Investor Update and Capital Raising

September 2010

Opening the therapeutic window for doctors and patients.

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Executive Summary

Investor update	• QRxPharma is a clinical-stage specialty pharmaceutical company focused on the development and commercialisation of therapies for pain management and central nervous system (CNS) disorders • Over 500 patients with acute post surgical pain have been successfully treated with MoxDuo®IR, • Study results with MoxDuo IR demonstrated 50-75% reduction in side effects when compared to morphine alone, oxycodone alone or Percocet® (APAP plus oxycodone) • The Company is nearing completion of a final pivotal Phase 3 study prior to finalising a New Drug Application filing with the US Food and Drug Administration at the end of Q1 CY2011 • Plan to commence sales in 2012 into $12 billion US and European opioid market
Equity raising	• A$10.0 million to be raised by way of a A$3.3 million Placement followed by a A$6.7 million Conditional Placement plus a Share Purchase Plan
Offer structure	• Placement of 11.8 million shares (11.5% of issued capital) at A$0.85 per share followed by a Share Purchase Plan • Placement price of A$0.85 per share represents a 15% discount to the last closing price of A$1.00 on 28 September 2010.
Use of proceeds	• The proceeds will be used to fund a Phase 3 adverse events study comparing high-dose MoxDuo IR against morphine and oxycodone alone to expand label indication in US and Europe • To complete New Drug Application (NDA) filing for MoxDuo IR with the US FDA • Working Capital
Key Offer dates	• SPP record date – 30 September 2010; ASX announcement of Placement and SPP – 1 October 2010; Settlement of Tranche 1 Placement – 7 October 2010; Tranche 1 Placement shares trade on ASX – 8 October 2010; SPP opens – 18 October 2010; AGM – 8 November 2010; Settlement of Tranche 2 Placement – 9 November 2010; Tranche 2 Placement shares trade on ASX – 10 November 2010; SPP closes – 12 November; SPP shares trade on ASX – 18 November 2010

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2010 Milestones

Achieved

- ✓ Completed “combination rule” pivotal Phase 3 trial for MoxDuo IR
- ✓ Initiated second pivotal Phase 3 trial for MoxDuo IR
- ✓ Formed strategic alliance for development of MoxDuo IV (hospital pain) and license of MoxDuo IR in China
- ✓ IND opened for MoxDuo CR (chronic pain)
- ✓ Completed Phase 1 trial for MoxDuo CR
- ✓ Completed Phase 2 investigator trial for MoxDuo IV

Outstanding

- ➢ Complete second Phase 3 trial for MoxDuo IR, results announced in December 2010
- ➢ File additional patent applications for MoxDuo and neurodegenerative disease program by November 2010
- ➢ Initiate additional comparator trial for labeling claims in U.S. and Europe in November 2010
- ➢ Submit New Drug Application for MoxDuo IR to U.S. FDA – end of Q1 CY2011
- ➢ Strategic partnership CY2011

Investment Opportunity

- Multi-Billion dollar market; broad spectrum technology
- Opens therapeutic window: equal or greater analgesia with fewer side effects than morphine, oxycodone or Percocet
- 'De-Risked' clinical program; 505(b)(2) regulatory path
- Global IP strength (all products/formulations – IR, IV & CR); expected exclusivity through 2029
- Revenues from US and Europe expected in 2012
- Highly credentialed Management, Board & SAB

FUNDRAISING OVERVIEW

Capital Raising Overview

- **A$10 million Conditional Placement plus a Share Purchase Plan**
- **Use of Proceeds**
  - Initiate and complete new MoxDuo IR Phase 3 Adverse Events trial
    - Potential to expand the label indication in Europe and US
  - Complete New Drug Application filing for MoxDuo IR with the U.S. FDA
  - Working capital
- **Inflection point for the company**
  - Pivotal Phase 3 trials near completion, results in December 2010
  - Anticipated NDA filing at end of Q1 CY2011
  - Strategic partnerships CY 2011

Financial Summary
(28 September 2010)

Shares on issue:	102 million (ordinary)
Market cap:	A$102 million
Proforma cash on hand:	
Forecast 30 September 2010	A$7.5 million
Placement proceeds	A$10.0 million
Proforma cash on hand[1]	**A$17.5 million**
Listing:	ASX: QRX / OTCQX: QRXPY

[1]Proforma includes placement proceeds of $10m but not SPP proceeds

Offer Details

Pricing	
Closing price on 28 September 2010	$1.00
Placement price	$0.85
Discount to closing price of $1.00	15%

Equity raising details	
Placement	
Tranche 1 shares	3.9m
Tranche 2 shares [1]	7.9m
Total shares to be issued (11.5%)	11.8m
Placement proceeds	A$10.0m

Shares on issue	
Current shares on issue	102.5m
Placement shares	11.8m
Shares on issue post completion of Placement [2]	**114.2m**

Offer Structure & size

Placement to raise A$10 million

Followed by a Share Purchase Plan (Record Date 30 September)

Ranking

Shares issued under the Placement and SPP will rank equally in all respects with existing ordinary shares from allotment

1. Subject to Shareholder Approval
2. SPP to follow placement – shares to be issued under SPP to be determined once SPP closes

Timetable

Event	Dates
SPP record date	Thursday, 30 September 2010
Announcement Date - 708AA Cleansing Notice, Appendix 3B lodged with ASX	Friday, 1 October 2010
Settlement of Tranche 1 Placement and Allotment of Tranche 1 Placement Shares	Thursday, 7 October 2010
Tranche 1 Placement Shares trade on ASX	Friday, 8 October 2010
SPP Offer opens	Monday, 18 October 2010
AGM to approve Tranche 2 of Placement	Monday, 8 November 2010
Settlement of Tranche 2 Placement and Allotment of Tranche 2 Placement Shares	Tuesday, 9 November 2010
Tranche 2 Placement Shares trade on ASX	Wednesday, 10 November 2010
SPP Offer closes	Friday, 12 November 2010
Allotment of SPP Shares	Wednesday, 17 November 2010
SPP Shares commence trading	Thursday, 18 November 2010

