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3 May 2006

The Company Announcements Office
Australian Stock Exchange Limited

BY E-LODGEMENT

Dear Sirs

NEUREN PHARMACEUTICALS LIMITED ANNUAL GENERAL MEETING

Please find attached the CEO's presentation to be made this afternoon at the Annual General Meeting of Neuren Pharmaceuticals Limited.

Yours sincerely

A handwritten signature in black ink, appearing to read "D Clarke", is written over a horizontal line.

Mr David Clarke
Director

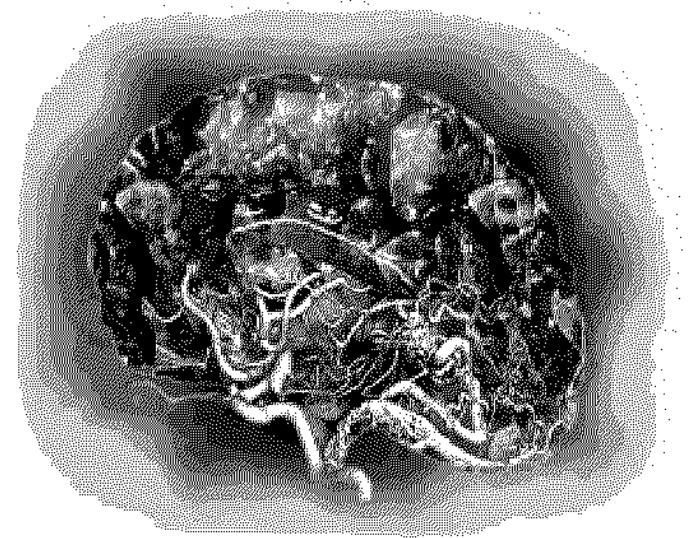
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AGM

May 2006



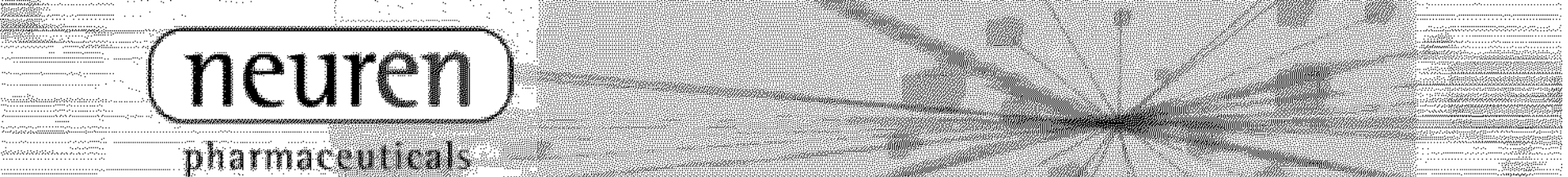
Neuren – Corporate Overview

- Neuren is a drug development company targeting brain repair & rescue, metabolism and cancer
- Neuren has an extensive development portfolio offering several means of delivering value
 - Two compounds in the clinic
 - Four compounds in pre-clinical development
 - Two discovery programs
- Neuren's lead products protect against brain damage, with two compounds in Human Trials:
 - Glypromate®: Mild Cognitive Impairment (**MCI**) enters **Phase 3** in 2H CY2006
 - NNZ-2566: Traumatic Brain Injury (**TBI**) enters **Phase 2** in 1H CY2007 with US Army
- Neuren has a two part business strategy
 - 1) *Focus bulk of resources on drugs in clinical trials*
 - 2) *Out-license/partner lead molecules in CY2007*
- Neuren's team is result-oriented and has delivered every milestone on time and within budget

Register	
NeuronZ	11.0%
NZ Seed Fund Management	10.2%
Pfizer Inc	7.2%
K One W One	5.6%
Macquarie	8.6%
Top Twenty	72.1%

