

NEURALSTEM

MISSION STATEMENT

Neuralstem, Inc. is a publicly traded biotherapeutics company whose mission is to apply stem cell research and its patented human neural stem cell technology to treat diseases of the central nervous system including Ischemic Paraplegia, Traumatic Spinal Cord Injury, ALS and Parkinson's Disease. Their stem cell research has resulted in a patented technology that allows them to produce mature, commercial quantities of neural stem cells with the ability to control the differentiation of the cells into physiologically relevant human neurons and glia. Once approved by the FDA, these cells could be transplanted into humans as treatments for currently incurable diseases.

Although their stem cell procedure for ALS within the US will likely not be available for individual patient opportunity in less than four years, it is possible that parallel programs will be established in both China and Taiwan for use by those countries' nationals and by medical travelers substantially sooner (Taiwan for ALS and China initially for spinal cord injury). Neuralstem will have no control over who gets into the USA trial. Once the protocol is approved by the FDA, it will contain inclusion and exclusion criteria, and recruitment will be handled by the Trial team at the hospital. At the appropriate time, informational links will appear on various web sites, including www.clinicaltrials.gov

The information that follows may contain forward-looking statements made pursuant to the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. Readers are cautioned that many statements regarding potential applications of Neuralstem's technologies constitute forward-looking statements that involve risks and uncertainties, including, without limitation, risks inherent in the development and commercialization of potential products, uncertainty of clinical trial results or regulatory approvals or clearances, need for future capital, dependence upon collaborators and maintenance of Neuralstem's intellectual property rights. Actual results may differ materially from the results anticipated in these forward- looking statements. www.neuralstem.com

NEURALSTEM TECHNOLOGY

Neuralstem, Inc. utilizes its patented Human Neural Stem Cell technology to create cures for diseases of the CNS (central nervous system). The Company's technology allows for the isolation of CNS stem cells from tissue; the expansion in vitro of each cell up to a billion billion times (60 doublings), and the controlled differentiation of the cells into mature, physiologically relevant human neurons and glia. Major Central Nervous System diseases targeted by the Company with research programs currently underway include: Ischemic Spastic Paraplegia, Traumatic Spinal Cord Injury and ALS. The company's cells have extended the life of rats with ALS (Lou Gehrig's disease) as reported the journal TRANSPLANTATION, in collaboration with Johns Hopkins University researchers, and also reversed paralysis in rats with Ischemic Spastic Paraplegia, as reported in NEUROSCIENCE on June 29, 2007, in collaboration with researchers at University of California San Diego. The Company expects to file its first IND (Investigational New Drug) application with the FDA for ALS in January, 2009.

RECENT NEWS SPECIFIC TO NEURALSTEM AND ALS

Neuralstem Licenses Cleveland Clinic Spinal Cord Injection Technology

On October 18, 2008, Neuralstem announced that it had licensed the rights to three inventions from Cleveland Clinic pertaining to Targeted Spinal Cord Therapeutics Delivery. All three inventions were developed by Dr. Nicholas Boulis MD, formerly of Cleveland Clinic, now at Emory University. "We are very pleased to have licensed-in these important delivery technology rights," said Neuralstem President & CEO, Richard Garr. "As we get ready to move into our expected human trial for ALS, we are focused on the optimal way to deliver our cell therapeutics to enhance the safety and efficacy of the treatments. Transplanting our cells directly into the spinal cord is a challenging but necessary part of trying to treat

diseases of the spinal cord, not only in ALS, but in other spinal cord injuries and diseases." Garr went on to say, "The technology licensed today will help us to meet those goals."

Neuralstem will use this technology in its clinical trial for ALS. The company anticipates filing its IND (Investigational New Drug) application with the FDA for the ALS trial and hopes to start the trial early in 2009. "Neuralstem is a second generation stem cell company," said Garr, "built not so much to do basic research and discovery, as to optimize our discovery of neural stem cells, and take them into the clinic and into patients. We believe that our technology answers many of the issues that have held the field back, and makes it possible to build a stem cell company with a true product focus."

