Quarterly Shareholder Update – September 2023

Dear shareholder,

Subject to shareholder approval at our upcoming AGM on 28th November this is the last quarterly update that I'll be writing under the Pharmaxis masthead.

The sale of the mannitol business unit (MBU) closed on 19 October, just two weeks after signing marking the launch of Syntara which will concentrate on development of our pipeline and primarily PXS-5505 in haematological malignancies. We have shed more than 60% of our core costs and will push the costs even lower with a sharply focused business plan.

We have executed on our strong strategic belief that the two parts of Pharmaxis (the MBU and the drug development business) would both be more valuable and more successful if separated. With sales of Bronchitol in the US not fulfilling expectations, the way to profitability was clearly to put the business in the hands of a manufacturer who, with a portfolio of other products, could drive down the cost of goods. The sale agreement with Arna Pharma has clearly achieved that aim.

The drug development business meanwhile is to be known as Syntara and is in a very strong position. I highly recommend that you review our latest investor presentation (here) that provides detail on the following key points:

1. Smaller and very focused Board under new leadership
2. A science platform that leads the world in its field and has been internationally acclaimed with three recent Nature publications
3. A strong pipeline of clinical stage assets with a lead program in haematological malignancies.
4. Potential for 5 phase 1c/2 studies in areas of high unmet need, significant market potential and high value exit opportunities, with data arriving in a 9 month window from Q4 2024 to Q2 2025.
5. The lead phase 2 trial of PXS-5505 with ruxolitinib in myelofibrosis due to start recruitment imminently after receiving the go ahead from the FDA in Q3 2023.

I'd like to thank you for the support you have shown Pharmaxis in the past and hope you will join us for what promises to be an exciting future ahead with Syntara. I anticipate that we will commence recruitment in three phase 2 studies in this coming quarter; an outstanding start with much much more to come.

Gary Phillips - Chief Executive Officer

Clinical pipeline at a glance

Disease/target	Drug	Status
Myelofibrosis (oral pan-LOX inhibitor) - monotherapy	PXS-5505	Phase 2a ongoing
Myelofibrosis (oral pan-LOX inhibitor) – combination with JAK inhibitor	PXS-5505	Phase 2a recruiting
Myelodysplastic syndrome (MDS) (oral pan-LOX inhibitor)	PXS-5505	Phase 2 ready
Established skin scars (Topical pan-LOX inhibitor)	PXS-6302	Phase 1c IIS reported
Scar prevention (oral pan-LOX inhibitor)	PXS-5505	Phase 1c recruiting
Neuro inflammation - iRDB (SSAO/MAOB inhibitor)	PXS-4728	Phase 2 recruiting
Chronic fibrotic diseases (LOXL2 inhibitor)	PXS-5382	Phase 1 completed

New drug development

Oral pan-LOX inhibitor program (PXS-5505) in myelofibrosis

Pharmaxis' primary drug development initiative is its pan-Lysyl Oxidase (pan-LOX) inhibitor program focussed on the rare blood cancer, myelofibrosis. PXS-5505 is an orally taken drug that inhibits the lysyl oxidase family of enzymes and was developed from the Company's amine oxidase chemistry platform. In pre-clinical models of myelofibrosis, PXS-5505 reversed the bone marrow fibrosis that drives morbidity and mortality and reduced many of the abnormalities associated with this disease.

Myelofibrosis is a cancer with a poor prognosis and limited therapeutic options. Pharmaxis believes that the current treatments can be augmented by the concurrent use of a pan-LOX inhibitor. The combination with standard of care should be disease modifying in a market that is conservatively worth US$1 billion per annum.

A phase 1c/2a clinical trial (named MF-101; ClinicalTrials.gov Identifier: NCT04676529), was cleared by the FDA under the Investigational New Drug scheme. The Phase 1c dose escalation phase started in the March quarter of 2021.

The study aims to demonstrate that PXS-5505 is safe and well tolerated as a monotherapy in myelofibrosis patients who are intolerant, unresponsive or ineligible for treatment with approved JAK inhibitor drugs. The trial has additional secondary endpoints to explore the impact of inhibiting lysyl oxidase enzymes on a number of important disease parameters such as bone marrow fibrosis, cytopenia and spleen volume.

In the phase 2a dose expansion stage 24 patients are to be treated twice a day for 6 months. The trial has to date recruited 23 patients.