The above timetable is indicative only and subject to change at the Company's discretion

Corporate Snapshot

As of 28 September 2010

ASX Code: QRX
Last share price: $1.00
12 month high: $1.30
12 month low: $0.73
Shares on issue: 102.5 million
Market cap: $102.5 million (@ $1.00)

Major shareholders:
Innovation Capital Group – 7.80%
John Holaday (MD) – 7.43%
BT Financial – 7.40%
Four Hats – 7.07%
Orbis Investment – 5.87%

Register:
Top 20: 73.02%
Top 50: 81.41 %
Total = 1,201 shareholders

Board of Directors:
Dr Peter Farrell (Chairman)
Dr Gary Pace
Michael Quinn
Peter Campbell
Dr John Holaday (Managing Director & CEO)

Experienced Board

- **Dr Peter Farrell PhD, ScD, AM (*Non-Executive Chairman)***

  Chairman and founder of ResMed Inc; other directorships include Pharmaxis Limited and Nuvasive Inc.

- **Dr Gary Pace PhD (*Non-Executive & Consultant)***

  Founder of QRxPharma; other directorships include ResMed Inc and Peplin Limited

- **Peter Campbell FCA, FTIA (*Non-Executive)***

  Other directorships include Sonic Healthcare Limited and Silex Systems Limited

- **Michael Quinn MBA (*Non-Executive)***

  Other directorships include ResMed Inc, CAP-XX Limited and Innovation Capital Group

- **Dr John Holaday PhD (*Managing Director and Chief Executive Officer)***

  Co-founded Medicis Pharmaceutical Corporation (NYSE) and EntreMed Inc (NASDAQ)

Experienced Management Team

- **Chris Campbell CA *(CFO and Company Secretary)***

  Three decades of financial experience including "Big 4" accounting firm and as CFO of publicly traded companies

- **Dr Warren Stern PhD *(Executive VP, Drug Development)***

  Over three decades of experience in central nervous system drug development and performing preclinical and clinical trials in psychopharmacology

- **Dr. Patricia Richards MD, PhD *(Chief Medical Officer)***

  Three decades of experience as anesthesiologist/pain doctor and manager of clinical trials in pain and psychopharmacology

- **Philip Magistro MBA, MS *(Chief Commercial Officer)***

  Marketing specialist with over 25 years experience in the pharmaceutical industry with specific expertise in product launch

- **Janette Dixon *(VP, Global Business Development)***

  Broad commercial and partnering experience in entrepreneurial and multinational life science companies in leadership roles

- **Dr Solomon Snyder MD *(Chairman of the Scientific Advisory Board)***

  Regarded as one of the world's leading neuroscientists, awarded the Lasker prize for identifying the opioid receptor

Corporate Overview

- **Develop and commercialize therapies for pain management and CNS disorders**
  - Global footprint: Sydney, AU and New Jersey, U.S.
  - Listed on the ASX: QRX and OTCQX: QRXPY
- **MoxDuo pain product portfolio catalyst for growth**
  - Proprietary combination of morphine and oxycodone
  - MoxDuo IR: lead product; Phase 3 (acute pain)
  - Launch MoxDuo IR in US and Europe in 2012
- **Strategic relationships**
  - Aoxing (NYSE AMEX:AXN) partnership in China

Pain Therapy Market

- **Large specialty pharma opportunity**
  - Opioid market: Global $12 billion; $7+ billion in U.S. alone*
- **150mm people in major markets suffer from acute pain**
  - 75mm Americans experience acute pain each year due to injuries and/or surgery
  - 190mm prescriptions of immediate release pain drugs p.a. dominated by combination drugs (e.g. Vicodin and Percocet®)*
- **Limited innovation with reliance on old therapies**
  - Opioids are the "gold standard" in treating pain
- **Payor incentives**
  - Need for better pain relief with fewer side effects
  - Better pain management means shorter hospital stays and major cost savings

*Source: Datamonitor 03/2010

Opportunity Snapshot

- **Broad spectrum platform technology addresses full spectrum of therapeutic needs**
  - Blockbuster potential in growing markets
- **Key advantages over current treatment options**
  - Widen therapeutic window for acute pain relief
  - As good or better pain relief with fewer side effects than morphine, oxycodone and Percocet®
- **Economic impact to healthcare system**
  - Speedier recoveries = fewer days in hospital
  - KOL and payor acceptance of value/clinical benefits
- **Patents cover composition of matter, mechanism of action and new formulations**

Formulations: Hospital to Home

- **MoxDuo IR** (Immediate Release): oral capsules
  - Target: Moderate to severe acute pain
  - Status: Ph 3 program nearing completion
    - Positive bunionectomy results; total knee replacement trial ongoing
  - Anticipate NDA filing with the FDA in Q1 2011
- **MoxDuo IV** (Intravenous): liquid formulation
  - Target: Hospital-based pain
  - Status: Ph 2 and concurrent formulation development
- **MoxDuo CR** (Controlled Release): oral tablet
  - Target: Chronic pain (i.e. osteo-arthritis, back, neuropathic), abuse deterrent technologies incorporated
  - Status: Ph 1

