



MEDIA RELEASE  
26<sup>th</sup> September 2003

## **PHARMAXIS LTD ANNOUNCES IPO**

### **Seeks to raise \$21 million through issue of 42 million shares**

Sydney based pharmaceutical company, Pharmaxis Ltd (Pharmaxis) announced today that it has lodged a prospectus with the Australian Securities and Investments Commission (ASIC) in relation to the company's initial public offering and listing on the Australian Stock Exchange (ASX).

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, the company's 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.

The company is seeking 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 has an ability to accept oversubscriptions of up to 8 million shares to raise up to a further \$4 million.

Pharmaxis Chief Executive Officer, Alan Robertson, said the funds raised through the IPO will be applied to clinical and pre-clinical development and commercialisation of the company's projects, and scale up of its manufacturing capability, general corporate purposes and to cover the cost of the offer.

"The company has achieved significant success to date by taking our key products, Aridol™ and Bronchitol, to Phase III and Phase II clinical trial stages respectively," he said.

"By raising funds through the IPO of Pharmaxis shares we will progress these products towards commercialisation and advance the other projects in our portfolio. As our projects progress, so too will our need to expand our manufacturing capabilities."

"We expect Aridol™ Phase III trials and Bronchitol Phase II trials will be completed by the middle of 2004, representing significant milestones for the company."

"We boast an extremely experienced and dedicated board and senior management team with a proven track record of developing and commercialising research. Our products and projects address the needs of specialist physician groups and their patients and in certain cases, target highly accessible patient populations, currently dependent upon unsatisfactory therapeutic alternatives," he said.

Pharmaxis was founded in 1998 and is chaired by Denis Hanley, former Managing Director and later Chairman and CEO of Memtec Limited. He is recognised as a leading expert in developing and commercialising new Australian technology and has extensive experience in growing Australian corporations to become successful global entities.

Alan Robertson has more than 20 years experience in drug discovery and development with leading pharmaceutical companies, including Wellcome plc, Faulding and Amrad Corporation Limited. Alan is the co-inventor of 18 patents and led a large team of medicinal chemists targeting new treatments for migraine and cardiovascular disease, resulting in the development of a compound now known as Zomig and distributed and marketed worldwide by AstraZeneca plc.

Pharmaxis has first-class, TGA-licensed facilities, at Frenchs Forest in Sydney, allowing the company to pursue a fully integrated business model from research and development, through to manufacture and commercialisation.

The company has previously secured the benefit of five research grants, as well as attracting the support of leading investment funds including GBS Venture Partners Ltd, CM Capital Investments and CIBC Australia VC Fund, which are all re-investing in the IPO at the IPO price.

The offer of shares by the company will be made in or accompanied by a prospectus lodged with the ASIC. Anyone wishing to acquire shares in Pharmaxis will need to complete the application form that will be or will accompany the prospectus.

**-ENDS-**

**Further information:**

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**Offer summary:**

Amount to be raised	\$21 million (with an ability to accept oversubscriptions up to a further \$4 million)
Offer price per share	\$0.50
Number of new shares being offered	42 million (with an ability to accept over subscriptions of up to 8 million shares)
Total number of shares post the offer	100 million (excluding oversubscriptions)
Market capitalisation at the offer price	\$50 million (excluding oversubscriptions)

**Indicative key dates:**

Prospectus lodged with ASIC	26 <sup>th</sup> September 2003
Expected offer opening	7 <sup>th</sup> October 2003
Expected offer closing	31 <sup>st</sup> October 2003
Expected date for dispatch of holding statements	12 <sup>th</sup> November 2003
Expected date of quotation for the company's shares on the ASX	14 <sup>th</sup> November 2003

**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.