

29 June 2004

Pharmaceutical Suppliers
Medical Groups
Interested Parties

Consultation on the Provisional Agreement with Arrow Pharmaceuticals (NZ) Ltd for the supply of alendronate (Arrow Alendronate)

PHARMAC has entered into a provisional agreement with Arrow Pharmaceuticals (NZ) Ltd for the supply of alendronate 10 mg, 40 mg and 70 mg tablets.

The main features of this proposal are:

PHARMAC proposes to list Arrow Alendronate as soon as possible following Arrow Pharmaceuticals gaining all necessary consents at the price and subsidy outlined in the table below.

Pharmaceutical	Strength and presentation	Pack Size	Proposed price & subsidy from date of listing
Alendronate	10 mg tablet	30	\$44.94
Alendronate	40 mg tablet	30	\$126.35
Alendronate	70 mg tablet	4	\$41.94

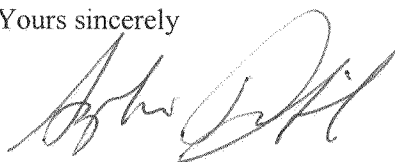
Prices and subsidies are ex-manufacturer, exclusive of GST.

The Special Authority criteria that currently apply for the prescribing and dispensing of alendronate would apply for the proposed listing of the Arrow Alendronate brand.

If sole supply is awarded for alendronate 10mg, 40mg and 70mg tablets as a result of PHARMAC's 2002/03 Invitation to Tender, then this agreement would be superseded.

If you would like to make comments on this proposal for the PHARMAC Board to consider, please forward them to Sophie Dalziel (Therapeutic Group Manager Intern) at PHARMAC by **5pm Tuesday 13 July 2004**.

Yours sincerely



Sophie Dalziel
Therapeutic Group Manager Intern