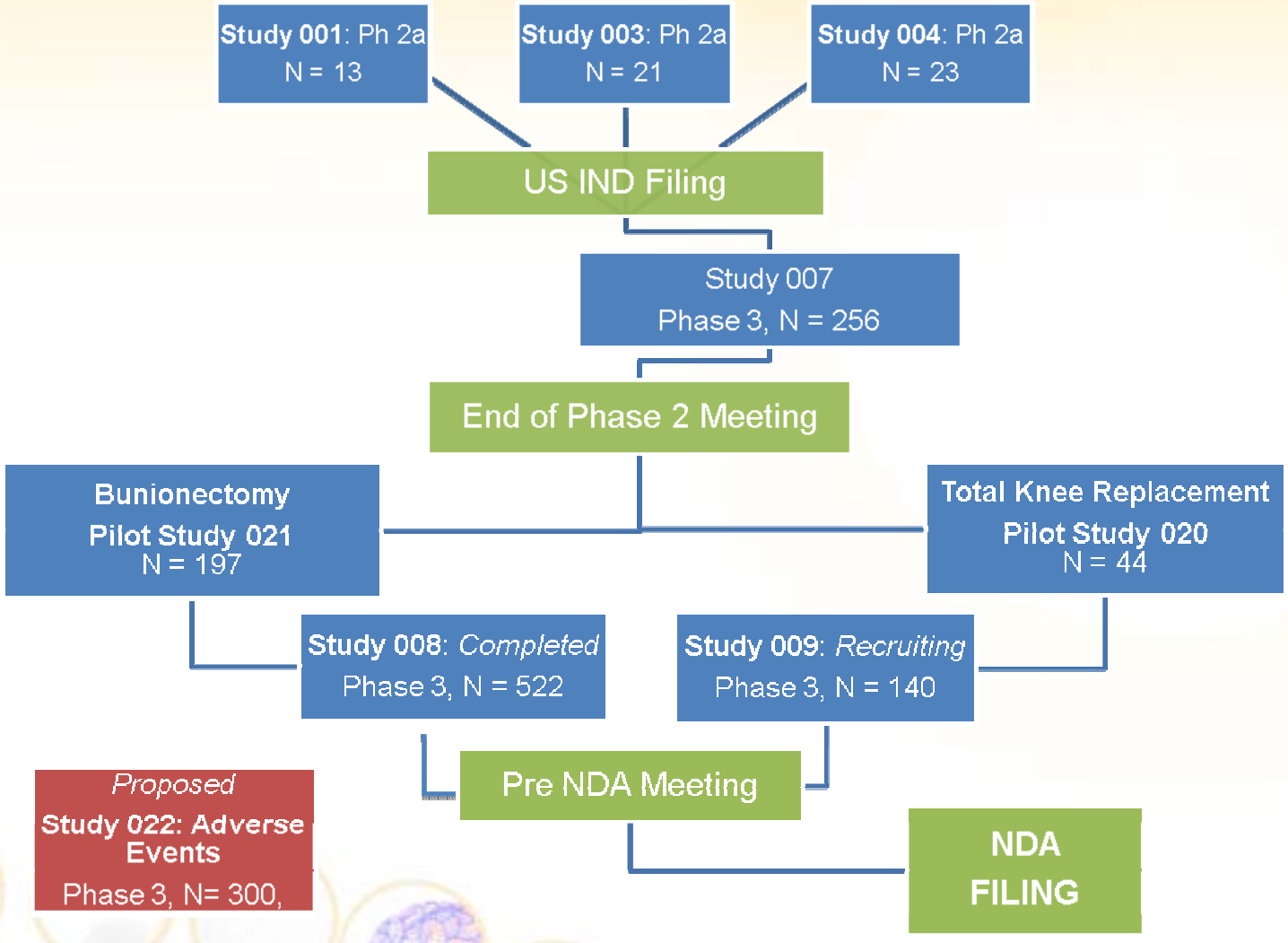
Product Pipeline

	PRE-CLINICAL	PHASE 1	PHASE 2	PHASE 3	NDA
PAIN MANAGEMENT					
MoxDuo IR					
MoxDuo IV					
MoxDuo CR					
NEUROLOGIC DISEASES					
T9001: Dystonia					
T9001: Parkinson's					
VENOMICS					
Haemepatch™					
Textilinin					

MoxDuo IR: Product Profile

- **Drug class:** analgesic
- **MOA:** Mu, Kappa-Opioid Receptor Agonist
- **Formulation:** Immediate release (IR) Dual Opioid®
- **Initial indications:** moderate to severe post-surgical pain
- **Phase 3 clinical trials:**
  - **Bunionectomy: Satisfies FDA Combination Rule**
    - ***Study 021***: Pilot study completed April 2009 – randomized, double blind
    - ***Study 008***: Pivotal Phase 3 completed April 2010
  - **Total Knee Replacement**
    - ***Study 020***: Pilot study completed August 2009
    - ***Study 009***: Pivotal Phase 3 ongoing
- **Streamlined route to FDA approval via 505(b)(2)**

Clinical Development Path



Risks

An investment in QRxPharma will be accompanied by various risks and should be considered speculative in nature. Some of these risks are specific to the Company while others relate to investing in shares in general. It is for this reason that none of QRxPharma nor its Directors or advisors provide any guarantee with respect to market value or that profitability will be achieved or dividends will be paid.

This section describes a range of risks associated with an investment in QRxPharma. The risks outlined should not be considered exhaustive of the risks faced by QRxPharma and its investors but these and other risks could have a material impact on the financial performance of the company and the value of the Shares offered under the Placement and the Share Purchase Plan.

Before making a decision, investors should consider each of the risks described in this section and QRxPharma's periodic and continuous disclosure announcements lodged with the ASX. Investors should carefully consider these factors in light of their investment objectives and financial circumstances. If investors are in any doubt regarding the terms and conditions of the capital raising they should seek professional advice from their stockbroker, solicitor, accountant, or other qualified professional financial advisor.

General Risks

Share Market Risks

Potential investors should recognise that there are risks associated with any investment in shares. On completion of the Placement and Share Purchase Plan, the Shares may trade on the ASX at higher or lower prices than the offer price. The price at which the Shares trade on the ASX may vary as a result of QRxPharma's financial performance and as a result of external factors which are not under the control of the Company and the Directors. The share price will be subject to changes in overall market conditions and investor perspectives of the specialty pharmaceutical industry. The share prices of specialty pharmaceutical companies can be volatile and there can be no guarantee that the price of the Shares will increase after the Placement and Share Purchase Plan.