Milestones

NRP collaboration formalised with Metabolic	2005	✓
Collaboration with the US Army Walter Reed Army Institute of Research	2005	✓
US Army study results show reduced functional deficit from TBI with NNZ-2566	2005	✓
Glypromate accelerated into Phase 3 post FDA meeting	2005	✓
Glypromate® Phase 2 safety study commenced 2005	2005	✓
Two US patents for the Glypromate® family in Parkinson's Disease	2005	✓
NNZ-2566 pre-clinical Phase 3 toxicology studies completed	2005	✓
NNZ-4921 Peripheral Neuropathy results positive	2005	✓
NNZ-2566 confirmed orally available	2005	✓
NNZ-2591 oral program advancing	2005	✓
Cancer NNZ-8000 program underway	2005	✓
Completion of Phase 3 pre-IND FDA preclinical requirements for Glypromate®	2006	✓
Initiation of NNZ-2566 Phase 1 safety study in Q1 06	2006	✓
Completion of Glypromate® Phase 2 safety study	2006	✓
NNZ-2566 results using US Army seizure technology - joint patent	2006	✓

The logo for Neuren Pharmaceuticals is located in the top left corner. It consists of the word "neuren" in a bold, lowercase, sans-serif font, enclosed within a rounded rectangular border. Below the logo, the word "pharmaceuticals" is written in a smaller, lowercase, sans-serif font. The background of the slide features a complex network of lines and nodes, resembling a molecular structure or a neural network, with a central point from which many lines radiate outwards.

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Neuren's Two-Pronged Business Strategy

- 1) *Focus bulk of resources on drugs in clinical trials*
 - 2) *Out-license/partner lead molecules in CY2007*
-

Update on Strategy – Part 1

Two Drug Candidates in Clinical Trials

- Glypromate® for mild cognitive impairment (MCI) during Coronary Artery Bypass Graft (CABG) surgery is entering **Phase 3 Clinical Trials in 2H CY2006**
- NNZ-2566 (i.v.) for traumatic brain injury (TBI) is currently in **Phase 1 Clinical Trials.TBI programme being conducted with the US Army.**
- Trials are very cost effective
 - Including the Phase 2 (i.v.) trial for NNZ-2566
 - Neuren does NOT have to seek any new Partners to fund these trials
- Drug positioning of these two molecules is attractive:
 - Glypromate® moving to Phase 3 , potentially first in class
 - All previous TBI trials have been fast-tracked, and potentially orphan, in addition Neuren can utilise new US Army technology
- Hence, Neuren's primary focus (with US Army) is to continue with the trials of Glypromate® and NNZ-2566 potentially all the way to registration
 - Further, out-licensing of NNZ-2566 (i.v.) is NOT precluded by collaboration with US Army
 - Hence, Neuren has the option to progress drugs through trials itself, or at any stage out-license both Glypromate® and NNZ-2566

Phase 3 Glypromate® Trial

Excellent Results To Date:

- Phase 2 trial finishes successfully with no safety issues
- Final GLP toxicology studies completed—no adverse effects at maximum feasible dose
- GMP drug manufacturing and quality control program validated

Phase 3 Preparation is On Track:

- Phase 3 IND preparation underway and on schedule
- Full clinical trial management team in place
- FDA agrees to early review and feedback by medical reviewer
- Agreement signed with US CRO to manage US sites
- Qualified sites lined up in AU, NZ and UK
- Recent paper in New England Journal of Medicine points to need to protect all brain cells, not just neurons—a key feature of Glypromate® and NNZ-2566
- Phase 2a Trial Details: 30 patients (double blind, 0, 1, 3 mg/kg/hr iv, 11 per cohort)

NNZ-2566 in Traumatic Brain Injury

Neuren will Now Use Non-Convulsive Seizures as Key Endpoint:

- US Army and Neuren file joint patent covering effect of NNZ-2566 on non-convulsive seizures and changes in brain wave patterns
- Changes in brain waves - measured by EEG - seen in stroke and TBI and predict poor outcomes
- NNZ-2566 significantly reduced the incidence and duration of silent brain seizures in the Army's model
- Neuren will incorporate brain wave measurement as a key endpoint in upcoming clinical trials
- New measurement technique is more sensitive and quicker to detect an effect, reducing trial time and cost
- Technique also applicable to stroke

Excellent Progress to Date:

- Phase 1a study underway
- Army and Neuren are collaborating in design of Phase 2 studies
- Army is highly encouraged by results; reiterates support for program
- Phase 1a Trial Details: 35 subjects (double blind, 0.1,1,10,20,30 mg/kg bolus, 7 per cohort(2 control,5 drug))

Update on Strategy – Part 2

Extensive Pipeline with Attractive Drug Candidates

- Neuren is not a one product company...

