

PHARMANET GROUP LIMITED

ABN 98 006 640 553

23 May 2013

CHAIRMAN

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PRODUCT DISTRIBUTION UPDATE

ThermaLife International Pharmaceuticals Pty Ltd a wholly-owned subsidiary of Pharmanet Group Limited (ASX: PNO) is pleased to advise that ThermaLIFE® Cream has been added to the core range of pharmacy products for three additional pharmacy groups.

The ranging agreements represent a major milestone in ThermaLIFE's long-term objective to broaden distribution nationally. Core ranging of a product within a pharmacy group represents approval at a group level for affiliated stores to purchase and stock the product in stores. The core ranging agreements which include the *Discount Drug Store* pharmacy chain add more than 850 additional pharmacy outlets to stores that will stock ThermaLIFE® Cream.

Discount Drug Store is a leading discount pharmacy group based in Queensland. The group has over 100 store locations Australia-wide, with a majority of stores located in Brisbane metropolitan and Queensland regional areas. The additional two Pharmacy groups represent an additional 750 stores across regional and metropolitan South Australia, Victoria and New South Wales.

ThermaLIFE® Cream is the first and only peptide-based topical pain relief product on the Australian market.

- Ends -

About ThermaLIFE™ Cream

ThermaLIFE™ Cream is a product being sold as an OTC (over the counter) line through the pharmacy networks. Its indication is for the temporary relief of musculoskeletal and arthritic pain.

Forward looking statement

The forward looking statements in this Shareholder Update are based on the Company's current expectations about future events. They are, however, subject to known and unknown risks, uncertainties and assumptions, many of which are outside the control of the Company and its Directors, that could cause actual results, performance or achievements to differ materially from future results, performance or achievements expressed or implied by the forward looking statements in this Shareholder Update.