



COMPANY ANNOUNCEMENT
6 August 2009

UPDATE ON NSL-043

NeuroDiscovery Ltd (ASX: NDL), a specialty neuroscience services provider and drug development company, today provides an update as to the status of the Collaboration Agreement with Sosei Co Ltd.

As previously announced on 29 May 2009 under the Collaboration Agreement it has been agreed with Sosei that NeuroSolutions percentage ownership in the NSL-043 development programme may fall from 50% to 33.5%. The dilution was to occur if NeuroDiscovery is unable to raise additional funds prior to 11th September to contribute to its outstanding payments and its 50% share of the costs set out in agreed milestone budgets to achieve the next milestone or continue the development programme for twelve months.

As a consequence of ongoing positive discussions in relation to the further development and potential funding of NSL-043, Sosei and NeuroSolutions have agreed to another three month extension as from 11th September 2009.

-ENDS-

For further information please contact:

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About NeuroDiscovery

NeuroDiscovery Ltd is listed on the Australian Stock Exchange (ASX Code NDL) and is a speciality neuroscience services provider and drug development company. NeuroDiscovery owns 100% of NeuroSolutions Ltd.

About NeuroSolutions

NeuroSolutions Ltd is a profitable service company, which has applied its broad spectrum 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 or tissues. NeuroSolutions' current clients include many 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 pipeline of programmes underway for the treatment of pain.

During 2008 NeuroSolutions reported success in a Phase II trial for NSL-101. The Company also completed two Phase I trials for its development compound NSL-043, in partnership with Sosei Co. Ltd. Both of these trials reported a successful outcome, facilitating further development.

Except for historical information, this news release may contain forward-looking statements that reflect the Company's current expectation regarding future events. These forward looking statements involve risk and uncertainties, which may cause but are not limited to, changing market conditions, the successful and timely completion of clinical studies, the establishment of corporate alliances, the impact of competitive products and pricing, new product development, uncertainties related to the regulatory approval process, and other risks detailed from time to time in the Company's ongoing quarterly and annual reporting.