



MEDIA RELEASE
28th October 2003

PHARMAXIS IPO CLOSES EARLY

Offer oversubscribed

Sydney-based pharmaceutical company Pharmaxis Ltd (Pharmaxis) announced today that it intended to close its initial public offering at 1.00pm today, 28th October, three days earlier than was initially scheduled.

The Company sought to raise \$21 million through the offer of 42 million ordinary shares at an issue price of \$0.50 cents each, fully underwritten by Wilson HTM Corporate Finance Ltd. Pharmaxis also had an ability to accept oversubscriptions of up to 8 million shares to raise up to a further \$4 million.

As a result of very strong demand for shares, the underwritten Offer has been oversubscribed and the board of directors of the Company, in consultation with the underwriter, have agreed to accept oversubscriptions to raise the maximum of \$25 million.

The early close of the IPO means the scheduled date for allocation of shares and dispatch of holding statements will also be brought forward. The expected date of listing Pharmaxis on the ASX has been revised to 10th November 2003.

Pharmaxis is a specialist pharmaceutical company committed to the research, development and commercialisation of human therapeutic products for chronic respiratory diseases, such as cystic fibrosis and chronic bronchitis, and autoimmune diseases, such as rheumatoid arthritis and multiple sclerosis. The Company is also developing an improved lung function test for diseases such as asthma.

Built on leading Australian technology, Pharmaxis' key strength lies in its diversified portfolio of products at various stages of development. The Company currently has four projects at clinical study stage, two projects in pre-clinical evaluation and one research project underway.

Pharmaxis Chief Executive Officer, Alan Robertson, said the response to the Offer had been extremely encouraging and reflected a sound understanding in the market of the Company's business model and its technology.

"Demand for share ownership in Pharmaxis has been very strong, from both new retail and institutional investors, as well as our existing base of shareholders.

"The successful completion of this IPO means we are now well positioned to rapidly progress the development and commercialisation of the Company's clinical projects, as well as the scale up of our manufacturing capability," Robertson said.

Garry Lowrey, Head of Wilson HTM Corporate Finance, said that the strong interest in the IPO supported the view that Pharmaxis has an attractive product portfolio with significant commercial potential.

“With four products at clinical study stage we expect positive news flow from the Company over the coming 12 months in relation to their development,” he said.

Pharmaxis was founded in 1998 and is chaired by Denis Hanley, former Chairman and CEO of Memtec Limited. He has extensive experience in growing Australian technology corporations to become successful global entities.

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About Pharmaxis:

Pharmaxis is a specialist pharmaceutical company committed to the research, development and commercialisation of human therapeutic products for chronic respiratory and autoimmune diseases.

Pharmaxis is focused on the development of its two leading technologies. The first technology includes Bronchitol and Aridol™, which are inhaled non-ionic osmolytes. Bronchitol is being developed for the treatment of respiratory diseases - in particular, cystic fibrosis, bronchiectasis and chronic bronchitis. Aridol™ is an improved lung function test. The second technology focuses on new immune response modifiers represented by PXS25 and PXS2000 for the treatment of multiple sclerosis and rheumatoid arthritis.

The Company has a pipeline of products in different stages of commercial development, including four projects at clinical study stage (in patients), two projects in pre-clinical evaluation and one research project to identify a compound for development.

Pharmaxis operates a first class, TGA-licensed, manufacturing facility at Frenchs Forest, near Sydney, Australia.