Liquidity and Realisation Risk

There is no guarantee that an active market in the Company's Shares will develop. There may be relatively many or few buyers or sellers of the Shares trading on the ASX at any given time which may increase share price volatility.

General Economic Conditions and Currency Fluctuations

There are a wide range of macro-economic and political factors, both in Australia and internationally, which are beyond the Company's control and which may affect the Company's operating and financial performance. These may include factors such as economic growth, inflation, exchange rates, interest rates, consumer spending and government fiscal, monetary and regulatory policies. There is also the risk of terrorist and other activities which may adversely impact the global economy and share market conditions in general.

A significant proportion of QRxPharma's revenues and expenses is expected to be denominated in currencies other than Australian dollars, in particular US dollars. The Company expects approximately 90% of the Placement and Share Purchase Plan proceeds will be exposed to fluctuations between the Australian dollar and the US dollar. As a result, if proper hedging is not in place, exchange rate movements could have an adverse impact on the Company's financial results.

Tax Risk

Any change to the rate of company income tax in the jurisdictions in which QRxPharma operates will impact on financial performance, cash flows the share price and shareholder returns. Any changes to the rates of income tax applying to individuals or trusts will also impact shareholder returns. Additionally, any change to the tax arrangements between Australia and other jurisdictions could adversely impact the Company's future earnings and the level of dividend franking.

Legislative and Regulatory Changes

Changes to laws and regulations or accounting standards which apply to QRxPharma could have an adverse impact on the Company's financial performance. Some legislative and regulatory changes that could have an adverse impact on the Company include changes to regulatory requirements for the commercialisation of the Company's pipeline products.

Specific Risks to QRxPharma

Clinical Development

QRxPharma is in late stage clinical development for its lead product and has additional products at an earlier stage of development. There are inherent risks involved with the development of pharmaceutical products including failure during clinical trials or failure to achieve sufficient robustness and reliability. QRxPharma is yet to commercialise any products from its development programmes and cannot guarantee that its research and development activities will lead to the development and successful commercialisation of its products. There is also no guarantee that QRxPharma will succeed in bringing its products to market at a time that allows it to capture market opportunities.

Regulatory Risks

To obtain regulatory approval for the commercial sale of any one of its products, QRxPharma must prove that its products are both safe and effective for use in each proposed indication. There can be no guarantees that large scale clinical trials will reinforce the findings of earlier clinical research or prove the products to be safe and effective in any event. In particular, a failure during the current Phase 3 trials for MoxDuo IR, the results of which are not expected to be released to the ASX until December 2010, may mean NDA approval from the FDA to sell MoxDuo IR is not obtained in a reasonable timeframe or is not obtained at all. Unexpected delays to regulatory approval and commercialisation may therefore occur.

As with any company involved in developing pharmaceutical products, QRxPharma must comply with the regulatory framework in any country in which it intends to market the product in question. These requirements vary depending on the relevant product and the nature of approvals or changes being considered. In general, established agents which have less significant proposed changes will face less substantial requirements for demonstration of safety and efficacy. Consequently, regulatory requirements may vary depending on the product in question.

Equally, FDA approval of MoxDuoIR does not necessarily mean that approval will automatically be obtained for MoxDuo IV or MoxDuo CR.

The Company has submitted Special Protocol Assessments (SPAs) however approval is not certain and even if obtained final regulatory approval is not guaranteed.

Future Funding Requirements

The Directors believe that QRxPharma will have sufficient cash reserves to fund its activities through to completion of Phase 3 trials and submission of a NDA for FDA regulatory approval of MoxDuoIR . However, QRxPharma may need to raise additional funds from time to time to meet its future funding requirements. The Company may not be successful in raising adequate funds on favourable terms and this could have a material adverse impact on QRxPharma's prospects.

Reliance on Partners and Commercial Agreements

QRxPharma does not have and does not intend to obtain facilities capable of manufacturing its proposed products in commercial quantities. QRxPharma will be dependent on third parties to manufacture any products (or constituent parts) that it develops. There can be no assurance that the Company will succeed in establishing a supply chain through contract manufacturing and supply arrangements on favourable terms or that such a supply chain would remain uninterrupted. This exposes QRxPharma to potential delay and pricing issues.

The success of QRxPharma's product development and commercialisation is in part dependant on its technology and discovery relationships. These relationships expose the Company to some risks - its collaborators may disrupt the manufacturing or distribution of the Company's products, terminate or fail to renew agreements with the Company, experience financial difficulty, become insolvent or enter into partnerships with the Company's competitors.

Specific Risks to QRxPharma

Reliance on Key Personnel

QRxPharma has a number of key personnel at the Board, executive and scientific/operational level. While QRxPharma is committed to providing attractive employment conditions and prospects, there can be no guarantee that the Company can retain these key personnel. The loss of the services of any of these individuals could have a material adverse impact on the Company's research, product development and commercialisation success.

There can be no assurance that QRxPharma will be able to attract and retain the services of additional scientific, technical, manufacturing, sales and managerial staff as the need arises. This is due to the specialised and competitive nature of the specialty pharmaceuticals industry and it may also have a material adverse impact on QRxPharma's success.

Protection of Proprietary Technology and Trade Secrets

The commercial success of QRxPharma partly depends on its ability to obtain patent protection of its products and technologies in its main markets and to protect its trade secrets. There can be no guarantee that technologies or products developed by the Company will be patentable, that patents will be granted for products currently in development or that its patents will be sufficient to protect QRxPharma from competition from third parties with similar technology.

Current Patents

It is possible that third parties may assert IP claims against the Company under copyright, trade secret, patent or other laws. The Company is not aware of any such claims in relation to the IP rights in which it has interest. If such claims were to arise, there may be an adverse effect on the Company's business, including costly litigation and the diversion of Management attention, which could occur regardless of the outcome of any proceedings.

