Media Release

14 April 2021

PHARMAXIS ANNOUNCES A$4.4M PLACEMENT

Highlights:

- A$4.4m being raised in a placement to institutional investors
- A$20m pro-forma cash balance post raising
- Strengthened balance sheet to support ongoing clinical studies in myelofibrosis and skin scarring
- Issue price of A$0.08 represents a 1.3% premium to last closing price as at 12 April 2021
- New shareholder Karst Peak Capital Limited invests A$3.2m for a 8.9% holding in the Company
- Existing shareholder BVF Partners LP invests A$0.8m to maintain its holding at 19.5%

Clinical stage biopharmaceutical company Pharmaxis (ASX: **PXS** or **Company**) today announces that it has received commitments from sophisticated and institutional investors to subscribe for 54.6m fully paid ordinary shares at A$0.08 per share to raise approximately A$4.4m via a Placement.

The placement will consist of approximately 54.6m shares (A$4.4m) to be issued within the Company's 15% Placement capacity under ASX Listing Rule 7.1.

The funds raised will be used to strengthen the Pharmaxis balance sheet as the Company conducts a phase 1/2 study in myelofibrosis with its lead drug PXS-5505 that is already recruiting, and a phase 1c study in patients with problematic skin scarring with its topical drug PXS-6302. The Company will have a ~A$20m pro-forma cash balance (as at 31st March 2021) post raising. Further strengthening the balance sheet Pharmaxis is today also announcing the sale of Bronchitol Russian distribution rights for ~A$2 million (refer separate announcement).

The Placement received strong support from Hong Kong and Sydney based Karst Peak Capital Limited which has committed to invest A$3.2m and will emerge with a 8.9% shareholding. Karst Peak is an investment management firm based in Hong Kong and Sydney focusing on equity investments in listed companies in the consumer, healthcare, and technology sectors in Asia and Australasia.

Existing shareholder BVF Partners LP has also committed to invest a further A$0.8m to maintain its shareholding in Pharmaxis to 19.5%.

Gary Phillips, Chief Executive Officer commented, "We are delighted to welcome Karst Peak as a major shareholder as we commence clinical studies that will deliver results that will have significant value to both patients and shareholders. This recognition of the potential in our pipeline from an institutional fund that is renowned for its extensive due diligence prior to investing is very encouraging at a time when we are focusing our resources on clinical trials and looking to deliver non-dilutive cash and cost savings from other parts of our business."

Bell Potter Securities Limited acted as the sole Lead Manager and Bookrunner to the Placement.

INDICATIVE TIMETABLE*	
Placement announced and Company resumes trading	Wednesday 14 April 2021
Settlement of Placement Shares	Tuesday 20 April 2021
Allotment of Placement Shares	Wednesday 21 April 2021

*The Company and the Lead Manager reserve the right to vary these dates

Shares issued under the Placement will be issued on the same terms and will rank equally with existing shares.

#ends#

SOURCE: Pharmaxis Ltd, Sydney, Australia

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About Pharmaxis
Pharmaxis Ltd is an Australian pharmaceutical research company developing drugs for inflammatory and fibrotic diseases, with a focus on myelofibrosis. The company has a highly productive drug discovery engine built on its expertise in the chemistry of amine oxidase inhibitors, with drug candidates in clinical trials. Pharmaxis has also developed two respiratory products which are approved and supplied in global markets, generating ongoing revenue.

Pharmaxis is developing its drug PXS-5505 for the bone marrow cancer myelofibrosis which causes a build up of scar tissue that leads to loss of production of red and white blood cells and platelets. The US Food and Drug Administration has granted Orphan Drug Designation to PXS-5055 for the treatment of myelofibrosis and permission under an Investigational Drug Application (IND) to progress a phase 1c/2 clinical trial that commenced recruitment in Q1 2021. PXS-5505 is also being investigated as a potential treatment for other cancers such as liver and pancreatic cancer.

Other drug candidates being developed from Pharmaxis' amine oxidase chemistry platform are targeting fibrotic diseases such as kidney fibrosis, NASH, pulmonary fibrosis and cardiac fibrosis; fibrotic scarring from burns and other trauma; and inflammatory diseases such as Duchenne Muscular Dystrophy.

Pharmaxis has developed two products from its proprietary spray drying technology that are manufactured and exported from its Sydney facility; Bronchitol® for cystic fibrosis, which is approved and marketed in the United States, Europe, Russia and Australia; and Aridol® for the assessment of asthma, which is approved and marketed 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. 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 developing or 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.