Media Release

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PHARMAXIS RECEIVES $5M R&D TAX INCENTIVE AS WORK PROGRESSES ON MYELOFIBROSIS TREATMENT

Pharmaceutical research company Pharmaxis Ltd (ASX: PXS) has received a R&D tax incentive of $5,048,452 in relation to the 2020 financial year. The receipt of this incentive adds to the Company's cash funds, which were $15 million at 30 June 2020.

Pharmaxis CEO Gary Phillips said, "The R&D tax incentive is a significant source of non-dilutive funding for the Company's development of new drugs, providing a 43.5% cash payment in relation to eligible research expenditure. Pharmaxis' current drug development focus is the commencement of a phase 1/2 clinical trial of its pan-LOX inhibitor PXS-5505 in myelofibrosis which was recently given permission to proceed by the US Food and Drug Administration (FDA) under its Investigational New Drug program. PXS-5055 has also been granted orphan drug designation by the FDA for the treatment of myelofibrosis."

The R&D tax incentive is payable in cash on eligible R&D expenditure for companies with total revenue less than $20 million in the claim year.

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SOURCE: Pharmaxis Ltd, Sydney, Australia

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About Pharmaxis

Pharmaxis Limited is an Australian pharmaceutical research company and a global leader in drug development for inflammation and fibrotic diseases. The company has a highly productive drug discovery engine with drug candidates in clinical trials.

Leveraging its small-molecule expertise and proprietary amine oxidase chemistry platform, Pharmaxis has taken four in-house compounds to Phase 1 trials in just five years. The Company's first compound is an anti-inflammatory AOC3 inhibitor developed in 2015. The company's amine oxidase program has since developed an oral anti-fibrotic LOXL2 inhibitor, aimed at NASH, pulmonary fibrosis (IPF) and other high-value fibrotic heart and kidney diseases, with a commercial partnering process underway; a systemic pan-LOX inhibitor for acute fibrosis and cancer that will enter a phase 2 study in 2020; and a topical pan-LOX inhibitor for scarring that is expected to commence phase 1 studies in 2H 2020. Pharmaxis' Mannitol platform has yielded the products Bronchitol® for cystic fibrosis, which is marketed in Europe, Russia and Australia, with United States FDA approval pending; and Aridol® for the assessment of asthma, which is sold in the United States, Europe, Australia and Asia.

Pharmaxis is listed on the Australian Securities Exchange (PXS). Its head office, manufacturing and research facilities are in Sydney, Australia. http://www.pharmaxis.com.au/

Forward-Looking Statements

Forward-looking statements in this media release include statements regarding our expectations, beliefs, hopes, goals, intentions, initiatives or strategies, including statements regarding the potential of products and drug candidates. All forward-looking statements included in this media release are based upon information available to us as of the date hereof. Actual results, performance or achievements could be significantly different from those expressed in, or implied by, these forward-looking statements. These forward-looking statements are not guarantees or predictions of future results, levels of performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, and which may cause actual results to differ materially from those expressed in the statements contained in this document. For example, despite our efforts there is no certainty that we will be successful in partnering any of the products in our pipeline on commercially acceptable terms, in a timely fashion or at all. Except as required by law we undertake no obligation to update these forward-looking statements as a result of new information, future events or otherwise.