



ASX/NASDAQ Media release

16 November 2006

ARIDOL ENDORSED IN GLOBAL AND AUSTRALIAN GUIDELINES

Pharmaceutical company Pharmaxis (ASX:PXS, NASDAQ:PXSL) today announced that its first commercial product Aridol has been included in both global and Australian official guidelines for managing asthma.

Aridol's inclusion in the two influential guidelines: the GINA Report on *Global Strategy for Asthma Management and Prevention*, and the *Australian Asthma Management Handbook*, follows extensive independent scientific and clinical review.

Alan Robertson, Pharmaxis CEO, said: "We are delighted that Aridol is recognised and endorsed by both global and Australian experts as a significant addition to the tools available to help asthma patients. Inclusion in both national and international guidelines after exhaustive independent peer review is particularly gratifying, and will accelerate the acceptance of Aridol by physicians worldwide."

Aridol is recommended in both guidelines as a lung function test that physicians can undertake to diagnose asthma in patients.

The Global Initiative for Asthma (GINA) is a network of individuals, organisations and public health officials who disseminate information about the optimal care of patients with asthma, incorporating the latest research and best clinical practice. This latest report is a direct response by GINA to several recent international surveys which have highlighted that asthma control remains poor. It incorporates updated scientific information (including Aridol) and promotes an approach to asthma management based on asthma control, rather than asthma severity. This is important since Aridol has recently become the first bronchial challenge test to be approved in a European country as an aid to asthma control.

Australia's new asthma management guidelines were launched yesterday by the Parliamentary Secretary for the Minister for Health and Ageing, Christopher Pyne. Published as the National Asthma Council Australia's Asthma Management Handbook, the guidelines are the gold standard of practice for asthma management in Australia. They are updated regularly to accommodate changes in asthma management, based on the latest medical evidence and new treatments that become available, as well as reflecting current areas of consumer concern.

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About Pharmaxis

Pharmaxis (ACN 082 811 630) is a specialist pharmaceutical company involved in the research, development and commercialization of therapeutic products for chronic respiratory and autoimmune diseases. Its development pipeline of products include Aridol™ for the management of asthma, Bronchitol™ for cystic fibrosis and chronic obstructive pulmonary disease (COPD) and PXS64 for the treatment of multiple sclerosis.

Founded in 1998, Pharmaxis was listed on the Australian Stock Exchange in November 2003 (symbol PXS), and on NASDAQ (symbol PXSL) in August 2005. The company is headquartered in Sydney at its TGA-approved manufacturing facilities. For more information about Pharmaxis, go to www.pharmaxis.com.au or contact Jane Sugden, Investor Relations +61 2 9454 7230.

About GINA

The Global Initiative for Asthma (GINA) was implemented to develop a network of individuals, organizations, and public health officials to disseminate information about the care of patients with asthma while at the same time assuring a mechanism to incorporate the results of scientific investigations into asthma care. Publications based on the GINA Report were prepared and have been translated into languages to promote international collaboration and dissemination of information. To disseminate information about asthma care, a GINA Assembly was initiated, comprised of asthma care experts from many countries to conduct workshops with local doctors and national opinion leaders and to hold seminars at national and international meetings. In addition, GINA initiated an annual World Asthma Day (in 2001) which has gained increasing attention each year to raise awareness about the burden of asthma, and to initiate activities at the local/national level to educate families and health care professionals about effective methods to manage and control asthma.

About the National Asthma Council (NAC)

The NAC is the leading Australian agency for asthma and associated conditions:

- providing the latest information on asthma to health professionals directed at improving their quality of care;
- conducting and evaluating the delivery of national public awareness and education campaigns;
- being the national communicating authority on asthma;
- gathering, refining and disseminating information on asthma;
- taking on the role of a catalyst for change to facilitate improvement in the standards of asthma care and management.

About Aridol

The Aridol lung function test, developed by Australian researchers and Pharmaxis Ltd, will help doctors more accurately determine the severity of a patient's asthma and allow prescription of the right amount of medication.

The simple 15-25 minute test uses a patented formulation of mannitol processed into a respirable powder. The test requires the patient to inhale increasing doses of Aridol, which causes the airways to narrow and contract that is simply detected by measuring the amount of air a person can exhale in one second. The smaller the dose required to cause contraction, the more severe the patient's asthma diagnosis. People without airway inflammation do not respond to an Aridol challenge test. Doctors can use the results of this test to measure how severe a patient's asthma is and the medication and dose required to bring it under control.

Forward-Looking Statements

The statements contained in this press release that are not purely historical are forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements in this media release include statements regarding our expectations, beliefs, hopes, goals, intentions, initiatives or strategies, including statements regarding the potential for Aridol and/or Bronchitol. All forward-looking statements included in this media release are based upon information available to us as of the date hereof, and we assume no obligation to update any such forward-looking statement as a result of new information, future events or otherwise. We cannot guarantee that any product candidate will receive FDA or other regulatory approval or that we will seek any such approval. Factors that could cause or contribute to such differences include, but are not limited to, factors discussed in the "Risk Factors and Other Uncertainties" section of our Form 20-F lodged with the U.S. Securities and Exchange Commission.