



QUARTERLY HIGHLIGHTS – 30 SEPT 2009

MAJOR HIGHLIGHTS

- Total Revenue of A\$744k for the quarter, a 46% increase on the 2008 September quarter ;
- Gross Profit on revenue of almost A\$400k, a 111% increase on the September 2008 quarter;
- A Group Net Profit of approximately A\$93k for the quarter;
- Close monitoring of cash position - cash reserves of A\$1.2 million.

Research and Development Programmes

NSL-101

As stated previously the Company has filed an international (PCT) patent for this natural product and is currently seeking an appropriate licensing and/or collaborative partner or partners to undertake further development and receive the rights to market this product.

NSL-043

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 program may fall from 50% to 33.5%. The dilution was to occur if NeuroDiscovery was unable to raise additional funds prior to 11 September 2009 to contribute to its outstanding payments and to its 50% share of the costs set out in the agreed milestone budgets to achieve the next milestone or continue the development program for the next twelve months.

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

NeuroSolutions' Specialist Service Business

Contract Revenues

NeuroSolutions recognised contract service revenues of approximately A\$736k, a 46% increase on the same period last year in addition to signing a twelve month record contract of A\$620,000.

Financial Summary

Key Financial Information (unaudited)	Quarter ended 30 Sept 2008 \$	Quarter ended 30 Sept 2009 \$	% increase/ (decrease)
Contract revenues	505,115	735,632	46%
Gross Profit Contract Business	187,558	396,021	111%
Net Profit (Loss) before income tax	(278,894)	93,066	133%
Cash Reserves	1,595,005	1,233,527	(23%)

Corporate and Financial Management

The Company continues to monitor expenditure closely and is strategically reviewing its asset portfolio.

The quarter has seen a number of Board changes as part of an expenditure review and has included the resignations of Dr Chris Moyses from the position of CEO and Mr John Hannaford from Non-Executive Director. The Company also completed and sent the Annual Report and Notice of Annual General Meeting subsequent to the end of the quarter.

The Annual General Meeting will be held on 25 November 2009 at Level 11 225 St Georges Tce Perth at 2pm WST.

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Issued Capital
57,486,183 ordinary shares
2,172,154 options

Current Share Price A\$0.041
Market Cap A\$2.36mil
Cash A\$1.2 mil

ASX Code: NDL – Shares