A total of 20 sites in Australia, South Korea, Taiwan and the United States are participating in the trial.

Phase 2 Interim data

In July 2023 the Company released its second and final interim data on the first 10 patients to have completed the full 24 weeks of treatment:

- Safety endpoints:
  - PXS-5505 was well tolerated with no serious treatment related adverse events reported.
  - The majority of adverse events were mild and not related to treatment.
  - 10 patients dropped out of the study; none were treatment related.
- Efficacy endpoints:
  - Five out of nine evaluable patients had improved bone marrow fibrosis scores of ≥1 grade with four out of five fibrosis responders demonstrating stable hematological parameters and three out of five patients reporting symptomatic improvement
  - Four had an improvement in symptom score of >20%

- Seven had stable/improved hemoglobin (Hb) counts
- Eight had stable/improved platelet counts; three of these eight patients entered the study with Grade 4 (potentially life threatening) thrombocytopenia
- No spleen volume response (SVR35) was identified

On reviewing the results, Dr Lucia Masarova, Assistant Professor, Department of Leukemia at MD Anderson Cancer Center, Houston said, "PXS-5505 continues to show not only an excellent safety profile but also promising clinical activity. The effect on bone marrow fibrosis is particularly exciting for a disease like myelofibrosis, where despite numerous years of research, we do not have any effective anti-fibrotic drugs. It is encouraging to see that majority of 10 patients who completed 24 weeks of therapy also had improvements of symptoms and more importantly, stable or improved blood counts; including in those patients with severe thrombocytopenia.

"These results support plans to continue clinical investigation of the agent, including combinations with JAK inhibitors where the lack of overlapping hematological toxicity would make PXS-5505 an ideal add-on candidate."

Read more here.

Watch an interview with CEO Gary Phillips outlining the study data here and an online investor briefing on 12 July 2023 here.

FDA review – acceleration of plans for combination study with JAK inhibitor

In a Type C Meeting review at the beginning of the June quarter, the FDA examined a package of safety and efficacy information from the current monotherapy trial of PXS-5505 and provided guidance on the number of patients, treatment dosage, study duration and endpoints for a study in combination with a JAK inhibitor as standard of care. Pharmaxis subsequently submitted a clinical trial protocol amendment to global regulators, including the FDA, adding an arm to the existing study (MF-101) and utilising existing trial sites. Based on the FDA Type C Meeting feedback the trial design has been streamlined to initiate the combination arm at the same dose currently used in the monotherapy arm. The amended protocol was cleared by the FDA without amendment under the Investigational New Drug (IND) scheme.

The agreement with the FDA to expand the patient population in the ongoing phase 2 study to include those patients currently on a JAK inhibitor is an important step forward in realising the benefits of lysyl oxidase inhibition for all myelofibrosis patients and in maximising the commercial opportunity for PXS-5505.

The phase 2a clinical open label trial will recruit 15 patients who are stable on their existing dose of RUX (a JAK inhibitor) who will receive both PXS-5505 and RUX for a total of 52 weeks. The Company expects to have 20 trial sites open and to have recruited its first patient by the end of 2023. Existing trial site investigators have welcomed the opportunity to extend the patient population for the study and anticipate significantly accelerated recruitment.

PXS-5505 was granted Orphan Drug Designation by the US Food and Drug Administration (FDA) in July 2020.

Oral pan-LOX inhibitor program (PXS-5505) in myelodysplastic syndrome (MDS)

MDS comprises a group of blood cancers that share clinical and pathologic features with acute myeloid leukemia (AML). MDS occurs most commonly in older adults with an annual incidence thought to be as high as 75 cases/100,000.

Patients with MDS are at risk of symptomatic anaemia, infection, bleeding, and transformation to AML. The current standard of care for high risk MDS is treatment with hypomethylating agents (HMAs) such as 5-AZA and decitabine. Although approximately 50% of MDS patients initially respond to HMAs, subsequent relapse is almost certain, highlighting an urgent need for compounds that significantly improve the beneficial effects of HMAs.

Pharmaxis has an ongoing preclinical collaboration with the University of Heidelberg, Germany. A recent issue of Nature Communications published peer-reviewed data from the collaboration investigating the role of lysyl oxidase enzymes in myelodysplastic syndrome (MDS) and the effect of

combining 5-azacytidine (5-AZA) with Pharmaxis' pan-lysyl oxidase inhibitor, PXS-5505.

