

Pharmaxis Ltd

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Pharmaxis has US Bronchitol launch US\$7 million milestone payment brought forward

Pharmaxis Ltd (ASX:PXS) (OTCMKTS:PXSLY) (FRA:UUD) is higher after advising of an accelerated timeline on payment of the initial US\$7 million tranche of a US\$10 million Bronchitol launch milestone.

The new timeline follows negotiation with the company's US licensee Chiesi Farmaceutici S.p.A.

US\$7 million of the milestone will now be payable by Chiesi upon US approval of Bronchitol by the Food and Drug Administration (FDA) who have advised a Goal Action Date of November 1, 2020.

Another US\$3 million will remain payable on shipment by Pharmaxis of commercial launch stock set for the first quarter of 2021.

Shares higher

Shares of the company are more than 15% higher at 9.8 cents.

Pharmaxis CEO Gary Phillips said, "The development and commercialisation of Bronchitol reaches a pivotal point on November 1.

"Approval by the FDA for Bronchitol would see the Mannitol business segment (Bronchitol® and Aridol®) generate immediate cash and move into profitability.

"An FDA approval would also provide an opportunity to investigate different ways of structuring the Pharmaxis business and funding our drug development activities."

Cystic fibrosis treatment

Bronchitol, which has been developed by Pharmaxis', is an inhaled dry powder for the treatment of cystic fibrosis (CF) and has been the subject of three large-scale global clinical trials conducted by the company.

The product is approved and marketed in Australia, Europe, Russia and several other countries.

US distributor

Chiesi is the exclusive distributor of Bronchitol in the US as well as 11 countries in the EU, seven of which have been added to Chiesi's territory in the last 12 months.

Pharmaxis and Chiesi are preparing for a US launch of Bronchitol, subject to FDA approval, in the second quarter of 2021.

Phillips added: "The announcement today is the first to stem from discussions with our partners about how to shape the business post-November 1."

Price: 0.094

Market Cap: \$37.3 m

1 Year Share Price Graph



Share Information

Code: PXS

Listing: ASX

52 week High Low
0.285 0.053

Sector: Pharma & Biotech

Website: www.pharmaxis.com.au

Company Synopsis:

Pharmaxis Ltd (ASX:PXS) is a specialty pharmaceutical company focused on the development of new products for the diagnosis and treatment of chronic respiratory and immune disorders.

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Another Mannitol product Aridol®, for the assessment of asthma, is sold in the United States, Europe, Australia and Asia.

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