

Media Release

29 August 2013

PHARMAXIS ANNOUNCES DELAY TO FRENCH PRICING FOR BRONCHITOL

Pharmaceutical company Pharmaxis (ASX:PXS) today announced it will scale back resources and investments dedicated to the launch of Bronchitol in France due to delays in reaching an agreement with French authorities on a reimbursed price for the cystic fibrosis treatment.

Pharmaxis CEO Mr Gary Phillips said, "Negotiations with the French Healthcare Products Pricing Committee (CEPS) have been protracted and, given the current economic climate and prevailing healthcare policy in France, I do not believe we are yet close to agreement on an acceptable price for Bronchitol. France has an adult cystic fibrosis population of approximately 3,000 patients and it is very disappointing not to be able to secure timely reimbursement. Our pricing has already proved acceptable to some of the world's most rigorous reimbursement authorities in the UK (NICE) and Australia (PBAC) and I remain optimistic that we will eventually reach agreement in France."

Mr Phillips added, "In order to protect our short term cash position, personnel and contractors working on Bronchitol in France will be reduced from six to one by the end of September and other French marketing investments will be significantly scaled back. Marketing resources will be focused on increasing growth of Bronchitol sales in the launched markets of Germany, UK, Denmark and Australia whilst gaining access to new European markets."

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SOURCE: Pharmaxis Ltd, Sydney, Australia

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About Pharmaxis

Pharmaxis (ACN 082 811 630) is a specialist pharmaceutical company involved in the research, development and commercialization of therapeutic products for chronic respiratory disorders. Its product Aridol® for the assessment of asthma is sold in key international markets. Its product Bronchitol® for cystic fibrosis is launched in Europe and Australia and its development pipeline of products includes Bronchitol for bronchiectasis, ASM8 for asthma and preclinical assets in inflammatory and fibrotic diseases. Pharmaxis is listed on the Australian Securities Exchange (symbol PXS). The company's head office and manufacturing facilities are located in Sydney. For more information about Pharmaxis, go to www.pharmaxis.com.au or contact Investor Relations on phone +61 2 9454 7200.

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 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.