Read more here.

Oral pan-LOX inhibitor program (PXS-5505) in other cancers

Pharmaxis' drug also has potential in several other cancers including liver cancer and pancreatic cancer where it aims to breakdown the fibrotic tissue in the tumour and enhance the effect of existing chemo and immunotherapies. Pharmaxis has a number of scientific collaborations with centres of excellence across the world who have shown interest in PXS-5505. The Company aims to support these and encourage the use of PXS-5505 in independent investigator initiated clinical studies wherever possible.

In August 2023 Pharmaxis announced publication in the prestigious journal Nature Cancer of preclinical results showing PXS-5505 increases survival by 35% compared to chemotherapy treatment alone in the treatment of pancreatic ductal adenocarcinomas.

Research in mouse models, led by a team at the Garvan Institute of Medical Research in Sydney, Australia, also showed PXS-5505 combined with chemotherapy reduced the spread of the cancer to other organs such as the liver by 45%.

Pancreatic ductal adenocarcinoma is one of the most aggressive forms of pancreatic cancer with a five-year survival rate of less than 10%.

Associate Professor Thomas Cox, head of the Matrix & Metastasis Lab at Garvan and senior author of the study, said, "The preclinical validation of this first-in-class anti-fibrotic drug marks a major milestone in the quest to overcome the significant challenges in treating pancreatic cancer and brings hope to patients and their families."

Read more here.

The Nature Cancer publication can be seen here: https://www.nature.com/articles/s43018-023-00614-y.

Topical pan-LOX inhibitor program (PXS-6302)

Pharmaxis has a second pan-LOX program that has developed a drug for topical application with the potential for use in scar revision, keloid scarring and scar prevention post-surgery.

The Pharmaxis discovery, PXS-6302, has shown promising pre-clinical results which have been published in Nature Communications (https://doi.org/10.1038/s41467-022-33148-5).

PXS-6302 inhibits the enzymes that play a critical role in the development of scar tissue and has successfully completed phase 1a/b clinical trials.

Pharmaxis, with the University of Western Australia (UWA) and the Fiona Stanley Hospital, has completed a trial in established scars and is planning further trials in scar prevention.

A phase 1c trial, known as SOLARIA2, is in 50 adult patients treated for scars of more than one year in age and greater than 10 square centimeters in size for a period of 3 months. The first 8 patients treated were on active drug with the following cohort of 42 which completed recruitment in December randomised 1:1 to active or placebo.

In May 2023 the Company announced encouraging results in relation to the second cohort of the phase 1c study in established skin scars.

- The primary endpoint of safety and tolerability was met. PXS-6302 was very well tolerated and demonstrated a good safety profile. No serious adverse events were reported and only two patients withdrew from the study after reporting redness and itching at the site of application which resolved after treatment was stopped.
- Applications of PXS-6302 cream three times a per week resulted in a mean 66% reduction in LOX activity when measured 2 days after the last dose ($p<0.001$) compared to baseline and to placebo group. LOX is responsible for the cross linking of collagen fibres implicated in adverse scarring.
- Changes in the composition of the scars was further assessed by quantifying a surrogate for collagen content, hydroxyproline, in the biopsies taken at baseline and at the end of the study. Patients in the active arm had a mean reduction in hydroxyproline of 30%

compared to placebo after three months treatment. (p<0.01, t-test)

- The study enrolled patients with a wide variety of scar types of generally low to moderate severity and with an average scar age of 12.8 years. Patients and clinicians qualitatively evaluated a number of different aspects of the scar using the POSAS scoring system. No significant differences in the overall score were seen between active and placebo groups after three months of treatment.

Surgeon and burns expert Professor Fiona Wood who is leading the study stated, "This exploratory clinical study has significantly enhanced our understanding of the role of LOX enzymes in scarring and the scar process itself. PXS-6302 safely inhibits these key enzymes to a significant degree and leads directly to an unprecedented change to the scar composition that we have not seen with any other form of treatment. We estimate that up to 50% of the excess collagen in these patients' scars has been removed and while the length of this Phase 1c safety study was not sufficient to change the appearance of an established scar, the remodelling process will be ongoing and I'm confident we would see an improvement in scar appearance and physical characteristics if we observed them for longer.

