This is a Supplementary Prospectus intended to be read with the Prospectus dated 15 November 2004 issued by Neuren Pharmaceuticals Limited ARBN 111 496 130 (Neuren), relating to Neuren's initial public offering of 37.5 million ordinary shares at A$0.40 each.

NEUREN PHARMACEUTICALS LIMITED
ARBN 111 496 130

SUPPLEMENTARY PROSPECTUS

Important Notice

This is a supplementary disclosure document to the original disclosure document lodged by Neuren Pharmaceuticals Limited (**Neuren**) with the Australian Securities and Investments Commission (**ASIC**) on 15 November 2004 (**Prospectus**). This supplementary disclosure document was lodged with ASIC on 23 December 2004 (**Supplementary Prospectus**). This Supplementary Prospectus should be read together with the Prospectus.

Terms and conditions defined in section 14 of the Prospectus have the same meaning where used in this Supplementary Prospectus.

Additional Information

The Company wishes to provide the following additional information:

1. Future Development of Compounds

The following table provides a brief summary of biopharmaceutical industry information concerning the approximate average cost and time of development per biopharmaceutical compound up to and including Preclinical Pharmacology and Toxicology.

Stage of Development	***Approximate average cost***	***Approximate average time***
Discovery ***In vitro and in vivo screening*** ***Selection of lead compounds***	A$2 million to A$4 million	50 months
Formulation ***Manufacturing and QA/QC***	A$0.5 million to A$1.5 million	12 months
Preclinical Pharmacology & Toxicology	A$75,000 to A$0.5 million	3-6 months

The neuroprotective effect of Glypromate® was discovered by staff at the Medical School at the University of Auckland in the period 1995 to 2000. Its development as a lead compound was commenced by Neuren (NeuronZ) late 2000 (page 11 of the Prospectus). The approximate actual cost and time of the Glypromate® Phase I Clinical Trial and the Directors' estimate of the cost and time of developing Glypromate® through Phase II clinical trials are set out in the following table.

Stage of Development	***Approximate cost***	***Approximate time***
Glypromate® Clinical Phase I Trial (actual)	A$375,000	6 months
Glypromate® Clinical Phase IIa Trial (Directors' estimate) ***Glypromate® Clinical Phase IIb Trial (Directors' estimate)***	A$3.6 million	18-21 months

The Directors' current estimate of the likely cost of development of Glypromate® through Phase II clinical trials has been accommodated in the Use of Funds table on page 14 of the Prospectus.

Investors are referred to the risks described in section 12 and, in particular, the risks described under the heading, 'Product Development'.

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2. Phase I clinical trials for Glypromate®

The Prospectus refers to the Company having completed a Phase I clinical trial for Glypromate® (page 9). The detailed results of this trial were released on 4 November 2004 by CMAX to Neuren in a preliminary draft clinical study report. The drug was shown to be safe and well tolerated in all treated subjects. There were no clinically significant findings related to Glypromate® administration and no serious adverse events were recorded. This single dose, double-blind, randomised, dose escalation Phase I study assessed the administration of Glypromate® via intravenous infusion for 15 minutes or 4 hours, at doses up to 3.0 mg/kg/hour, in healthy adult male volunteers. Thirty subjects participated in the trial with a dropout rate of nil.

Neuren has now received the final clinical study report dated 22 December 2004. The final report confirms the findings disclosed in the Prospectus and this Supplementary Prospectus.

3. Accolade for Professor Peter Gluckman

On 18 December 2004, the New Zealand Herald announced that Professor Gluckman, Neuren's Chief Scientific Officer, is its 2004 New Zealander of the Year.

The New Zealand Herald cited Professor Gluckman for a "long career of achievement that has brought life-saving developments in medicine and demonstrated an ability to provide world-leading scientific research in New Zealand" and for his achievements "in all three areas of his work – foetal development, brain injury and marrying science and commerce".

Indicative Key Dates

The Directors have, with the approval of the Underwriter, varied Indicative Key Dates (page 8) as follows:

Closing Date	27 January 2005
Expected date for despatch of transaction confirmation statements	28 January 2005
Expected date for quotation of Shares on ASX	31 January 2005

All other references in the Prospectus to the above dates should be varied accordingly. The Directors expressly reserve the right to vary the Offer dates.

Underwriting Agreement

The Prospectus states that the Offer is fully underwritten. On 13 December 2004, ASIC issued an interim stop order under section 739(3) of the Act. ASIC has indicated it will lift the interim stop order consequent upon lodgement of this Supplementary Prospectus addressing the matters in sections 1 and 2 above. The interim stop order, and other events associated with it, may give the Underwriter a right to terminate the Underwriting Agreement at any time. The Underwriter has reserved its rights in relation to these events and has not waived those rights.

If the Underwriting Agreement is terminated, the Offer will not be underwritten, the minimum subscription for the Offer will be A$15 million, and the Offer will not proceed unless the minimum subscription of A$15 million is received. In addition, if the minimum subscription is not reached on or before the Closing Date, all applications will be dealt with in accordance with section 724 of the Act.

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Prospectus and Supplementary Prospectus to be read together

The Prospectus and this Supplementary Prospectus are to be regarded as the disclosure document for the purposes of the application of Chapter 6D.2 of the Corporations Act to all events that occur after lodgement of this Supplementary Prospectus.

Neither ASIC nor the Australian Stock Exchange Limited takes any responsibility for the contents of this Supplementary Prospectus or the Prospectus.

Options for Investors

Section 724 of the Corporations Act requires Neuren to give applicants a copy of the Supplementary Prospectus and to give applicants the option to withdraw their Application and be repaid any money paid to Neuren. Investors have 3 options:

a. Any applicant who has submitted an application to Neuren has a period of 1 month from the date of the Supplementary Prospectus to withdraw their application by notice in writing to Neuren. Any such notice must be received by Neuren at the below address by no later than 5pm AEDST on 27 January 2005.

Neuren Share Offer
ASX Perpetual Registrars Limited
Level 4
333 Collins Street
MELBOURNE VIC 3000

b. If you do not wish to withdraw your application, you do not have to take any action.

c. If you receive the Supplementary Prospectus with the Prospectus and wish to apply for New Shares, you may do so only on the application form attached to or accompanying the Supplementary Prospectus and marked “Supplementary Application Form”. Neuren will not accept any application to purchase Shares made on Application Forms attached to the Prospectus (this includes application forms printed from an electronic version of the Prospectus) after the date of this Supplementary Prospectus.

Contact Details

If you have any questions contact eG Capital on (02) 9223 1991.

Authorisation

This Supplementary Prospectus is issued by Neuren. Its issue and lodgement was authorised by a resolution of the Directors. Pursuant to section 720 of the Corporations Act, all of the Directors of Neuren have given their consent to the lodgement of this Supplementary Prospectus.

DATED: 23 December 2004

Dr Robin Congreve
Chairman, Neuren Pharmaceuticals Limited