The three inventions Neuralstem has licensed from Cleveland Clinic are: a Stabilized Platform and Microelectrode Recording Guidance Validation; a Floating Cannula for Spinal Cord Therapeutic Injection; and a Spinal Platform and Methods for Delivering a Therapeutic Agent to a Spinal Cord Target. All of these are for use in spinal cord surgery for the delivery of therapeutics. For a video on how the stem cells are anticipated to work once injected into the spinal cord, and other information on Neuralstem's technology go to: www.neuralstem.com/index.asp?pgid=14

Neuralstem has been heavily involved with the University of California, San Diego (UCSD) and the University of Michigan in developing their ALS therapy. In mid-2007, it was revealed that the use of stem cells to treat ALS, or Lou Gehrig's disease, will be the focus of a new research project at UCSD School of Medicine in partnership with the University of Michigan. Twenty years ago, retail pioneer and philanthropist A. Alfred Taubman lost a good friend to ALS — an incurable, fatal disease. The memory of watching New York Sen. Jacob Javits slowly succumb to the nerve-killing condition has motivated him to support ALS research with a \$5 million gift to the University of Michigan. A major portion of the gift will support collaboration between U-M and UC San Diego scientist Martin Marsala, M.D., a stem cell researcher whose focus is protecting and repairing damaged spinal nerve cells.

Martin Marsala and Eva Feldman

Marsala, professor of anesthesiology at the UCSD School of Medicine, will collaborate with University of Michigan neurologist and scientist Eva Feldman, M.D., Ph.D., DeJong Professor of Neurology at U-M Medical School and director of their department's ALS clinic. She also heads the U-M Program for Neurology Research and Discovery.

The California Institute for Regenerative Medicine (CIRM) recently awarded Marsala a \$2.4 million grant for his research utilizing stem cells to repair spinal cord injury. He is an expert on grafting new cells into the spinal cord, and has studied the use of stem cells to treat spinal injuries caused by interruptions in blood flow. The use of this technique in ALS, which involves the death of the motor neurons that send signals to the muscles and control movement, could be a new frontier in treating the disease.

Marsala calls the gift a major boost to research. "Mr. Taubman's generous funding allows us to venture into exciting new territory with stem cells," he said. "It gives patients great hope that our new research with our Michigan colleagues will translate the promise of stem cell technology into the reality of therapy for ALS patients."

Already, Marsala and Feldman have spent several weeks of collaborative research in Marsala's UC San Diego School of Medicine laboratory, implanting human spinal stem cells into animal spinal cords. The promising results of this study, which have not yet been published, form the basis for one prong of the attack on ALS that will be supported by Taubman's generous gift. If additional laboratory work proves successful, a clinical trial in ALS patients could begin within five years.

The University of Michigan ALS project will also study genetic tools to keep nerve cells from dying, and new ways of delivering promising drugs and genes directly into nerve cells. "It's hard to imagine a more devastating disease than ALS," says Taubman, "Dr. Feldman and her team are doing miraculous work, and it's important that they have the resources to build on their momentum. I'm not a doctor or a scientist,

but I am an optimist who believes in the extraordinary possibilities of modern medicine. This is important work that must continue."

ABOUT NEURALSTEM

Scientific founder and Chairman, Karl Johe, Ph.D. while at NINDS, NIH, originally developed Neuralstem's technology. The Company's other founders are current President & CEO Richard Garr, JD, and Merrill Solomon. The Company was founded in 1996. Neuralstem states their compliance with the highest ethical standards in its business and scientific conduct. They are located at 9700 Great Seneca Highway, Rockville, MD 20850, Tel: 301.366.4960

The views and comments of Richard Garr, CEO of Neuralstem, Inc. can be found on his CEO blog, www.neuralstem.com/eBlog/