



Media Contact:

BrainCells Inc.

Kim Richards
Porter Novelli Life Sciences
619-849-5377
krichards@pnlifesciences.com

BrainCells Inc. Appoints David E. Thompson to its Board of Directors

SAN DIEGO, December 2, 2008 –BrainCells Inc. (BCI), a biopharmaceutical company utilizing its platform technology to identify and develop compounds that promote the growth of new neurons for the treatment of central nervous system (CNS) diseases, announced today the appointment of David E. Thompson to its board of directors. Thompson is a veteran of the pharmaceutical industry, with a 30-year tenure at Eli Lilly and Co. where he focused on building the company while leading corporate strategy, business development, corporate ventures and alliance management.

“Dave is an industry veteran with broad experience and numerous relationships in the pharmaceutical and biotech world,” said Jim Schoeneck, BrainCells CEO. “He will be a valuable resource as we execute corporate strategy and potential transactions around our neurogenesis platform technology and compounds in clinical development, including BCI-540, for which we anticipate Phase II data for the treatment of depression and anxiety in 2009.”

Thompson conducted a successful 30-year career at Eli Lilly and its affiliates which culminated in a position as vice president of corporate strategy and business development. During his tenure at Eli Lilly, Thompson focused his expertise on all aspects of Lilly’s business, holding numerous positions including director of corporate new product planning and licensing, president and general manager of Eli Lilly Canada, president/CEO of IVAC Corporation and vice president of pharmaceutical product management and licensing. Currently, Thompson is executive chairman of Bayhill Therapeutics, Inc. and is a member of the board of directors for Anthera Pharmaceuticals, Inc. Born in Lansing, Michigan, he is a graduate of Michigan State University with a BS and MBA.

“BCI’s scientific application of neurogenesis for the treatment of mood disorders and other CNS diseases has the potential to revolutionize the way drugs are developed to treat neurological conditions,” said Thompson. “I look forward to working with the BCI management team and its board as they continue to move product candidates forward.”

“Dave is an exceptional addition to our board of directors,” commented Dr. Harry Hixson, BrainCells’ chairman of the board. “His in-depth experience in business development, licensing and operations will be a great asset to us as we continue to expand our neurogenic platform technology and to explore potential strategic collaborations.”

About BCI-540

BCI-540 is in Phase IIa clinical studies for the treatment of depression with anxiety in patients who have not responded to current therapies. It has a mechanism of action distinct from any marketed anti-depressant by acting as a neurogenic agent directly on *in vitro* human neural stem cells, unlike an SSRI which acts by an indirect mechanism, which may eliminate serotonin associated side effects. BCI-540 was in-licensed from Mitsubishi Pharma (MPC) based on its neurogenic properties and in previous studies was shown to be well tolerated in more than 900 subjects in Phase I and II clinical trials.

About BrainCells Inc.

BrainCells Inc. (BCI) is a San Diego-based drug discovery and development company that is applying its proprietary neurogenesis platform technology to identify and reposition compounds for the treatment of central nervous system (CNS) diseases. Neurogenesis is the process by which endogenous stem cells in the adult human brain produce new brain tissue, including neurons. With its predictive screening platform, BCI can direct the selection and development of neurogenic compounds, increasing the opportunity for successful clinical trials in a variety of CNS indications. For more information, visit <http://www.braincellsinc.com>.

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