



**COMPANY ANNOUNCEMENT
6 OCTOBER 2005**

**NEUROSOLUTIONS ENTERS INTO A REVENUE
CONTRACT WITH ALZHYME**

NeuroDiscovery Ltd (**NeuroDiscovery**) (ASX Code:NDL), a neurology-focused biotechnology company, is pleased to announce its 100% subsidiary, NeuroSolutions Ltd (**NeuroSolutions** or **company**) have entered into a revenue contract with Australian based Alzhyme Pty Ltd (**Alzhyme**) to investigate the potential of three Alzhyme peptides to impede the progression of disease in NeuroSolutions Alzheimer disease models.

The terms and conditions of the contract are confidential.

Alzhyme is a biopharmaceutical company developing novel drugs for the burgeoning Alzheimer's disease market. Unlike existing drugs, Alzhyme's drugs target the cause and progression of the disease via a distinct mechanism of action with potential significant advantages over drugs under development.

NeuroSolution's Chief Executive Officer, Dr Alistair Dixon said, "We are very pleased to have established our first Australian revenue contract and be fortunate enough to be working with some world leaders in the field of Alzheimer's disease. We intend to continue to promote the company's products and services in Australia and hope that this is the first of a number of Australian contracts we undertake."

Alzhyme's Director of Research and world leader in Alzheimer disease research Professor Ralph Martins, commented "I welcome this collaboration with NeuroSolutions as it will greatly advance Alzhyme's drug evaluation capabilities and enhance establishment of proof of concept for Alzhyme's lead peptides that target the key Alzheimer protein, beta amyloid".

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Background Information

About NeuroDiscovery

NeuroDiscovery Ltd is an ASX listed neurology research and development company which owns 100% of NeuroSolutions Ltd (ASX Code NDL).

About NeuroSolutions

NeuroSolutions Limited is a profitable service company, applying its broad expertise and drug discovery platforms to become a leading provider of specialised electrophysiological assays to the biopharmaceutical industry. Electrophysiology is a specialised technique which is used to record electrical activity in membranes, cells, tissues or in vivo. NeuroSolutions current clients include many other established pharmaceutical and biotechnology companies. In parallel to running its service business, the Company is also exploiting its in house technologies and expertise for its own internal R&D and has a mature pipeline of programmes underway for the treatment of pain.

About Alzhyme

Alzhyme Pty Ltd is a biopharmaceutical company based in Perth, Western Australia, dedicated to the development of novel patented therapeutics that addresses the cause of Alzheimer's disease.