"The collected data also bodes well for studying the effect of LOX inhibition on the prevention of scars after surgery and in younger scars where the remodelling process is more aggressive and probably more sensitive to intervention with a LOX inhibitor. This work is a particular passion of mine and I am looking forward to extending our collaboration with Pharmaxis for future studies."

Read more here.

Continuing its collaboration with Professor Wood and the University of Western Australia, the Company is currently recruiting a clinical trial in scar prevention using its oral pan-LOX inhibitor PXS-5505. Further detail will be provided when the study commences dosing patients.

An update on the Company's plans for topical treatment of scars will be announced in the new year.

SSAO inhibitor program (PXS-4728) in Parkinson's disease

The Pharmaxis discovery PXS-4728 is a potent inhibitor of the inflammatory enzyme SSAO (semicarbazide-sensitive amine oxidase) and, also in the brain, MAOB (monoamine oxidase B).

Previous research has identified that the development of isolated Rapid Eye Movement Sleep Behaviour Disorder (iRBD), where otherwise healthy people start acting out their dreams, is a strong predictor for the development of Parkinson's disease and dementia with Lewy Bodies. A recent multicentre study found that over 70% of iRBD patients transitioned to a neurodegenerative disease.

Currently, there are no disease modifying treatments for Parkinson's disease and by the time patients are diagnosed they have already lost a significant number of brain cells. Therefore, targeting patients with iRBD offers an excellent strategy for slowing cell death when it could be most impactful.

The Company expects to shortly commence dosing a Phase 2 study of PXS-4728 to evaluate whether PXS-4728 can reduce neuroinflammation as measured by state of the art nuclear scanning techniques.

Working in collaboration, experts from the University of Sydney and the University of Oxford will recruit 40 patients with iRBD to participate in the placebo-controlled Phase 2 trial.

PXS-4728 has passed all long term toxicity studies and has been well tolerated in all clinical studies including two Phase 2 studies in other indications.

The study is substantially funded by leading charity Parkinson's UK with up to £2.9m (~A$5m) to be paid to Pharmaxis to run the Phase 2 trial. Advance payments are received as the trial progresses and the next payment (£900,000) is due when the first patient is dosed. The Parkinson's Virtual Biotech will receive a return of up to four times its funding from royalties on future revenue Pharmaxis receives from commercialising PXS-4728.

Mannitol respiratory business

Sale of mannitol respiratory business

On 3 October the company announced the sale of its mannitol respiratory business unit (MBU) to Arna Pharma Pty Ltd, (Arna Pharma) an Australian company that is part of an alliance of companies with healthcare and pharmaceutical operations in Australia and major world markets. On 19 October Pharmaxis announced completion of the sale and Arna Pharma is now responsible for the operations of the MBU. Pharmaxis has now commenced an eight month process to transition the manufacture of MBU products, (Aridol and Bronchitol) across to Arna Pharma.

Under the terms of the sale agreement certain costs are immediately assumed by Arna Pharma while Pharmaxis is also reimbursed for the majority of the MBU expenses Pharmaxis will incur through to June 2024.

Pharmaxis will receive ongoing royalties on the net profit of Arna Pharma's Sydney based businesses for eight years - low double digit royalties on the net profit of the manufacture and sale of Bronchitol and Aridol, and mid-single digit royalties on the net profit from other new Arna Pharma products to be manufactured at the facility. The agreement also provides for future royalties on the net profit of other possible new business initiatives. The Company will provide further guidance on expected future royalties when the operating profit of the Arna Pharma businesses can be more clearly forecast.

The MBU sale and associated Pharmaxis restructure results in a reduction of annual core costs, excluding external research costs, of more than 60% saving the company over $14m per year. This is due in large part to the elimination of costs attached to operating a global pharmaceutical manufacturing and distribution business and a headcount that drops from approximately 70 to 25.

Bronchitol and Aridol

Bronchitol®(mannitol) is an inhaled dry powder for the treatment of cystic fibrosis (CF). The product is approved and marketed in the United States, Australia, Europe, Russia and several other countries.

Aridol® is an innovative lung function test designed to help doctors diagnose and manage asthma. Aridol is approved for sale in Australia, major European countries, the United States, Canada and South Korea.

Both Bronchitol and Aridol are currently manufactured at the Pharmaxis facility in Sydney and sold in Australia and internationally by exclusive distributors and wholesalers.

As a result of the sale of the MBU the Company will not book any sales subsequent to completion of the transaction in October 2023.

