

ASX/NASDAQ Media release

22 January, 2007

PHARMAXIS APPOINTS SPANISH DISTRIBUTOR FOR ARIDOL

Pharmaxis (ASX: PXS, NASDAQ: PXSL) today announced the appointment of Aldo-Unión SA to market and distribute its asthma diagnostic and management tool, Aridol, in Spain. Spain is among the first group of countries selected to review the Aridol marketing application as part of the European Union Mutual Recognition Procedure expected to conclude during the first quarter of 2007.

Dr Alan Robertson, Pharmaxis CEO said: "Spain is a key market and we are delighted to announce our agreement with Aldo-Unión, a respiratory specialist pharmaceutical company with a long heritage in inhaled medicines for asthma. Aldo-Unión's strong reputation in respiratory medicine and its broad coverage of the domestic territory with its own sales force, make it the ideal partner for Pharmaxis to introduce and develop the Spanish market for Aridol."

Dr Josep Sabater, Managing Director of Aldo-Unión said: "Since its establishment in the early sixties, Aldo-Unión has been devoted to developing, producing and marketing inhaled drugs for treating obstructive diseases of the respiratory system. As a local leader in the respiratory field, Aridol fits perfectly within our product portfolio. It is a unique product that will enable us to strengthen and widen our commitment to asthma patients from the very beginning of their symptoms.

"Aridol is a valuable contribution to asthma management. We are strongly convinced that this partnering between Pharmaxis and Aldo-Unión will make a major contribution to improving asthmatics' quality of life."

The total Spanish population affected by asthma is estimated to be approximately 2.7 million people. The bronchial challenge testing market is dominated by methacholine and is one of few European markets where testing to assess effectiveness of treatment is performed. Following Aridol's approval by Swedish authorities, Pharmaxis lodged its application for marketing approval for a further 13 countries under the EU Mutual Recognition Procedure in December. Spain is among the first group of 13 countries scheduled to register Aridol.

To find out more about Pharmaxis, go to <http://www.pharmaxis.com.au>.

-ends-

more/2

SOURCE: Pharmaxis Ltd, Sydney, Australia
CONTACT: Alan Robertson - Chief Executive Officer
Ph: +61 2 9454 7200, Email: alan.robertson@pharmaxis.com.au

RELEASED THROUGH:

United States: Brandon Lewis, Trout Group, ph +1 212 477 9007, email blewis@troutgroup.com
Australia: Virginia Nicholls, ph +61 417 610 824, email virginia.nicholls@pharmaxis.com.au

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 includes 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 ph +61 2 9454 7230.

About Aldo-Unión

Aldo-Unión S.A. was established as a pharmaceutical company in 1961. In 1964 Aldo-Unión installed its first plant for the manufacture of aerosols for inhalation, and was the first company to launch products of this type into the Spanish market. Since then the evolution of Aldo-Unión in research and development has been constant, especially in its range of aerosols for inhalation, where it has one of the widest range of this kind of preparation worldwide.

Located in Barcelona, Aldo Union's head office includes a 5,000 square metre advanced unit for the production of inhalation products. Its products are commercially available in more than 50 countries worldwide.

About Aridol

The Aridol lung function test, developed by Australian researchers and Pharmaxis Ltd, helps doctors more accurately determine the severity of a patient's asthma and allows 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 media 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.