

ASX Release

18 October 2011

LUKE RIVER PROJECT – ANTIMONY TARGET

PharmAust Limited (ASX: PAA & PAAO) is pleased to advise that its wholly owned subsidiary, Pela Resources, has lodged an application with the Macedonian Ministry of Economy to include antimony (Sb) to the list of raw materials for exploration on its Luke River Concession. Once approved Pela will begin investigations into the abandoned, Krstov Dol antimony mine located within its tenement holding.

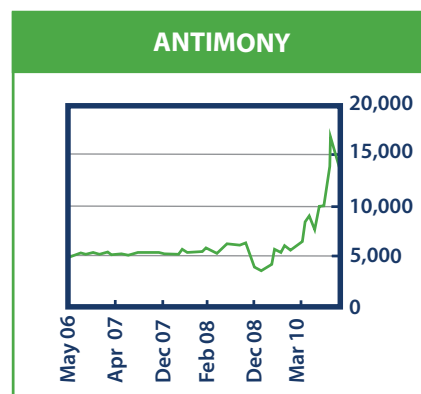
The application was prompted by recent worldwide interest in sources of antimony. China's spot prices for antimony have risen dramatically this year and currently fetching \$13,600–14,200 per tonne for standard grade and \$12,300–13,300 per tonne for trioxide-grade antimony (1).

Located within the Company's Luke River Concession is the, now abandoned, Kristov Dol antimony mine. The mine was operative from 1970 until 1979 with a run of mine head grade of 2.32% Sb. A concentrate was produced on site by flotation. Production rates were modest by western standards and much of the stated reserves (non JORC) remained unmined when operations ceased in 1979 due to declining world prices.

The antimony occurs as stibnite and less commonly as berthierite in vein structures averaging 1 to 2 metres in thickness. Veining occurs with intense hydrothermal alteration through a Tertiary chlorite–sericite schist. Lead and zinc sulphides are also present but have not as yet been quantified.

The Executive Chairman of PharmAust Mr Bryant McLarty said:

“Recently the British Geological Survey (BGS) published the latest list of the 52 elements, minerals and metals most at risk of supply disruption. Antimony, was seen as most at risk.”



China currently supplies over three-quarters of the world total of antimony with the remainder coming from Russia, South Africa, Tajikistan and Bolivia.

Antimony is mixed into alloys and used in lead storage batteries, solder, sheet and pipe metal, motor bearings, castings, semiconductors, and pewter. Antimony oxide is added to textiles, plastics, rubber, adhesives, pigments and paper as a fire retardant. It is also used in paints, ceramics, ammunition and fireworks, and as enamels for plastics, metal, and glass. Antimony compounds also find medical uses.

LUKE RIVER PROJECT CONT.

The Luke River project area of 29.33 km² in the Kriva Palanka district is well serviced with sealed roads, reticulated power from the national grid and an abundant water supply. The border with Serbia defines the northern margin of the concession and the border crossing into Bulgaria is within 20 kilometres of the project area to the south east.

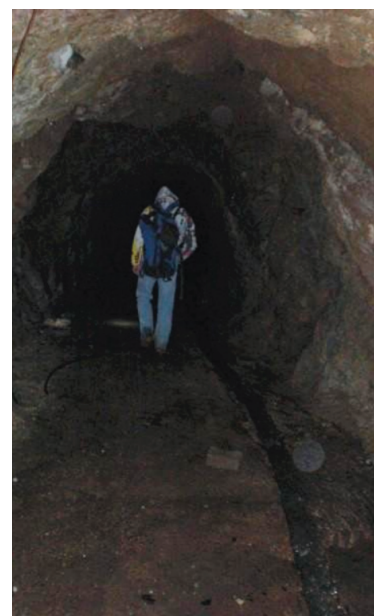


For further details please contact:

Mr Bryant Mclarty
Executive Chairman
PharmAust Limited
0411 222 927

www.pharmaust.com

www.pelaresources.com.au



(1) Source: AntimonyNet.com

(2) Source: Minormetals.com

We advise in accordance with Australian Stock Exchange Limited Listing Rules 5(6) that the exploration results contained within this ASX Release is based on information compiled by Mr Greg Cunnold who is a member of the Australian Institute of Mining and Metallurgy. Mr Cunnold is the Technical Director at PharmAust Limited and has consented in writing to the inclusion in this ASX Release of matter based on the information so compiled by him in the form and context in which it appears. Mr Cunnold has sufficient experience relevant to the style of mineralisation and type of deposit under consideration to be qualified as a Competent Person as defined by the 2004 Edition of the "Australian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves".