegenerative disorders such as Alzheimer's and Parkinson's disease and concussion-related injury. A division of the company, CogSport, marketed in the U.S. through a partnership with Schutt Sports (the worlds largest manufacturer of American Football helmets as Concussion Sentinel, is a novel concussion management tool developed to aid physicians in making confident return-to-play decisions after an athlete has suffered a concussion. Concussion Sentinel is applicable for use by sporting organizations, medical professionals, and parents/athletes and provides rapid measurement of cognitive function. Other divisions of the company focus on providing computer-based measurement tools to pharmaceutical companies for use during clinical trials. CogState also has a therapeutics division which has in-licensed two drug targets from leading medical research organisations in Japan and Israel for the treatment of Alzheimer's Disease and Parkinson's Disease respectively.

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