

Media Release

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PHARMAXIS ANNOUNCES AGREEMENT FOR EUROPEAN MARKETING OF BRONCHITOL

Pharmaceutical company Pharmaxis (ASX:PXS) today announced it has finalised a strategic marketing and sales service agreement for the commercialisation of Bronchitol for cystic fibrosis in Europe.

Ahead of anticipated regulatory approval for Bronchitol, Pharmaxis has signed a six year agreement with the highly respected Quintiles organisation to support the launch and commercialisation of the product in Western Europe.

Pharmaxis Acting Chief Executive Officer Gary Phillips said, "This important development means that Pharmaxis will move into the key European markets with a clear commercialisation plan. We will be bringing on board the European expertise and capabilities of a well recognised team of leaders in the field.

"Bronchitol is a new advance in the treatment of cystic fibrosis and it's vital that we engage fully with the CF communities, healthcare professionals, funding bodies and governments across Europe as efficiently as possible. We have selected Quintiles to help manage market launch and accelerate product uptake because the local experience of the Quintiles organisation will allow rapid access to each of the individual country markets."

Quintiles is a global biopharmaceutical services company offering clinical, commercial, consulting and capital solutions. The Quintiles network employs 20,000 people across 60 countries.

Two completed Phase 3 clinical trials of Bronchitol have demonstrated early and sustained improvement in lung function in people with cystic fibrosis. The product has been granted Orphan Drug Designation by the European Medicines Agency.

Once approved, Pharmaxis plans to launch Bronchitol across Western Europe, initially in Germany and the UK in the first quarter of 2011. The Pharmaxis contract sales representatives will be supported and managed by the Quintiles organisation throughout Western Europe while marketing and market support will be managed by the Pharmaxis office in the UK.

Quintiles will provide a broad range of commercial support for Bronchitol including development of the overall market access strategy, pricing and reimbursement, local market access, and recruitment and management of field-based sales teams and product managers.

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About Pharmaxis

Pharmaxis Ltd (ACN 082 811 630) is a specialist pharmaceutical company involved in the research, development and commercialization of therapeutic products for chronic respiratory and immune disorders. Its development pipeline of products includes Aridol for the management of asthma, Bronchitol for cystic fibrosis, bronchiectasis and chronic obstructive pulmonary disease (COPD), PXS25 for the treatment of lung fibrosis and, ASM8 and PXS4159 for asthma. Founded in 1998, Pharmaxis is listed on the Australian Securities Exchange (symbol PXS). 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 Investor Relations on phone +61 2 9454 7200.

About Bronchitol

Pharmaxis Ltd is developing Bronchitol for the management of chronic obstructive lung diseases including cystic fibrosis, and bronchiectasis. Bronchitol is a proprietary dry-powder mannitol, precision formulated for delivery to the lungs through an easy-to-use, pocket-size, portable inhaler. Once inhaled its five-way action on mucus helps restore normal lung clearance mechanisms. Clinical studies have shown Bronchitol to be safe, effective and well tolerated in stimulating mucus hydration and clearance in people with chronic obstructive lung diseases. Bronchitol has received Orphan Drug Designation and fast track status from the US Food and Drug Administration and Orphan Drug Designation from the European Medicines Agency.

About Cystic Fibrosis

In a healthy person, there is a constant flow of mucus over the surfaces of the air passages in the lungs, removing debris and bacteria. In CF, an inherited disease, a defective gene disrupts ion transport across the epithelial membrane within cells. In the lungs, this leads to a depletion of the airway surface liquid that normally bathes the cilia, and a resultant reduction in mucociliary clearance. The result is thick, sticky mucus that clogs the lungs, severely restricting the natural airway-clearing process. It also increases the potential for bacteria to become trapped and for inflammation, thus creating an unhealthy lung environment that leads to life-threatening lung infections.

About Quintiles

Quintiles is the only fully integrated biopharmaceutical services company offering clinical, commercial, consulting and capital solutions worldwide. The Quintiles network of more than 20,000 engaged professionals in 60 countries works with an unwavering commitment to patients, safety and ethics. Quintiles helps biopharmaceutical companies navigate risk and seize opportunities in an environment where change is constant. For more information, please visit www.quintiles.com

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 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 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" section of our Statutory Annual Report available on the Pharmaxis website.