ASX / NASDAQ Media release **08 November 2007**

ARIDOL TO BE EVALUATED IN MAJOR US ASTHMA STUDY

Pharmaxis (ASX:PXS, PXSL:NASDAQ) today announced that the lung challenge test, Aridol, has been accepted for evaluation in a major US asthma management study involving 360 subjects. The study received an investigator-initiated IND from the FDA and is running in parallel with a National Institue of Health (NIH) funded trial to determine the best therapy adjustment strategy for asthma patients over the long term. This ancillary study, run by the U.S. Asthma Clinical Research Network (ACRN), will examine whether Aridol can be used to improve outcomes in asthmatic patients by guiding therapy.

The recently published National Heart Lung and Blood Institute (NHLBI) asthma guidelines acknowledged the potential for measurement of biomarkers, such as Aridol, as a way of assessing risk and thereby guiding adjustments in treatment. No other commercially available tests have yet proven their worth in this area and it remains the single largest clinical and commercial opportunity to expand usage of Aridol. The ancillary study's aims are to evaluate Aridol's ability to characterize asthma phenotypes, predict asthma control and exacerbations, and predict responses to interventions.

Pharmaxis CEO Alan Robertson said, "Aridol has been successful in penetrating the existing market for challenge testing in Australia but as we prepare to complete our registrations in Europe and file the marketing application in the U.S. we must already set our sights on expanding the usage and benefits to patients. This study run by the prestigious ACRN group will complement an ongoing major UK study in exploring Aridol's worth in asthma monitoring and management."

The study is being run in 10 of the largest asthma clinical research centres in the U.S. First participants will be evaluated in November and the study is due to conclude by the end of 2008. A marketing application for Aridol is due for filing with the U.S. FDA in Q1 2008.

To find out more about Pharmaxis, go to: http://www.pharmaxis.com.au
To find out more about Aridol, go to: http://www.pharmaxis.com.au/target-diseases-and-products/our-products/our-products_home.cfm

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About Aridol
Asthma is among the top 10 most commonly cited reasons for consulting a General Practitioner (GP). Yet GPs currently rely upon older tests that are often inaccurate and cumbersome to assess airway inflammation in patients with asthma. The easy to administer test uses a patented formulation of mannitol processed into a breathable 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.

About Pharmaxis
Pharmaxis (ACN 082 811 630) is a pharmaceutical company involved in the research, development and commercialization of therapeutic products for chronic respiratory and immune disorders. Its development pipeline of products include, Aridol for the management of asthma, Bronchitol for cystic fibrosis, bronchiectasis and chronic obstructive pulmonary disease (COPD) and PXS64 for the treatment of multiple sclerosis. Founded in 1998, Pharmaxis is listed on the Australian Stock Exchange (symbol PXS), and on NASDAQ Global Market (symbol PXSL). 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.

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 can not 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.