Litigation

QRxPharma is exposed to the risk of actual or threatened litigation or legal disputes in the form of customer claims, personal injury claims or employee claims. If any claim was successfully pursued it may adversely impact the financial performance, financial position, cash flow and share price of the Company. QRxPharma has had no actual or threatened litigation or legal disputes.

Use of Net Proceeds of the Offer

QRxPharma has indicated the current anticipated use of net proceeds of the Placement and Share Purchase Plan proceeds earlier in this presentation. However, the Board will have total discretion in the allocation of the funds. A failure to apply the funds effectively could have an adverse impact on the business.

Dividends

The ability of QRxPharma to pay dividends in the future will depend on the success of its clinical trials and its ability to commercialise its products in development. In addition, considerations such as future capital requirements and the Company's financial position will impact the amount, timing and payment of any dividend. There may also be factors outside of QRxPharma's control which affect the ability of the Company to pay dividends and as such the Directors are unable to give any guarantee regarding the payment of dividends in the future.

Competition

QRxPharma competes with several large organisations, some of which are multi-national and have worldwide distribution networks. The Company believes that the major competitors in the drug market for the treatment of moderate to severe pain include Endo Pharmaceuticals, Abbott, Purdue Pharma, Mundipharma, Cephalon, King Pharmaceuticals and Johnson & Johnson. Compared to QRxPharma the Directors believe that several of these firms have substantially greater financial resources and greater technical and market strength. Companies that would be likely to lose market share may develop strategies to resist the introduction and sales growth of QRxPharma's products.

In addition, there can be no guarantee that the Company's competitors will not be successful in developing technologies and products that are more effective or cost efficient than those technologies and products that the Company is currently developing. As a result, the Company's products may become uncompetitive and the business would suffer.

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APPENDIX:
CLINICAL PROGRAM DETAILS

MoxDuo IR

Changing the opioid treatment paradigm

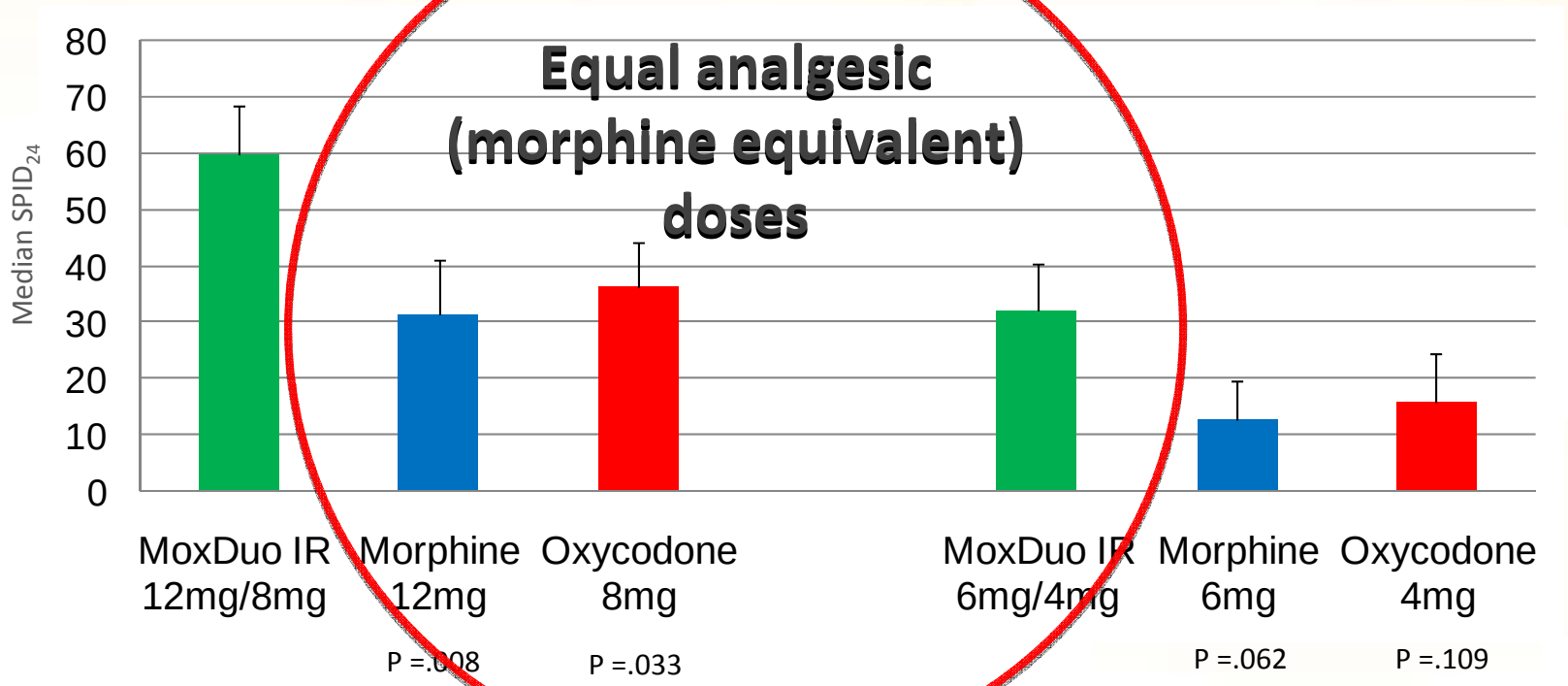
Bunionectomy: Trial Designs

Study Number	021	008
Phase	**Pilot**	**Phase 3**
N	197	522
U. S. Sites	6	6
Design	Randomized, Double blind	Randomized, Double blind FDA Combination Rule
Doses	MoxDuo IR 12/8mg vs. Morphine 12mg vs. Oxycodone 8mg MoxDuo IR 6/4mg vs. Morphine 6mg vs. Oxycodone 4mg	MoxDuo IR 12/8mg vs. Morphine 12mg vs. Oxycodone 8mg
Schedule	Every 6 hours for 2 days	Every 6 hours for 2 days
Primary/Secondary Endpoints	Superiority of MoxDuo IR over its components	$SPID_{48}$ / $SPID_{24}$
Status	Completed April 2009	Completed April 2010
Outcome	• Demonstrated superiority in both efficacy and safety • Confirmed efficacy, optimal dose, and sample size • Enhanced tolerability	Both Primary & Secondary Endpoints Achieved

