



**PATCH**  
INTERNATIONAL

PATCH INTERNATIONAL INC.  
1220-666 BURNARD STREET  
VANCOUVER, BC V6C 2X8

T 604-688-2790 F 604-688-5390

November 23, 2005

Mr David McGarvey  
Company Secretary  
Pharmaxis Limited  
Unit 2, 10 Rodborough Road  
FRENCHS FORREST NSW 2086

Dear Sir

**Notice of ceasing to be a substantial holder**

We enclose ASIC Form 605 in accordance with section 671B of the *Corporations Act 2001* (Cth). Patch International Inc has ceased to be a substantial shareholder of Pharmaxis Ltd. as a result of the sale of 3,687,063 Pharmaxis Ltd shares by Patch International Inc.

This form has been given to Australian Stock Exchange Limited.

Yours sincerely

Winston Cabell  
Director

**Form 605**

Corporations Act 2001  
Section 671B

**Notice of ceasing to be a substantial holder**

To: Company Name/Scheme Pharmaxis Ltd  
ACN/ARSN 082 811 630

**1. Details of substantial holder (1)**

Name Patch International Inc.  
ACN/ARSN (if applicable) \_\_\_\_\_

The holder ceased to be a substantial holder on: 22/11/2005 / \_\_\_\_ / \_\_\_\_  
The previous notice was given to the company on: 23/11/2005 / \_\_\_\_ / \_\_\_\_  
The previous notice was dated: 23/11/2005 / \_\_\_\_ / \_\_\_\_

**2. Changes in relevant interests**

Particulars of each change in, or change in the nature of, a relevant interest (2) of the substantial holder or an associate (3) in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (4)	Consideration given in relation to change (5)	Class (6) and number of securities affected	Person's votes affected
10/11/2005	Patch International Inc.	Disposal of shares through the ASX	A\$234,931	100,000	100,000
11/11/2005	Patch International Inc.	Disposal of shares through the ASX	A\$344,856	150,000	150,000
15/11/2005	Patch International Inc.	Disposal of shares through the ASX	A\$809,349	347,563	347,563
16/11/2005	Patch International Inc.	Disposal of shares through the ASX	A\$204,068	89,500	89,500
22/11/2005	Patch International Inc.	Disposal of shares through the ASX	A\$6,501,000	3,000,000	3,000,000

**3. Changes in association**

The persons who have become associates (3) of, ceased to be associates of, or have changed the nature of their association (7) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association

**4. Addresses**

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

Name	Address
Patch International Inc.	1220 - 666 Burrard Street, Vancouver, British Columbia V6C 2X8, Canada

**Signature**

print name	Winston Cabell	capacity	Director
sign here		date	23/11/2005

**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 named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 4 of the form.
- (2) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (3) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (4) Include details of:
  - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. 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 of 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.
- (5) 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 even if the benefit is conditional on the happening or not of a contingency. 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.
- (6) The voting shares of a company constitute one class unless divided into separate classes.
- (7) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.