



30 July, 2010

The Manager
Company Announcements
Australian Stock Exchange Limited
Via Electronic Lodgement

Dear Sir/Madam

**SUMMARY of RESULTS AND APPENDIX 4C
FOR THE QUARTER ENDED 30 JUNE 2010**

PharmAust Limited (ASX: PAA) present the Appendix 4C, Quarterly Cash Flow Report.

Epichem Pty Ltd

Epichem's sales of analytical standards continues to grow with Serbia recently added to its growing list of export markets. Epichem has now exported its products and services to 17 countries worldwide. Sales of these standards for FY10 were up 18% on FY09 with France in particular emerging as an important market. Epichem's contract research continues to progress well with its flagship project on Chagas disease, funded by Swiss-based DNDi, moving successfully into its third year.

Capital Raising

During the Quarter, PharmAust Limited completed a non-renounceable entitlement issue of one (1) new Option for every two (2) Shares held by Shareholders at an issue price of 0.2 cents per Option to raise up to approximately \$254,708 (**Offer**).

Lambouka Oil & Gas Prospect

On the 11th of July 2010 at 11.40 am GMT the Atwood Southern Cross semisubmersible drilling rig spudded the Lambouka well in the Kerkouane license in the Sicily Channel area offshore Tunisia. On 27th July, the Company announced that a 26" hole was conducted, then 20" casing was cemented to a depth of 922 metres.

In an announcement released to the market on 13th May, the company said "In addition to confirming an optimal drilling location the new 3D seismic data set has confirmed the structural validity of the Lambouka prospect as well as further resource upside potential. Excellent seismic reflectivity is present at various hydrocarbon target levels not seen previously on the 2D data which is interpreted as evidence of the presence of good reservoir".

Lambouka is a large 70 square kilometre area tilted horst block which contains three potentially hydrocarbon bearing reservoirs. The goal is to drill a safe well to a total depth of 3,000 meters and to fully evaluate the three potential hydrocarbon formation objectives for the well. All three objectives are proven and producing reservoirs in the Sicily Channel and adjacent the Gulf of Hammamet. The nearest offset well is the Dougga -1 gas condensate discovery in the Kerkouane permit located approximately 22 km SSW of Lambouka.

PAA has a 10% interest in the well and it is estimated that it will take about 35 days to drill and evaluate and cost approximately US\$ 22 million. It is estimated that the mean prospective resource for the Lambouka prospect is 270 million barrels oil equivalent ("MMBOE").



Yours sincerely,

A handwritten signature in black ink, appearing to be 'Sam Wright', written in a cursive style.

Sam Wright
Director & Company Secretary

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001, 24/10/2005.

Name of entity

PharmAust Limited

ABN

35 094 006 023

Quarter ended ("current quarter")

June 2010

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (12 months) \$A'000
1.1	Receipts from customers	340	1,789
1.2	Payments for (a) staff costs	(280)	(1,064)
	(b) advertising and marketing		
	(c) research and development	(8)	(24)
	(d) leased assets	(439)	(1,273)
	(e) other working capital		
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	52	205
1.5	Interest and other costs of finance paid		(100)
1.6	Income taxes paid		
1.7	Other (GST)	(278)	(24)
	Net operating cash flows	(612)	(491)

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

	Current quarter \$A'ooo	Year to date (9 months) \$A'ooo
1.8 Net operating cash flows (carried forward)	(612)	(491)
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)		
(b) equity investments	(2,265)	(2,267)
(c) intellectual property		
(d) physical non-current assets	(1)	(14)
(e) other non-current assets		
1.10 Proceeds from disposal of:		
(a) businesses (item 5)		
(b) equity investments		52
(c) intellectual property		
(d) physical non-current assets		2,700
(e) other non-current assets		
1.11 Loans to other entities		
1.12 Loans repaid by other entities		
1.13 Other (provide details if material)		
	(2,266)	472
Net investing cash flows		
1.14 Total operating and investing cash flows	(2,878)	(19)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	483	483
1.16 Proceeds from sale of forfeited shares		
1.17 Proceeds from borrowings		
1.18 Repayment of borrowings		(1,376)
1.19 Dividends paid		
1.20 Other (provide details if material)		
Net financing cash flows	483	(893)
Net increase (decrease) in cash held	(2,395)	(912)
1.21 Cash at beginning of quarter/year to date	5,283	3,800
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 Cash at end of quarter	2,888	2,888

+ See chapter 19 for defined terms.

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	72
1.25	Aggregate amount of loans to the parties included in item 1.11	
1.26	Explanation necessary for an understanding of the transactions	
	Director's Wages & Salaries Company Secretarial Fees	

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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- 2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

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Financing facilities available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

	Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	
3.2	Credit standby arrangements	

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$A'000	Previous quarter \$A'000
4.1	Cash on hand and at bank	261	91
4.2	Deposits at call	2,627	5,192
4.3	Bank overdraft	-	-
4.4	Other (Term Deposit)	-	-
Total: cash at end of quarter (item 1.23)		2,888	5,283

Acquisitions and disposals of business entities

		Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1	Name of entity		
5.2	Place of incorporation or registration		
5.3	Consideration for acquisition or disposal		
5.4	Total net assets		
5.5	Nature of business		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does ~~/does not~~* (delete one) give a true and fair view of the matters disclosed.

Sign here:  Date: 30 July 2010
 (Director & Company Secretary)

Print name:
 Sam Wright

+ See chapter 19 for defined terms.

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
 - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
 - 9.2 - itemised disclosure relating to acquisitions
 - 9.4 - itemised disclosure relating to disposals
 - 12.1(a) - policy for classification of cash items
 - 12.3 - disclosure of restrictions on use of cash
 - 13.1 - comparative information
3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

+ See chapter 19 for defined terms.