

27 October 2006

Manager of Company Announcements
Australian Stock Exchange
Exchange Centre
Level 3
20 Bridge Street
Sydney 2000

Dear Sir/Madam,

**Annual General Meeting of Pharmaxis Ltd (“Company”)
Outcome of Resolutions**

In accordance with ASX Listing Rule 3.13.2, the Company advises the outcomes in respect of the resolutions put to the annual general meeting of the Company held at 2.30 pm on 26 October 2006.

Item 2 relating to the approval of the remuneration report was passed as an ordinary resolution unanimously on a show of hands.

Items 3 and 4 relating to the reappointment of Dr Peter Farrell and Mr Denis Hanley as directors of the Company were passed as an ordinary resolution unanimously on a show of hands.

Item 5 relating to the remuneration of non executive directors was passed as an ordinary resolution unanimously on a show of hands.

Items 6 to 10b relating to the grant and future grant of options to directors of the Company were passed as ordinary resolutions unanimously on a show of hands.

Item 11 relating to the renewal of the proportional takeover provision was passed as an ordinary resolution unanimously on a show of hands.

Enclosed with this letter are details of the proxies received in connection with the annual general meeting.

Sincerely,



David McGarvey
Company Secretary

2 Approval of remuneration report

The instructions given to validly appointed proxies in respect of the resolution were as follows:

| In Favour | Against | Abstention | Proxy's discretion |
|------------|-----------|------------|--------------------|
| 55,543,162 | 2,726,522 | 190,024 | 2,368,999 |

The motion was carried on a show of hands as an ordinary resolution.

3 Re-election of Dr Farrell

The instructions given to validly appointed proxies in respect of the resolution were as follows:

| In Favour | Against | Abstention | Proxy's discretion |
|------------|---------|------------|--------------------|
| 58,448,472 | 5,500 | 7,400 | 2,367,335 |

The motion was carried on a show of hands as an ordinary resolution.

4 Re-election of Mr Hanley

The instructions given to validly appointed proxies in respect of the resolution were as follows:

| In Favour | Against | Abstention | Proxy's discretion |
|------------|---------|------------|--------------------|
| 58,408,136 | 58,836 | 8,400 | 2,353,335 |

The motion was carried on a show of hands as an ordinary resolution.

5 Remuneration of Non Executive Directors

The instructions given to validly appointed proxies in respect of the resolution were as follows:

| In Favour | Against | Abstention | Proxy's discretion |
|------------|---------|------------|--------------------|
| 57,811,009 | 548,111 | 105,852 | 969,813 |

The motion was carried on a show of hands as an ordinary resolution.

6a Grant of 200,000 Options to Dr Farrell

The instructions given to validly appointed proxies in respect of the resolution were as follows:

| In Favour | Against | Abstention | Proxy's discretion |
|------------------|----------------|-------------------|---------------------------|
| 54,331,314 | 3,250,140 | 919,582 | 969,813 |

The motion was carried on a show of hands as an ordinary resolution.

6b Grant of 20,000 Options to Dr Farrell

The instructions given to validly appointed proxies in respect of the resolution were as follows:

| In Favour | Against | Abstention | Proxy's discretion |
|------------------|----------------|-------------------|---------------------------|
| 54,446,771 | 3,154,183 | 900,082 | 969,813 |

The motion was carried on a show of hands as an ordinary resolution.

6c Future grant of up to 20,000 options to Dr Farrell

The instructions given to validly appointed proxies in respect of the resolution were as follows:

| In Favour | Against | Abstention | Proxy's discretion |
|------------------|----------------|-------------------|---------------------------|
| 54,404,153 | 3,247,801 | 849,082 | 969,813 |

The motion was carried on a show of hands as an ordinary resolution.

7a Grant of 40,000 Options to Mr Hanley

The instructions given to validly appointed proxies in respect of the resolution were as follows:

| In Favour | Against | Abstention | Proxy's discretion |
|------------------|----------------|-------------------|---------------------------|
| 54,229,655 | 3,397,299 | 874,082 | 969,813 |

The motion was carried on a show of hands as an ordinary resolution.

7b Future grant of 40,000 Options to Mr Hanley

The instructions given to validly appointed proxies in respect of the resolution were as follows:

| In Favour | Against | Abstention | Proxy's discretion |
|------------|-----------|------------|--------------------|
| 54,347,117 | 3,303,337 | 850,582 | 969,813 |

The motion was carried on a show of hands as an ordinary resolution.

8a Grant of 48,957 Options to Mr Kiefel

The instructions given to validly appointed proxies in respect of the resolution were as follows:

| In Favour | Against | Abstention | Proxy's discretion |
|------------|-----------|------------|--------------------|
| 54,420,191 | 3,207,763 | 873,082 | 969,813 |

The motion was carried on a show of hands as an ordinary resolution.

8b Future grant of up to 50,000 Options to Mr Kiefel

The instructions given to validly appointed proxies in respect of the resolution were as follows:

| In Favour | Against | Abstention | Proxy's discretion |
|------------|-----------|------------|--------------------|
| 54,350,653 | 3,280,301 | 870,082 | 969,813 |

The motion was carried on a show of hands as an ordinary resolution.

9a Grant of 20,000 Options to Mr McComas

The instructions given to validly appointed proxies in respect of the resolution were as follows:

| In Favour | Against | Abstention | Proxy's discretion |
|------------|-----------|------------|--------------------|
| 54,220,191 | 3,407,763 | 873,082 | 969,813 |

The motion was carried on a show of hands as an ordinary resolution.

9b Future grant of up to 20,000 Options to Mr McComas

The instructions given to validly appointed proxies in respect of the resolution were as follows:

| In Favour | Against | Abstention | Proxy's discretion |
|------------------|----------------|-------------------|---------------------------|
| 54,176,653 | 3,454,301 | 870,082 | 969,813 |

The motion was carried on a show of hands as an ordinary resolution.

10a Grant of 150,000 Options to Dr Robertson

The instructions given to validly appointed proxies in respect of the resolution were as follows:

| In Favour | Against | Abstention | Proxy's discretion |
|------------------|----------------|-------------------|---------------------------|
| 55,304,159 | 3,146,795 | 48,082 | 969,813 |

The motion was carried on a show of hands as an ordinary resolution.

10b Future grant of up to 150,000 Options to Dr Robertson

The instructions given to validly appointed proxies in respect of the resolution were as follows:

| In Favour | Against | Abstention | Proxy's discretion |
|------------------|----------------|-------------------|---------------------------|
| 55,271,121 | 3,157,833 | 70,082 | 969,813 |

The motion was carried on a show of hands as an ordinary resolution.

11 Renewal of Proportional Takeover Provision

The instructions given to validly appointed proxies in respect of the resolution were as follows:

| In Favour | Against | Abstention | Proxy's discretion |
|------------------|----------------|-------------------|---------------------------|
| 57,867,145 | 363,185 | 188,315 | 1,776,138 |

The motion was carried on a show of hands as an ordinary resolution.