*Rule 3.19A.2*

# Appendix 3Y

## Change of Director's Interest Notice

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 30/9/2001.

| | |
|---|---|
| **Name of entity** | **PharmAust Limited** |
| **ABN** | **35 094 006 023** |

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

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|---|---|
| **Name of Director** | Professor David Morris |
| **Date of last notice** | 12 August 2013 |

**Part 1 - Change of director's relevant interests in securities**
*In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust*

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

| | |
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| **Direct or indirect interest** | Direct & Indirect |
| **Nature of indirect interest (including registered holder)**<br>Note: Provide details of the circumstances giving rise to the relevant interest. | The securities are held by Prof David Lawson Morris & Mrs Milja Katriina Morris ATF The David L Morris Family Superannuation Fund. |
| **Date of change** | 10 January 2014 |
| **No. of securities held prior to change** | 173,116,590 Ordinary Fully Paid Shares<br>528,634 Listed Options (ASX:PAAO) |
| **Class** | Ordinary Fully Paid Shares |
| **Number acquired** | 3,561,607 Ordinary Fully Paid Shares |
| **Number disposed** | Nil |
| **Value/Consideration**<br>Note: If consideration is non-cash, provide details and estimated valuation | $48,081.69 |
| **No. of securities held after change** | 176,678,197 Ordinary Fully Paid Shares<br>528,634 Listed Options (ASX:PAAO) |
| **Nature of change**<br>Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back | On-market trade |

+ See chapter 19 for defined terms.

## Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

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| **Detail of contract** | |
| **Nature of interest** | |
| **Name of registered holder (if issued securities)** | |
| **Date of change** | |
| **No. and class of securities to which interest related prior to change**<br>Note: Details are only required for a contract in relation to which the interest has changed | |
| **Interest acquired** | |
| **Interest disposed** | |
| **Value/Consideration**<br>Note: If consideration is non-cash, provide details and an estimated valuation | |

+ See chapter 19 for defined terms.

| | | |
|---|---|---|
| **Interest after change** | The milestones for the issue of Shares under Resolution 4 approved by shareholders at the General Meeting on 5 August 2013: | |
| | Milestone 1 - | One of the Pitney Products being granted investigational new drug (IND) status from the US Food and Drug Administration and Pitney receiving an IND number issued by the US Food and Drug Administration within 5 years of the date of settlement of the Pitney Transaction. |
| | Milestone 2 - | Commencement of treatment of the first patient under a Phase II Trial with the product Albendazole within 5 years of the date of settlement of the Pitney Transaction. |
| | Milestone 3 - | Commencement of treatment of the first patient under a Phase II Trial using the product Monepantel within 5 years of the date of settlement of the Pitney Transaction. |

## Part 3 – +Closed period

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|---|---|
| **Were the interests in the securities or contracts detailed above traded during a +closed period where prior written clearance was required?** | No |
| **If so, was prior written clearance provided to allow the trade to proceed during this period?** | |
| **If prior written clearance was provided, on what date was this provided?** | |

+ See chapter 19 for defined terms.