

MEDIA RELEASE
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ARIDOL™ OF BENEFIT IN MANAGING CHRONIC OBSTRUCTIVE PULMONARY DISEASE: CLINICAL STUDY

Study results could double market potential of Aridol™

Sydney-based pharmaceutical company Pharmaxis Ltd (ASX code: PXS) has announced that the results from a pilot clinical study, conducted in Basel, Switzerland, could double the market potential of the company's Aridol™ product.

The study was designed to determine if Aridol™ could predict whether patients with Chronic Obstructive Pulmonary Disease (COPD) receive a clinical benefit from inhaled steroids, used to treat their lung condition.

The results of the study, which were presented at the annual meeting of the Swiss Society for Allergy and Immunology in Geneva, Switzerland on 17th April, indicate that, for the first time, the clinical response to inhaled steroids in mild to moderately severe COPD patients can be predicted by the use of an Aridol™ challenge test.

Aridol™ was initially developed by Pharmaxis as an improved lung function test to help manage asthma, and is currently in a multicentre Phase III clinical study in Australia.

Pharmaxis Chief Executive Officer, Alan Robertson, said the results of the Swiss study open up a substantial new market opportunity for Aridol™.

"There are more than 30 million people with COPD globally and treatments to date have been hampered by side effects, the high cost of inhaled steroids and the knowledge that as few as 20% of patients with COPD benefit from steroid treatment," Robertson said. "The Aridol™ challenge test offers the opportunity to streamline treatment, to reduce healthcare costs and to avoid needless side effects in patients with COPD."

In the Swiss study, 30 patients with COPD were given a lung function test with Aridol™ prior to treatment for three months with inhaled steroids to control inflammation and lung damage. Following the three-month treatment phase, only those patients that had returned a positive Aridol™ challenge test responded to steroid treatment as determined by an improvement in lung function.

"This is a significant additional step in the development of Aridol™ and adds to its already internationally recognised potential in asthma management," Robertson added.

Worldwide, there are over 30 million people with asthma, for whom Aridol™ has the potential to provide improved disease management. To extend the application of Aridol™ to the COPD patient market potentially doubles the market opportunity for Aridol™.

The results of the Swiss clinical study will be presented at the American Thoracic Society Annual Meeting next month.

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About COPD

Chronic Obstructive Pulmonary Disease (COPD) is a disease in which the airways and air sacs inside the lungs are partially obstructed or destroyed. The result is that it gets hard to breathe. This is a disease which is very slow to develop. People often do not show symptoms until they're over 40 years of age. It is caused by inhaling some form of lung irritant repeatedly for many years. The most common cause of COPD is smoking. Depending on what symptoms a person exhibits, they may be diagnosed with either chronic bronchitis or emphysema, both of which are recognized forms of COPD.

Cigarette smoking causes 85% of COPD and it is one of the most important chronic respiratory diseases in Australia. It is the fourth leading cause of death behind cancer, heart disease and stroke. The exact prevalence in the community is unknown but maybe as high as 10% of people over the age of 45.

COPD affects over 16 million people in the USA alone and there are over 30 million people affected by the disease in the major pharmaceutical markets. Treatment with inhaled steroids has been controversial because it has been estimated that as few as 20% of patients with COPD respond positively to steroids.

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 and is currently in a 600 subject multicentre Phase III study and over 250 subjects have been enrolled to date.

The second technology focuses on new immune response modifiers - PXS25 and PXS2000 – for the treatment of multiple sclerosis and rheumatoid arthritis.

The company has a pipeline of products in different stages of 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.

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.