



26 September 2008

Dear Shareholder

Annual General Meeting

Please find enclosed the notice of the 2008 Annual General Meeting of the ordinary shareholders of QRxPharma Limited (the Company) which will be held at 10.00 am on Tuesday 4 November 2008, in conference room Pinaroo 3, Level 1, The Grace Hotel, 77 York Street, Sydney.

The formal part of the Annual General Meeting will cover the ordinary business transacted each year, including the consideration of the Company's financial statements and remuneration report and the re-election of directors. Further details concerning these matters are contained in the explanatory statement that forms part of this notice of meeting.

If you are unable to attend the meeting in person, I encourage you to return the enclosed proxy form. The proxy form should be returned in the envelope provided, or faxed to our Share Registry on (02) 9287 0309 so that it is received by 10.00 am (Sydney time) on Sunday 2 November, being not less than 48 hours before the time for holding the meeting. Alternatively proxy forms may also be lodged online at Link Market Services' website www.linkmarketservices.com.au in accordance with the instructions given there. You will be taken to have signed the proxy form if you lodge it in accordance with the instructions provided on the website.

The QRxPharma Annual Report for the year ended 30 June 2008 is now available on our website at www.qrxpharma.com. Printed copies of the report are distributed only to those shareholders who have elected to receive it in printed form.

Shareholders will have an opportunity to ask questions during the meeting, and are invited to join the Board for light refreshments at its conclusion. I look forward to welcoming you at the meeting.

Yours sincerely,

A handwritten signature in black ink that reads 'C. J. Campbell'.

Chris J Campbell
Company Secretary and Chief Financial Officer



NOTICE OF THE 2008 ANNUAL GENERAL MEETING AND EXPLANTORY STATEMENT

QRxPharma Limited
ABN 16 102 254 151

Notice is given that the Annual General Meeting of shareholders of QRxPharma Limited (the “**Company**”) will be held in conference room Pinaroo 3, Level 1, The Grace Hotel, 77 York Street, SYDNEY at 10:00am (Sydney time) on Tuesday, 4 November 2008.

ORDINARY BUSINESS

Financial Statements and Reports

Receipt of the Company’s Financial Reports and the accompanying Directors’ Report, Directors’ Declarations and Independent Auditor’s Report for the year ended 30 June 2008.

Resolutions

1. Adoption of the Remuneration Report

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That the Remuneration Report for the year ended 30 June 2008 be adopted.”

Note that the vote on this resolution is advisory only and does not bind the Directors or the Company.

2. Election of Directors

To consider and, if thought fit to pass the following resolution as an ordinary resolution:

“That Dr Peter Farrell , who retires as a director of the Company by rotation in accordance with clause 6.1(f)(i)(A) of the Company’s Constitution, and being eligible for re- election, be re- elected as a director of the Company.”

By Order of the Board

A handwritten signature in black ink that reads 'C. J. Campbell'.

Chris J Campbell
Company Secretary
26 September 2008

Determination of Entitlement to Attend and Vote

The Company has determined that the holders of the Company's ordinary shares for the purpose of the Annual General meeting will be the registered holders of ordinary shares at 7.00 pm (Sydney time) on Sunday 2 November, 2008.

This notice is also being sent to JPMorgan Chase Bank as depositary agent of the Company's American Depositary Receipts (ADR). Holders of the ADRs are invited to attend the annual general meeting but are not entitled to vote on any of the proposed resolutions. However, holders of ADRs may, subject to the terms of the depositary agreement between JPMorgan Chase Bank and the holders of the ADRs, instruct the JPMorgan Chase Bank to vote the ordinary shares underlying their ADRs on their behalf.

Proxies

Ordinary shareholders have the right to appoint a proxy, who need not be an ordinary shareholder of the Company. If an ordinary shareholder is entitled to two or more votes they may appoint two proxies and may specify the percentage of votes that each proxy is appointed to exercise. A proxy form has been included for ordinary shareholders with this notice of meeting. The proxy form must be received by Link Market Services Limited, located at Level 12, 680 George Street, Sydney, NSW 2000, or by facsimile to Links on (02) 9287 0309 by no later than 10.00am Sydney time on Sunday 2 November 2008 being not less than 48 hours before the time for holding the meeting. Alternatively proxy forms may also be lodged online at Link Market Services' website www.linkmarketservices.com.au in accordance with the instructions given there. You will be taken to have signed the proxy form if you lodge it in accordance with the instructions provided on the website.

The proposed Chairman of the meeting intends to vote undirected proxies in favour of each of the two options.

Power of Attorney

If an ordinary shareholder has appointed an attorney to attend and vote at the meeting, or if a proxy form is signed by an attorney, the power of attorney must likewise be received by Link Market Services Limited, located at Level 12, 680 George Street, Sydney, NSW 2000, or by facsimile to Links on (02) 9287 0309 by no later than 10.00am Sydney time on Sunday 2 November 2008, being not less than 48 hours before the time for holding the meeting.

Corporate Representatives

A member who is a body corporate may appoint an individual as a representative to exercise the member's voting rights at the Annual General Meeting pursuant to section 250D of the Corporations Act. Representatives will be required to present documentary evidence of their appointment on the day of the meeting.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to assist shareholders with their consideration of the resolutions detailed in the Notice of Annual General Meeting dated 26 September 2008. This Explanatory Statement should be read with, and forms part of, the accompanying Notice of Meeting.

