ASX / NASDAQ Media release

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PHARMAXIS FILES FIRST MARKETING APPLICATION FOR BRONCHITOL IN AUSTRALIA

Pharmaceutical company Pharmaxis (ASX:PXS, NASDAQ:PXSL) today announced that a marketing application for the mucus clearing agent, Bronchitol, has been submitted to the Therapeutic Goods Administration (TGA) division of the Australian Government. If approved, Pharmaxis will be authorized to market Bronchitol in Australia for the treatment of bronchiectasis.

The application is based on a multicentre Phase 3 clinical trial involving more than 360 subjects which evaluated the safety and efficacy of Bronchitol for inhalation in subjects with bronchiectasis. All of the primary efficacy end points were positive and statistically significant, and Bronchitol was shown to be well tolerated with no serious adverse events attributed to treatment.

After being accepted for evaluation, the TGA has 255 working days to review the application lodged by Pharmaxis.

There is currently no approved medication that specifically targets mucus clearance for people suffering from bronchiectasis.

Alan Robertson, Pharmaxis chief executive officer said: "We are delighted to announce this major milestone for Pharmaxis and believe this is an important development for people living with the incurable lung condition bronchiectasis. Pharmaxis is dedicated to the development of safe and effective treatments for airway diseases, and we continue to work closely with regulatory authorities worldwide to bring Bronchitol to patients as quickly as possible."

It is estimated that more than 600,000 people in the major pharmaceutical markets suffer from bronchiectasis and Pharmaxis expects Bronchitol to be the first targeted medication for this patient group in 20 years, addressing an important medical need. In Australia, it is believed that more than 18,000 people live with bronchiectasis and over 70% are moderately or severely incapacitated by their condition.

Bronchitol is also under development as a twice daily inhalation therapy for people with cystic fibrosis with two large Phase 3 trials currently underway.

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About Pharmaxis

Pharmaxis (ACN 082 811 630) is a specialist pharmaceutical company involved in the research, development and commercialization of therapeutic products for chronic respiratory and immune disorders. Its development pipeline of products includes Aridol for the management of asthma, Bronchitol for cystic fibrosis, bronchiectasis and chronic obstructive pulmonary disease (COPD), PXS25 for the treatment of lung fibrosis and PXS4159 for asthma.

Founded in 1998, Pharmaxis is listed on the Australian Stock Exchange (symbol PXS), and on NASDAQ Global Market (symbol PXSL). The company is headquartered in Sydney at its TGA-approved manufacturing facilities. For more information about Pharmaxis, go to www.pharmaxis.com.au or contact Investor Relations on phone +61 2 9454 7200.

About Bronchitol

Pharmaxis Ltd is developing Bronchitol for the management of chronic obstructive lung diseases including cystic fibrosis, bronchiectasis and chronic bronchitis.

Bronchitol is a proprietary formulation of mannitol administered in a convenient hand-held, pocket-sized inhaler. Its formulation as a dry powder with four-way action helps restore normal lung clearance mechanisms.

Clinical studies have shown Bronchitol to be safe, effective and well tolerated in stimulating mucus hydration and clearance in people with chronic obstructive lung diseases. In particular, Bronchitol has been shown to increase mucus clearance from the lungs and significantly improve quality of life for people with bronchiectasis. Additional studies have also shown Bronchitol to improve lung function in people affected by cystic fibrosis.

Forward-Looking Statements

The statements contained in this media release that are not purely historical are forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements in this media release include statements regarding our expectations, beliefs, hopes, goals, intentions, initiatives or strategies, including statements regarding the potential for Aridol and/or Bronchitol. All forward-looking statements included in this media release are based upon information available to us as of the date hereof, and we assume no obligation to update any such forward-looking statement as a result of new information, future events or otherwise. We can not guarantee that any product candidate will receive FDA or other regulatory approval or that we will seek any such approval. Factors that could cause or contribute to such differences include, but are not limited to, factors discussed in the "Risk Factors and Other Uncertainties" section of our Form 20-F lodged with the U.S. Securities and Exchange Commission.