Rule 4.7B

Appendix 4C – 4th Quarter

Quarterly report for entities admitted on the basis of commitments

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10

Name of Entity:

PRANA BIOTECHNOLOGY LIMITED

ABN:

37 080 699 065

Quarter Ended ('Current Quarter')

30th June, 2014

Consolidated Statement of Cash Flows

	Cash Flows Related to Operating Activities	**Current Quarter $A'000**	**Year to Date (12 months) $A'000**
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) staff costs	(470)	(1,741)
	(b) advertising and marketing	(143)	(402)
	(c) research and development	(4,218)	(13,357)
	(d) leased assets	-	-
	(e) other working capital	(839)	(2,490)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	103	375
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (Grants/Donations)	-	4,095
	Net Operating Cash Flows	**(5,567)**	**(13,520)**

+ See chapter 19 for defined terms.

		Current Quarter $A'000	Year to Date (12 months) $A'000
1.8	**Net Operating Cash Flows (carried forward)**	**(5,567)**	**(13,520)**
	Cash Flows Related to Investing Activities		
1.9	Payment for acquisition of:		
	(a) businesses (item 5)	-	-
	(b) equity investments	-	-
	(c) intellectual property	-	-
	(d) physical non-current assets	(11)	(23)
	(e) other non-current assets	-	-
1.10	Proceeds from disposal of:		
	(a) businesses (item 5)	-	-
	(b) equity investments	-	-
	(c) intellectual property	-	-
	(d) physical non-current assets	-	-
	(e) other non-current assets	-	-
1.11	Loans to other entities	-	-
1.12	Loans repaid by other entities	-	-
1.13	Other	-	-
	Net Investing Cash Flows	**(11)**	**(23)**
1.14	**Total Operating and Investing Cash Flows**	**(5,578)**	**(13,543)**
	Cash Flows Related to Financing Activities		
1.15	Proceeds from issues of shares, options, etc.	16,244	37,108
1.16	Proceeds from sale of forfeited shares	-	-
1.17	Proceeds from borrowings	-	-
1.18	Repayment of borrowings	(810)	(810)
1.19	Dividends paid	-	-
1.20	Other (Capital Raising Costs)	(591)	(1,338)
	Net Financing Cash Flows	**14,843**	**34,960**
	Net Increase / (Decrease) in Cash Held	**9,265**	**21,417**
1.21	Cash at beginning of quarter/year to date	25,350	13,347
1.22	Exchange rate adjustments to item 1.21	(448)	(597)
1.23	**Cash at End of Quarter**	**34,167**	**34,167**

+ See chapter 19 for defined terms.

Payments to Directors of the Entity and Associates of the Directors

Payments to Related Entities of the Entity and Associates of the Related Entities

		Current Quarter $A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	141
1.25	Aggregate amount of loans to the parties included in item 1.11	

1.26 Explanation necessary for an understanding of the transactions

Salaries, directors' fees and consulting fees at normal commercial rates.

Non-Cash Financing and Investing Activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

During the period, in accordance with the Employee Incentive Scheme and Consulting Agreements, 1,200,000 unlisted options were issued to employees and consultants.

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

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Financing Facilities Available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

		Amount Available $A'000	Amount Used $A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

+ See chapter 19 for defined terms.

Reconciliation of Cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		**Current Quarter $A'000**	**Previous Quarter $A'000**
4.1	Cash on hand and at bank	34,167	25,350
4.2	Deposits at call	-	-
4.3	Bank overdraft	-	-
4.4	Other (provide details)	-	-
	Total: Cash at End of Quarter (item 1.22)	34,167	25,350

Acquisitions and Disposals of Business Entities

		Acquisitions *(Item 1.9(a))*	**Disposals** *(Item 1.10(a))*
5.1	Name of entity	-	-
5.2	Place of incorporation or registration	-	-
5.3	Consideration for acquisition or disposal	-	-
5.4	Total net assets	-	-
5.5	Nature of business	-	-

Compliance Statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.

2 This statement does give a true and fair view of the matters disclosed.

Sign Here: Date: 31st July 2014

Company Secretary
Print Name: Richard Revelins

+ See chapter 19 for defined terms.

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2. The definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.

3. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

+ See chapter 19 for defined terms.