SPID = Sum of Pain Intensity Data

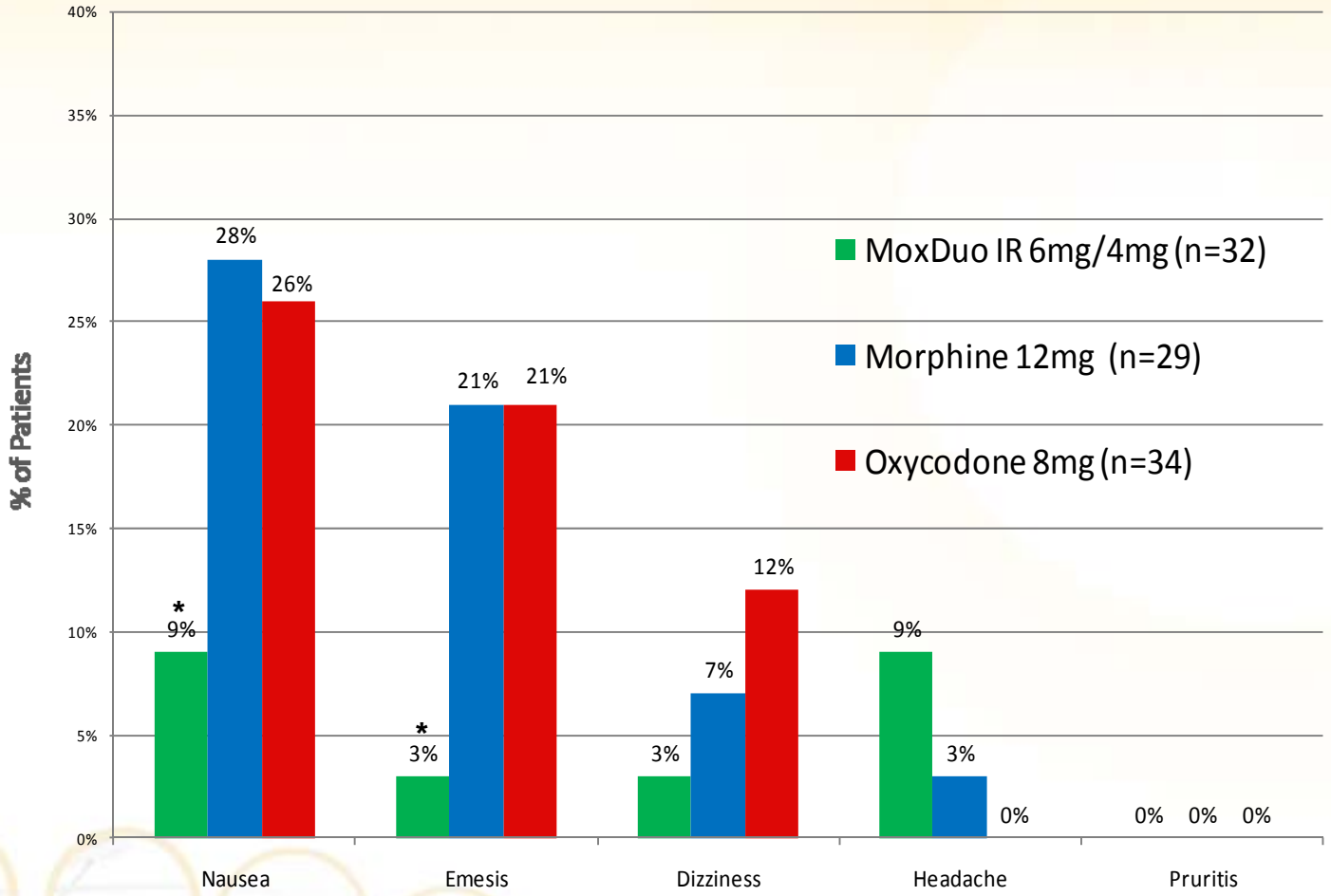
Morphine equivalent doses provides the same relief

Study 021: $SPID_{24}$ Scores by Treatment (mean ± se)



Strong Reduction in Adverse Events

Study 021: Morphine Equivalent Comparisons



*P<0.05 versus the combination of the oxycodone group with the morphine group

Pivotal Phase 3 Endpoints Met

Study 008

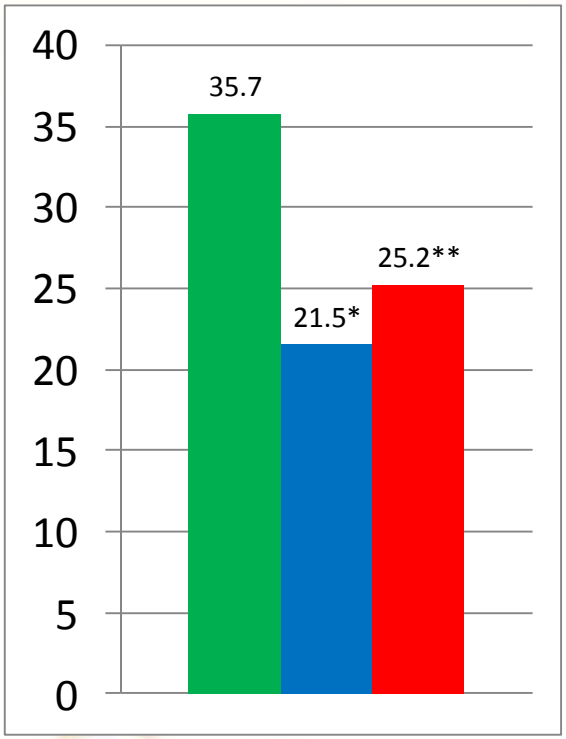
		MoxDuo IR 12/8 mg	Morphine 12 mg	Oxycodone 8 mg
Primary Endpoint	$SPID_{48}$: Mean	107	83	83
	P-value (vs MoxDuo IR)		0.014*	0.012*
Secondary Endpoint	$SPID_{24}$: Mean	35.7	21.5	25.2
	P-value (vs MoxDuo IR)		0.003*	0.027*