- At least 3 other lead candidates :

LEAD CANDIDATES	
NNZ-2566 (ORAL):	From 2566 iv Family
NNZ-2591 (ORAL):	From DKP Family
NNZ-4921 (i.v.):	From NRP Family

- NNZ-2566 (ORAL) and NNZ-2591 could both be in clinical trials in CY 2007

- These candidates are targeted for Chronic CNS application (e.g., Parkinson Disease (PD), Alzheimer's Disease (AD), Peripheral Neuropathy (PN))

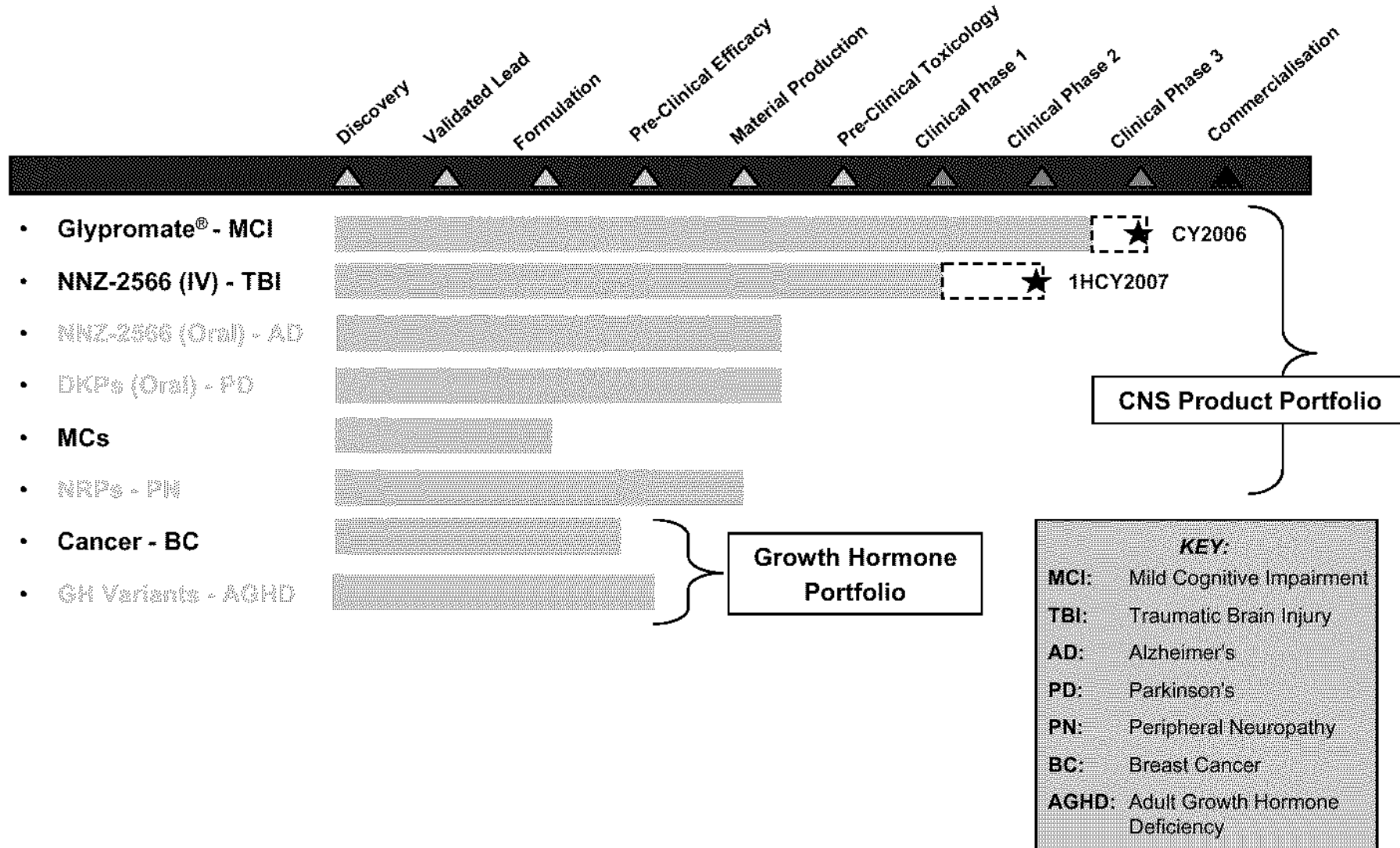
- Chronic CNS applications, while normally larger markets, require a longer and more costly development path compared to Glypromate® for MCI and NNZ-2566 (i.v.) for TBI
 - NEU does not have the resources to independently develop its entire pipeline