Bronchitol sales

Pharmaxis supplies Bronchitol to its distributors several time a year with the quantity and timing of orders based on in-market sales and distributor inventory levels. Quarter by quarter comparison of sales is therefore not indicative of underlying market trends.

Subsequent to large shipments during the March quarter and large orders with scheduled shipment later in the year, there were no large shipments in the current quarter.

Bronchitol sales for the three months ended 30 September 2023 and 30 September 2022 are as follows:

$'000	Three months ended	
	30-Sep-23	30-Sep-22
Australia	36	137
Western Europe	4	204
Russia	-	-
Eastern Europe	-	253
United States	-	-
Total	**41**	**594**

Aridol sales

Aridol sales for the three months ended 30 September 2023 and 30 September 2022 are as follows:

$'000	Three months ended	
	30-Sep-23	30-Sep-22
Australia	31	107
Europe	116	59
USA & Canada	138	-
South Korea	143	-
Rest of world	-	-
Total	**428**	**166**

Corporate

Board changes

As part of the restructuring announced on 3 October 2023, the Pharmaxis Board has been reduced in size. Mr Malcolm McComas retired effective the date of the announcement after serving more than 20 years, 11 years as Chair. During his tenure, Pharmaxis partnered various assets with Boehringer, received global marketing approval for Bronchitol and Aridol and created a global partnership with Chiesi. Dr Neil Graham also retired on the day of the announcement after 3 years of service as a non-executive director during which time Pharmaxis advanced both of its pan-LOX inhibitor programs and its neuroinflammation drug into phase 2 clinical trials.

Pharmaxis director Dr Kathleen Metters was appointed by the Board as Chair, with non-executive directors Dr Simon Green and Hashan De Silva continuing together with chief executive officer and managing director Gary Phillips.

2023 Annual General Meeting

The 2023 Annual General Meeting of Pharmaxis Ltd will be a virtual meeting, and is to be conducted at 11.00am on 28 November 2023.

Business matters to be considered by shareholders include the proposed change of name of the company to Syntara Limited. If approved by shareholders the Company's ASX symbol will change to SNT. No action will be required by shareholders as a result of a change of name.

If you choose to participate online on the day of the meeting you will be able to view a live webcast of the meeting, ask the Directors questions and submit your votes in real time.

The notice of meeting, proxy form and information on how to participate in the virtual meeting were sent to shareholders on 26 October 2022.

Non-personalised information can be found on the Pharmaxis website.

The Pharmaxis 2023 Statutory Annual Report is available here.

Quarterly investor calls

At 10.00am on 31 October Pharmaxis will host a quarterly investor briefing. Register for the briefing or listen to a recording of it here.

Recent broker research

MST Access and Morgans updated their research during the quarter, and Bioshares published articles on Pharmaxis. Copies of analyst reports are available on the Pharmaxis website.

Pharmaxis investor presentation

Pharmaxis' most recent published investor presentation is available on the Company website.

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Financials

Key financial metrics

A$'000	Three months ended	
(unaudited)	**30-Sep-23**	**30-Sep-22**
Segment results – adjusted EBITDA		
New drug development		
Oral pan-LOX (external costs - MF & MDS)	(1,023)	(1,009)
Topical pan-LOX (external costs)	(64)	(70)
Other program external costs (net of grants)	(103)	(230)
Employee costs	(957)	(891)
Overhead	(130)	(161)
R&D tax credit & other income	12	-
EBITDA	(2,265)	(2,361)
Mannitol respiratory business		
Sales	469	760
Other income	-	7,192
	469	7,952
Expenses – employee costs	(1,021)	(1,119)
Expenses – manufacturing purchases	(265)	(648)
Expenses – other	(508)	(806)
EBITDA	(1,324)	5,379
Corporate – EBITDA	**(2,025)**	**(333)**
Total Adjusted EBITDA	**(5,615)**	**2,685**
Net profit(loss)	**(6,125)**	**943**
Statement of cash flows		
Cash inflow/ (outflow) from:		
Operations	(5,644)	3,231
Investing activities	-	(26)
Financing activities	3,559	(545)
Total cash generated/(used)	**(2,085)**	**2,660**
Cash at bank	**7,145**	**9,230**

Financial highlights

New drug development

- Oral pan-LOX (MF & MDS) expenditure in the three months relates to the phase 1c/2a clinical trial in myelofibrosis that commenced patient dosing during the first quarter of 2021, and a small amount in support of pre-clinical work by a European university in relation to the effectiveness of PXS-5505 in myelodysplastic syndrome. Prior period expenditures also include the phase 1c/2a trial.