Accounts and Reports

As required by section 317 of the *Corporations Act 2001* (Cth), the Financial Report, Directors' Report, Directors' Declarations and the Independent Audit Report of the Company for the financial year ended 30 June 2008 will be laid before the Annual General Meeting. Shareholders will be provided with the opportunity to raise questions in relation to the reports; however there will be no formal resolution put to the meeting.

Resolution 1 – Adoption of the Remuneration Report

The *Corporations Act 2001* (Cth) requires that listed companies include a remuneration report in their Directors' Report. The remuneration report is set out on pages 13 to 22 of the Directors' Report. The Remuneration Report includes information in respect of the Company's remuneration policies in respect of directors and group executives, including the relationship between remuneration policies and the Company's performance, prescribed details of directors and group executives, details of securities included in the remuneration of directors and group executives and details of persons employed under a contract.

The resolution to adopt the remuneration report has been put to the members in accordance with section 250R(2) of the *Corporations Act 2001* (Cth). Any outcome, with respect to this resolution, is advisory only and does not bind the Directors or the Company.

Resolution 2 – Re-election of Dr Peter Farrell as a Director

Dr Peter Farrell has been an independent non executive director of the Company since 27 April 2007 and is Chairman of the Board. In accordance with the retirement by rotation requirements of the Company's Constitution and the ASX Listing Rules, Dr Peter Farrell retires and offers himself for re-election as a director of the Company.

Dr Peter Farrell was appointed as a director on 27 April 2007. His experience, qualifications and special responsibilities are set out on page 10 of the Company's Annual Report.



QRxPharma Limited

ABN 16 102 254 151

Please return your Proxy forms to:

Link Market Services Limited
Level 12, 680 George Street, Sydney NSW 2000
Locked Bag A14, Sydney South NSW 1235 Australia
Telephone: (02) 8280 7713
1800 612 532
Facsimile: (02) 9287 0309
ASX Code: QRX
Website: www.linkmarketservices.com.au

APPOINTMENT OF PROXY

If you would like to attend and vote at the Annual General Meeting, please bring this form with you. This will assist in registering your attendance.

You can also lodge your vote on-line at
www.linkmarketservices.com.au



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I/We being a member(s) of QRxPharma Limited and entitled to attend and vote hereby appoint

A the **Chairman of the Meeting (mark box)** **OR** if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy

or failing the person/body corporate named, or if no person/body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following instructions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of the Company to be held at 10:00am on Tuesday, 4 November 2008, at conference room Pinaroo 3, Level 1, The Grace Hotel, 77 York Street, Sydney and at any adjournment of that meeting.

Where more than one proxy is to be appointed or where voting intentions cannot be adequately expressed using this form an additional form of proxy is available on request from the share registry. Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the meeting. The Chairman of the Meeting intends to vote undirected proxies in favour of all items of business.

B To direct your proxy how to vote on any resolution please insert in the appropriate box below.

	For	Against	Abstain*
Resolution 1 Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Re-election of Dr. Peter Farrell as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

C SIGNATURE OF SECURITYHOLDERS – THIS MUST BE COMPLETED

Securityholder 1 (Individual) <input type="text"/>	Joint Securityholder 2 (Individual) <input type="text"/>	Joint Securityholder 3 (Individual) <input type="text"/>
Sole Director and Sole Company Secretary	Director/Company Secretary (Delete one)	Director

This form should be signed by the securityholder. If a joint holding, either securityholder may sign. If signed by the securityholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the securityholder's constitution and the Corporations Act 2001 (Cwlth).

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How to complete this Proxy Form

1 Your Name and Address

This is your name and address as it appears on the company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

2 Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in section A. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person in section A. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the company. A proxy may be an individual or a body corporate.

3 Votes on Items of Business

You should direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

4 Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's share registry or you may copy this form.

To appoint a second proxy you must:

(a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.

(b) return both forms together.

5 Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either securityholder may sign.

Power of Attorney: to sign under Power of Attorney, you must have already lodged the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the company's share registry.

Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by 10:00am on Sunday, 2 November 2008, being not later than 48 hours before the commencement of the meeting. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the reply paid envelope or:

– by posting or facsimile to QRxPharma Limited's share registry as follows:

QRxPharma Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Facsimile: (02) 9287 0309

– lodging it online at Link's website (www.linkmarketservices.com.au) in accordance with the instructions given there (you will be taken to have signed your proxy form if you lodge it in accordance with the instructions given on the website);

– delivering it to Level 12, 680 George Street, Sydney NSW 2000.

Link Market Services Limited advises that Chapter 2C of the *Corporations Act 2001* requires information about you as a securityholder (including your name, address and details of the securities you hold) to be included in the public register of the entity in which you hold securities. Information is collected to administer your securityholding and if some or all of the information is not collected then it might not be possible to administer your securityholding. Your personal information may be disclosed to the entity in which you hold securities. You can obtain access to your personal information by contacting us at the address or telephone number shown on this form. Our privacy policy is available on our website (www.linkmarketservices.com.au).