- Neuren will seek to out-license/partner these lead molecules in FY2007

- Generate income and reduce costs of development
 - Will ensure that the deal structure for at least ONE of the programs (incl. cancer) allows Neuren to retain significant upside and development control

- Recent US feedback very supportive of this strategy

Development Pipeline



Extensive development portfolio offering several means of delivering value

Four Near Term Out-licensing Opportunities

- NEU does not have the resources to independently develop its **entire** pipeline
- NEU has focused on developing four product lines such that they are **attractive near-term out-licensing opportunities**
 - Stable compounds
 - Excellent manufacturing characteristics
 - Excellent in vivo results

NNZ-2566 (oral)

- Confirmed oral bioavailability
- Highly protective in stroke (90%)
- Targeting Alzheimer's Disease / Dementia
- Excellent IP position
- CY2006 Q2/3 in-vivo complete

DKP: NNZ-2591

- Well known class: Unique analogue
- Parkinson's disease results confirmed
- Oral
- Parallel NNZ-2566 oral

NRP: NNZ-4921

- In vivo successful
- Peripheral Neuropathy - Unmet need
- Chemistry Manufacturing and Control / ADME underway
- Joint venture with Metabolic

Cancer: NNZ-8000

- Breast cancer – Growth hormone mediated: 90% relevant
- Ab programme
- Q2 milestone – pAb
- Q3 milestone - mAb

Large and Growing Markets

Indication	Cases per Year (USA)	Market Size US\$	Effective Treatment
Neuroprotection			
Bypass Surgery	400,000	\$2.0b	N
Traumatic Brain Injury	1,000,000	\$1.0b	N
Stroke	800,000	\$3.5b	N
Parkinson's Disease	3,000,000	\$2.0b	Y/N
Alzheimer's Disease	4,500,000	\$2.5b	Y/N
Multiple Sclerosis	800,000	\$2.5b	Y/N

Neuren's drugs target large and growing markets with unmet needs



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Conclusion

Poised for major milestones

Conclusion

- Two lead drug candidates are at advanced stage of development and poised for significant clinical milestones
 - Glypromate® enters **Phase 3** in 2H CY2006
 - NNZ-2566 **Phase 1 underway** . TBI collaboration with US Army .
- Neuren is uniquely positioned to conduct late stage clinical trials for both Glypromate® and NNZ-2566
 - Typically such trials are prohibitively expensive
 - Neuren in close consultation with FDA has developed a cost effective Phase 3 Trial for Glypromate® plus time and money savings from acceleration into Phase 3
 - Neuren shares cost of NNZ-2566 development equally with the US Army but only sacrifices 1-2% of the total market (US military use)
- Neuren has excellent near-term commercialisation prospects
 - Option to secure licensing deal for two lead products at a point in time that optimises returns (i.e. Neuren is not compelled to license out early due to prohibitive trial costs)
 - **Opportunity to out-licence four product lines in the near term (from Q1 CY2007)**
- Breadth and quality of Neuren's portfolio is first-rate
 - Top calibre international partners: Pfizer and US Department of Defence
 - Two products in the clinic, four candidates in pre-clinical development and two discovery programs

Neuren is poised to hit major milestones in 2H CY2006

Key Points of Difference

- Where else get FDA Phase 3 drug trial for \$10M ...?
 - Glypromate ® for MCI
 - And doesn't need a partner to move to registration .
- AND the second drug, again targeting large unmet need, has arguably the best partner in the world ?
 - NNZ-2566 in TBI with US Army
 - And allows you access to its technology and to jointly file ?
- AND has a portfolio that has 5 more compounds
 - Two that can go into pre-clinical now
 - New Chronic disease areas
 - And allows for a rich out-licensing programme
- And we hit our milestones ...
- And to do all this we have very good people and partners...



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Thank you for your continued support..