PHOSPHAGENICS

10 August 2004

The Manager
Company Announcements Office
The Australian Stock Exchange Limited

Dear Sirs

Phosphagenics Limited – 31 July 2004 Net Tangible Asset Backing ("NTA")

Please be advised that the NTA for each of the Company's issued voting shares, as at 31 July 2004 and pursuant to Listing Rule 4.12 was:

BEFORE PROVISION FOR TAX ON UNREALISED GAINS	AFTER PROVISION FOR TAX ON UNREALISED GAINS
11.4 cents/share	11.4 cents/share

Comment:

For comparative purposes we note that the closing market price for each of the Company's quoted securities on 31 July 2004 was:

Ordinary shares (POH)	0.2100 cents
June 2009 options (POHOB)	0.0800 cents

and that during the month the number of the ordinary fully paid shares on issue increased by 6,363,650 shares arising from the placement of shares into the London Stock Exchange's Alternative Investment Market.

The Company will report its NTA based upon calculations made at the close of business on the last business day of a month as is applicable.

Yours faithfully
Phosphagenics Limited

Mourice Garbutt
Company Secretary
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