*Statistically significant

MoxDuo IR Superior to its mg Components

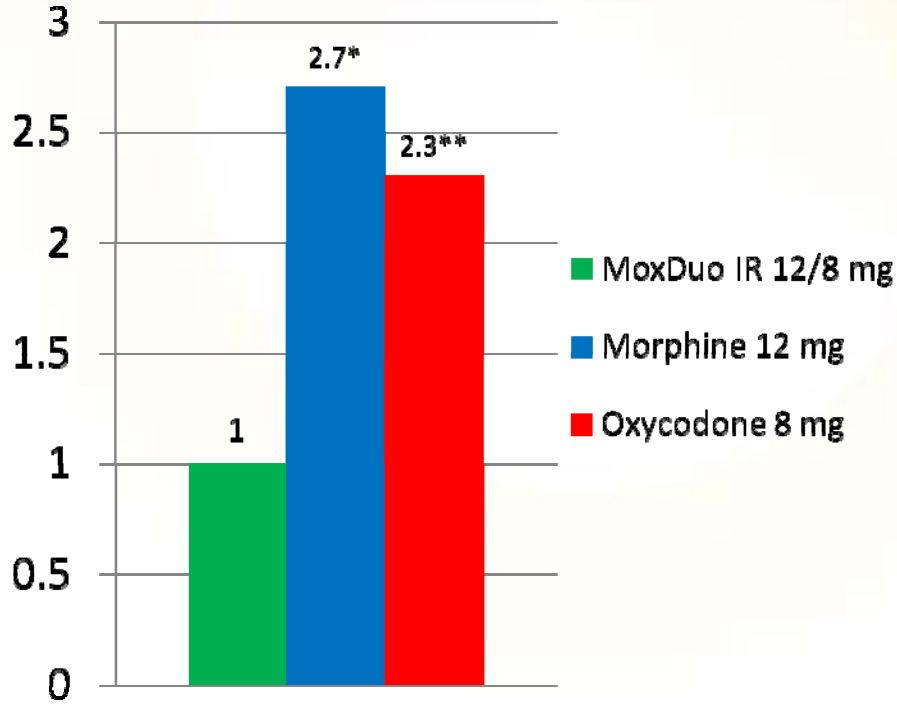
Study 008: Secondary Efficacy Endpoints

$SPID_{24}$



(*p<0.003, **p<0.003)

Likelihood (Odds Ratio) of the Need to Use a Rescue Medication[1]



(*p<0.01, **p<0.05)

[1]Rescue Medication: ibuprofen 400 mg

Bunionectomy Trials: Conclusions

- **Phase 3 Combination Rule met primary analgesic efficacy endpoint vs morphine and oxycodone**
- **MoxDuo IR 12/8mg proven superior to its components on secondary efficacy measures**
- **Consistent positive safety results**
  - Pilot: 50% -75% lower frequency of moderate to severe nausea, vomiting and dizziness when compared to equi-analgesic components
  - Phase 3: Despite higher dose of MoxDuo IR than controls, the AE rate and duration were not statistically different
  - No SAEs reported

