



AUSTRALIAN PHARMACEUTICAL INDUSTRIES LIMITED

A.B.N. 57 000 004 320

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Telephone 61-2-8844 2000 Facsimile 61-2-8844 2400

Website www.api.net.au

7 October 2004

Companies Announcement Office
Australian Stock Exchange Limited
20 Bond Street
SYDNEY NSW 2000

NOTICE UNDER SECTION 708A OF THE CORPORATIONS ACT 2001

On 7 October 2004, Australian Pharmaceutical Industries Limited (**Company**) issued 33,500,000 fully paid ordinary shares (**Shares**) as consideration for its acquisition of the New Price Retail Group. Details regarding this acquisition have previously been announced on 6 September 2004.

The Company gives notice under section 708A(5)(e) of the Corporations Act 2001 (Cth) (**Act**) that:

1. the Company issued the Shares without disclosure to investors under Part 6D.2 of the Act;
2. as at the date of this notice, the Company has complied with:
 - (a) the provisions of Chapter 2M of the Act as they apply to the Company; and
 - (b) section 674 of the Act; and
3. as at the date of the of this notice, there is no information to be disclosed which is excluded information (as defined in section 708A(7) of the Act) that is reasonable for investors and their professional advisors to expect to find in a disclosure document.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Chris Gardoll', with a long horizontal flourish extending to the right.

Chris Gardoll
Company Secretary