

8 September 2004

Manager of Company Announcements
Australian Stock Exchange
Exchange Centre
Level 3
20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam,

Correction of Notice of Initial Substantial Shareholder

A substantial shareholder has lodged the attached forms with the company:

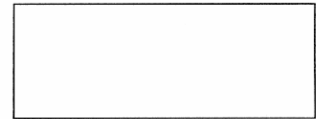
- ASIC Form 492 "Request for Correction"
- ASIC Form 603 "Notice of Initial Substantial Shareholder".

The original lodgement of the Form 603 was on 2 December 2003, and contained an incorrect number of shares held.

Sincerely,



David McGarvey
Chief Financial Officer/Company Secretary



Request for correction

Use this form to notify ASIC of **corrections** to previously notified changes.

If there is insufficient space in any section of the form, you may photocopy the relevant page(s) and submit as part of this lodgement

Company/scheme details

Company/scheme name

PHARMAXIS LTD

ACN/ARBN/ARSN/ABN

098 048 830

Lodgement details

Who should ASIC contact if there is a query about this form?

Name

John Brennan

ASIC registered agent number (if applicable)

Telephone number

07 3221 5922

Postal address

CM Capital Investments Pty Ltd

Level 4, 167 Eagle Street, Brisbane QLD 4000

Please provide an estimate of the time taken to complete this form.

0

hrs

60

mins

1 Details of original documents

Form number

603

Form title

Notice of initial substantial shareholder

Document number (Number allocated by ASIC)

5E1133686

Date of lodgement

0 2 / 1 2 / 0 3
[D D] [M M] [Y Y]

2 Details of correction

Supporting documentation is required for a correction to a **date of change**.

Documentation is defined as a copy of any company record (minute, resolution, file note, memorandum, letter etc) evidencing the company's decision relating to the event seeking to be corrected.

The copy of the information being provided as evidence to support the correction must be duly authorised by a current director or secretary of the company (signed, dated, signatory capacity).

THE INFORMATION RELATING TO THE NUMBER OF SHARES HELD BY CIBC AUSTRALIA VC FUND LLC WAS INCORRECT. THE CORRECT INFORMATION IS SET-OUT IN ANNEXURE A.

Signature

This form must be signed by a current director or secretary of the company

I certify that the information in this form is true and complete

Name

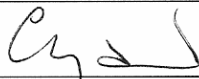
Carmel Judith Hillyard

Capacity

Director of CM Capital Investments Pty Ltd

Company secretary

Signature



Date signed

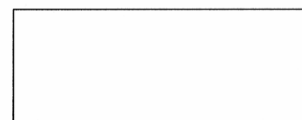
0 3 / 0 9 / 0 4
[D D] [M M] [Y Y]

Lodgement

Send completed and signed forms to:
Australian Securities and Investments Commission,
PO Box 4000, Gippsland Mail Centre VIC 3841.

For help or more information

Telephone 03 5177 3988
Email info.enquiries@asic.gov.au
Web www.asic.gov.au



Guide: Request for correction

This guide does not form part of the prescribed form. It is included by ASIC to assist you in completing and lodging the Form 492.

Use this form to notify ASIC of corrections to previously notified changes.

Signature

This form must be signed by a current director or secretary of the company or responsible entity.
Notes:

- (i) If this form is being lodged in respect of a managed investment scheme – the form must be signed by a current director or secretary of the responsible entity.
- (ii) If this form is being lodged in respect of a foreign company – the form must be signed by a current director or secretary of the company or a local agent of the company.

Lodgement fee

Nil, except in circumstances where the correction highlights a fee that would have been charged if the original document had been lodged and processed correctly.

Additional information

Prior to 1 July 2003, the **Form 902 Notification of information supplementary to a form or document previously lodged** has been used to notify **corrections** and to provide **supplementary** information. The Form 902 is now only to be lodged for the notification of supplementary information; ie in response to a requisition from ASIC relating to a document not fully processed.

The **Form 492 Notification of corrections** is to be lodged for notification of corrections; ie corrections to a previously lodged document that has been fully processed by ASIC.

Telephone corrections.

Phone ASIC on 03 5177 3988 if you have already notified changes but they are not shown correctly on your company statement.

Only typographical errors and mis-spellings will be accepted over the telephone. Corrections to **dates of change** will not be accepted over the phone as they require supporting documentation.

How to provide additional information

Annexures

If there is insufficient space in any section of the form, you may submit annexures as part of this lodgement.

To make any annexure conform to the regulations, you must

1. use A4 size paper of white or light pastel colour with a margin of at least 10mm on all sides
2. show the scheme name and ARSN or ARBN
3. number the pages consecutively
4. print or type in BLOCK letters in dark blue or black ink so that the document is clearly legible when photocopied
5. identify the annexure with a mark such as A, B, C, etc
6. endorse the annexure with the words:
This annexure (mark) of (number) pages referred to in form (form number and title)
7. sign and date the annexure

The annexure must be signed by the same person(s) who signed the form.

Lodgement

Send completed and signed forms to:
Australian Securities and Investments Commission,
PO Box 4000, Gippsland Mail Centre VIC 3841.

For help or more information

Telephone 03 5177 3988
Email info.enquiries@asic.gov.au
Web www.asic.gov.au

Form 603Corporations Act 2001
Section 671B**Notice of initial substantial shareholder**

To Company Name/Scheme PHARMAXIS LTD

ACN/ARSN 082 811 630

1. Details of substantial shareholder(1)

Name CM CAPITAL INVESTMENTS PTY LTD

ACN/ARSN (if applicable) 098 048 830

The holder became a substantial holder on 10/11/2003

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
ORDINARY	14,825,000	14,825,000	13.725%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
CM CAPITAL INVESTMENTS PTY LTD	REGISTERED HOLDER	ORDINARY 11,189,044
CIBC AUSTRALIA VC FUND LLC	REGISTERED HOLDER	ORDINARY 3,635,956

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
CM CAPITAL INVESTMENTS PTY LTD	CM CAPITAL INVESTMENTS PTY LTD AS TRUSTEE FOR THE CM CAPITAL VENTURE TRUST NO. 3	CM CAPITAL INVESTMENTS PTY LTD AS TRUSTEE FOR THE CM CAPITAL VENTURE TRUST NO. 3	11,189,044
CIBC AUSTRALIA VC FUND LLC	CIBC AUSTRALIA VC FUND LLC AS GENERAL PARTNER OF THE AUSTRALIAN VENTURE CAPITAL FUND LP	CIBC AUSTRALIA VC FUND LLC AS GENERAL PARTNER OF THE AUSTRALIAN VENTURE CAPITAL FUND LP	3,635,956

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)	Class and number of securities
CM CAPITAL INVESTMENTS PTY LTD	31/10/2003	\$1,994,522.00	ORDINARY 3,989,044
CIBC AUSTRALIA VC FUND LLC	31/10/2003	\$617,978.00	ORDINARY 1,235,956

6. Associates

The reason the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name of ACN/ARSN (if applicable)	Nature of association
CIBC AUSTRALIA VC FUND LLC	CIBC AUSTRALIA VC FUND LLC & CM CAPITAL INVESTMENTS PTY LTD ACT IN CONCERT IN RELATION TO THE AFFAIRS OF PHARMAXIS LTD

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
CM CAPITAL INVESTMENTS PTY LTD AS TRUSTEE FOR THE CM CAPITAL VENTURE TRUST NO. 3	TELSTRA HOUSE, 167 EAGLE STREET, BRISBANE, QUEENSLAND 4000
CIBC AUSTRALIA VC FUND LLC AS GENERAL PARTNER OF THE AUSTRALIAN VENTURE CAPITAL FUND LP	C/O CM CAPITAL INVESTMENT PTY LTD, 167 EAGLE STREET, BRISBANE, QUEENSLAND 4000

Signature

Print Name Carmel Judith Hillyard (Director of CM Capital Investments Pty Ltd)

Sign here _____

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg, a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically name group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 200.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection (671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and

- (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies)/

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.

- (8) If the substantial holder is unable to determine the identity of the person (eg, if the relevant interest arises because of an option) write "unknown".
- (9) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may become, entitled to receive in relation to that acquisition. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.