Mannitol respiratory business

- See above for detail and commentary in relation to Bronchitol and Aridol sales for the quarter.
- Other income for the comparable quarter includes the $7.2 million received from Aptar for its purchase of the Orbital inhalation technology.
- Manufacturing purchases vary with the level of sales and manufacturing activity.
- Other expenses were lower in a number of areas including cost of sales, regulatory, pharmacovigilance and IT.
- As discussed above the sale of the mannitol respiratory business closed on 19October. Pharmaxis will therefore not book any future sales revenue from the business unit after that date. In addition, under the terms of the sale agreement certain mannitol business costs are immediately assumed by Arna Pharma while Pharmaxis is reimbursed for the majority of the remaining mannitol business expenses Pharmaxis will incur through to June 2024.

Corporate

- Excluding foreign exchange gains and losses Corporate EBITDA is typically between $0.8 million and negative $1.2 million per quarter. In the current quarter Corporate EBITDA excluding foreign exchange was negative $1.2 million. Increased expenses included legal fees in relation to the MBU sale.

Net profit (loss)

- The difference between total adjusted EBITDA and net profit(loss) primarily relates to non-cash items (depreciation, amortization, share based payment expense), interest expense in relation to the lease liability and the short term loan of $4.4 million, and foreign exchange rate gains and losses related to the financing agreement.

Cash

- The Company finished the quarter and half with $7.2 million in cash.
- The Company expects to shortly receive its R&D tax credit in relation to the 2023 financial year of $5.2 million, out of which it will repay the $4.4 million loan received in August 2023 (with interest).
- The Company is also entitled to the next payment under its grant from Parkinson's UK of £900,000 (approximately A$1.7 million) when the first patient is dosed in the iRDB clinical trial, scheduled for the December quarter of 2023.
- Sale of the mannitol business unit significantly reduces the Company's future core operating expenses.

Other ASX Listing Rule required disclosures:

Detail in relation to aggregate amount of payments during the quarter to related parties and their associates disclosed in section 6.1 of the Appendix 4C Quarterly Cash Flow Report:

A$'000	Three months ended 30 September 2023
Non-executive directors' fees	78
Executive director remuneration	129
Total	207

Additional financial information

Income statements and summary balance sheets are provided below.

Income statements

A$'000	Three months ended	
(unaudited)	30-Sep-23	30-Sep-22
Revenue		
Revenue from sale of goods	469	760
Sale of Orbital technology; distribution rights	-	7,192
Interest	101	17
R&D tax incentive	12	-
Grants	173	-
Other	117	113
Total revenue	873	8,082
Expenses		
Employee costs	(2,648)	(2,807)
Administration & corporate	(818)	(798)
Occupancy & utilities	(294)	(323)
Clinical trials	(1,146)	(1,114)
Drug development	(285)	(195)
Sales, marketing & distribution	(74)	(34)
Safety, medical and regulatory affairs	(99)	(305)
Manufacturing purchases, changes in inventory	(265)	(649)
Other	(80)	(52)
Depreciation & amortisation	(788)	(560)
Foreign currency exchange gains & losses	(232)	(30)
Finance costs	(268)	(272)
Total expenses	(6,998)	(7,139)
Net profit (loss) before tax	(6,125)	943
Income tax credit/(expense)	-	-
Net profit (loss) after tax	(6,125)	943

Summary balance sheets

A$'000 (unaudited)	30-Sep-23	30-Jun-23
Assets		
Cash	7,145	9,230
R&D tax incentive	5,205	5,193
Accounts receivable - current	856	1,709
Inventory	1,856	1,641
PP&E	1,489	1,843
Other	4,514	4,410
	21,065	**24,026**
Liabilities		
Accounts payable and accrued expenses	2,088	3,241
Lease liability (Frenchs Forest facility)	1,846	2,043
Loan facility - prepayment of R&D tax incentive	4,400	-
Financing agreement (not repayable other than as a % of US Bronchitol revenue)	6,739	6,603
Deferred grant revenue	766	939
Other liabilities	1,697	1,641
	17,535	**14,467**
Net Assets	**3,530**	**9,559**

Authorised for release to the ASX by Pharmaxis Ltd Disclosure Committee.
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