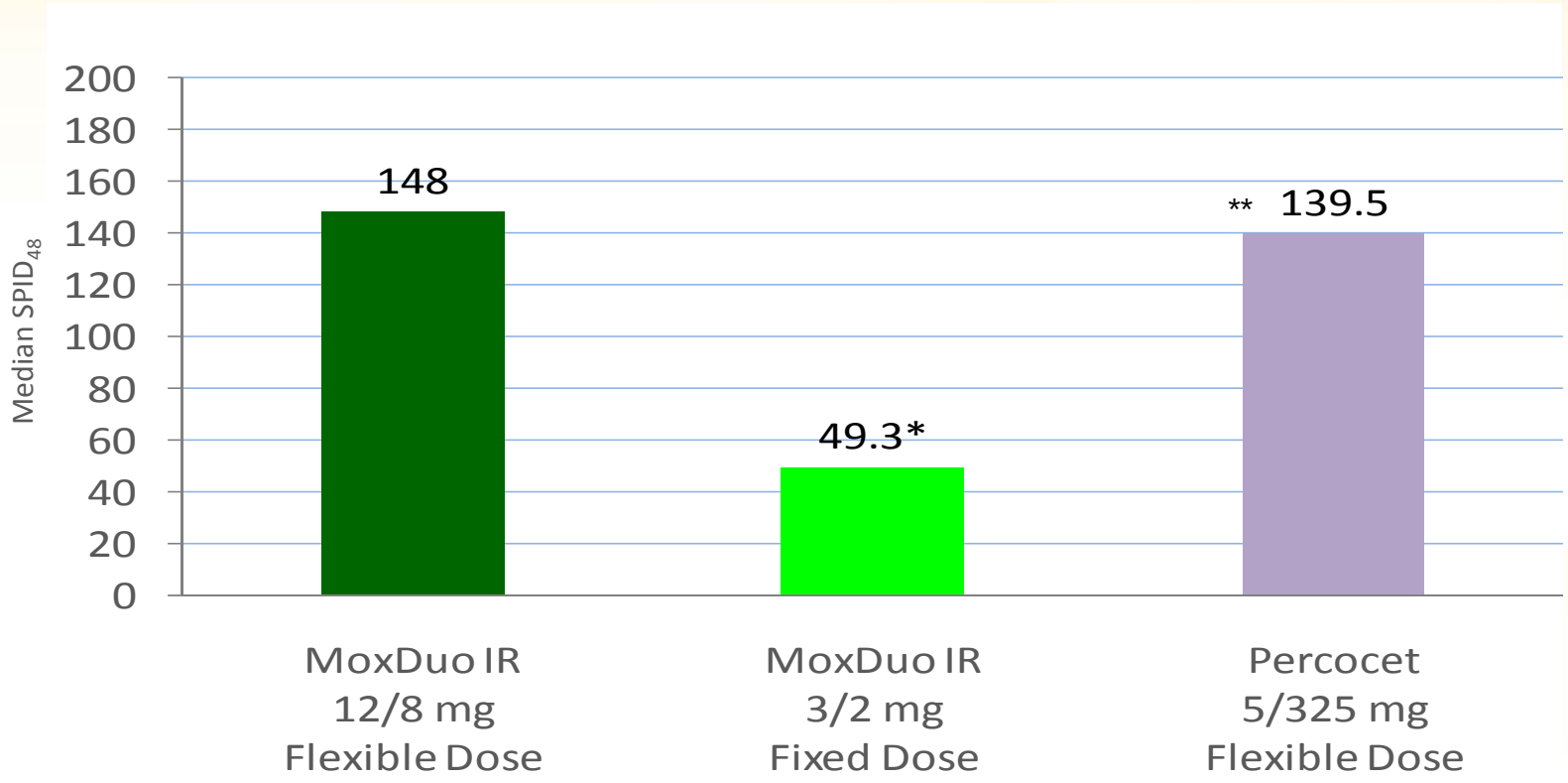
Total Knee Replacement: Trial Designs

Study Number	020	009
Phase	**Pilot**	**Phase 3**
N	44	140
U. S. Sites	5	10
Design	Randomized, Open Label	Randomized, Double Blind
Dose/Schedule	MoxDuo IR (12/8 mg – flexible) and (3/2 mg fixed every 6 hours) vs Percocet (5/325mg - flexible)	MoxDuo IR (12/8 mg – flexible) v MoxDuo IR (3/2 mg fixed every 6 hrs)
Primary/Secondary Endpoints	Compare efficacy/safety profile vs control	$SPID_{48}$ / $SPID_{24}$
Status	Completed August 2009	Commenced February 2010 Expected Completion Q3, 2010
Outcome	• Confirmed control and sample size • Delivered better pain relief with less nausea, vomiting, hypotension and constipation	
Safety	Demonstrated enhanced tolerability over equianalgesic dose of Percocet®	

SPID = Sum of Pain Intensity Data

Summary of Efficacy

Study 020: $SPID_{48}$

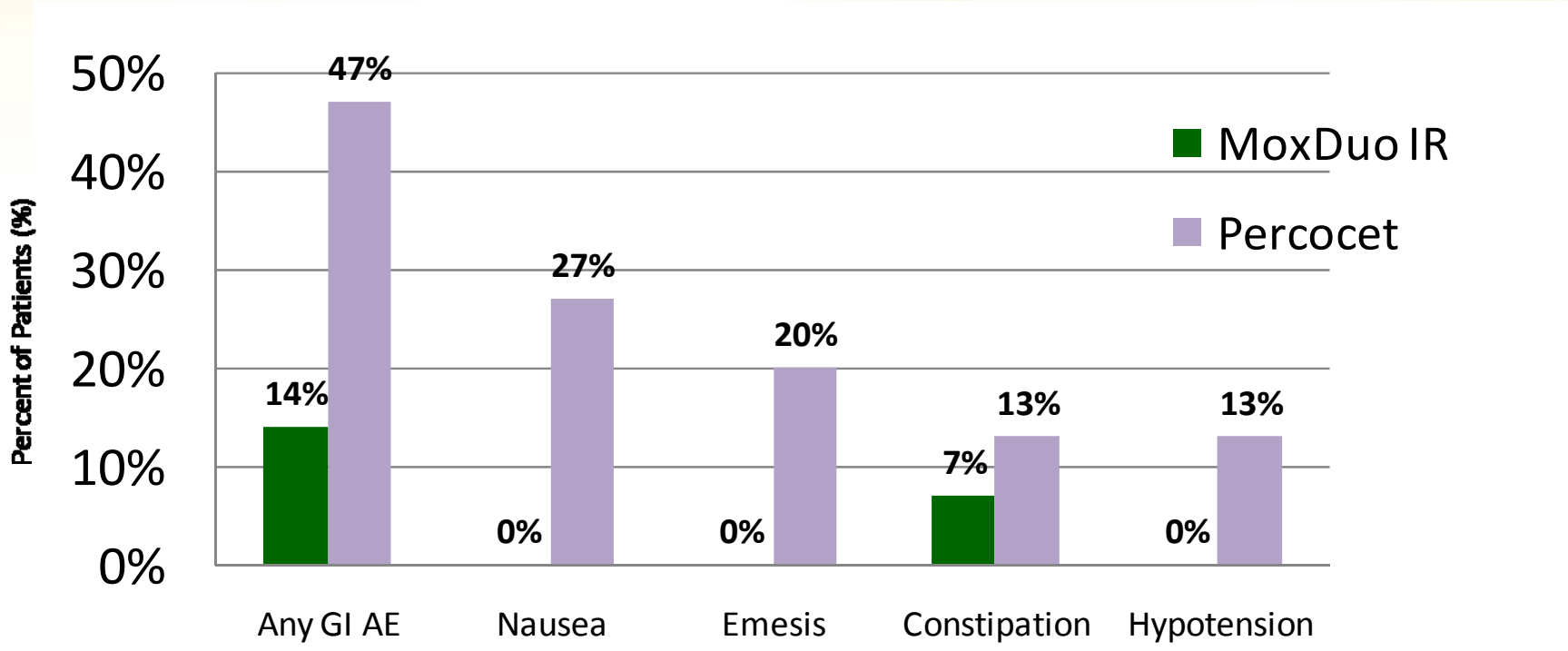


* P<0.048 Compared to MoxDuo IR flexible dose

**5mg oxycodone, 325 mg paracetamol

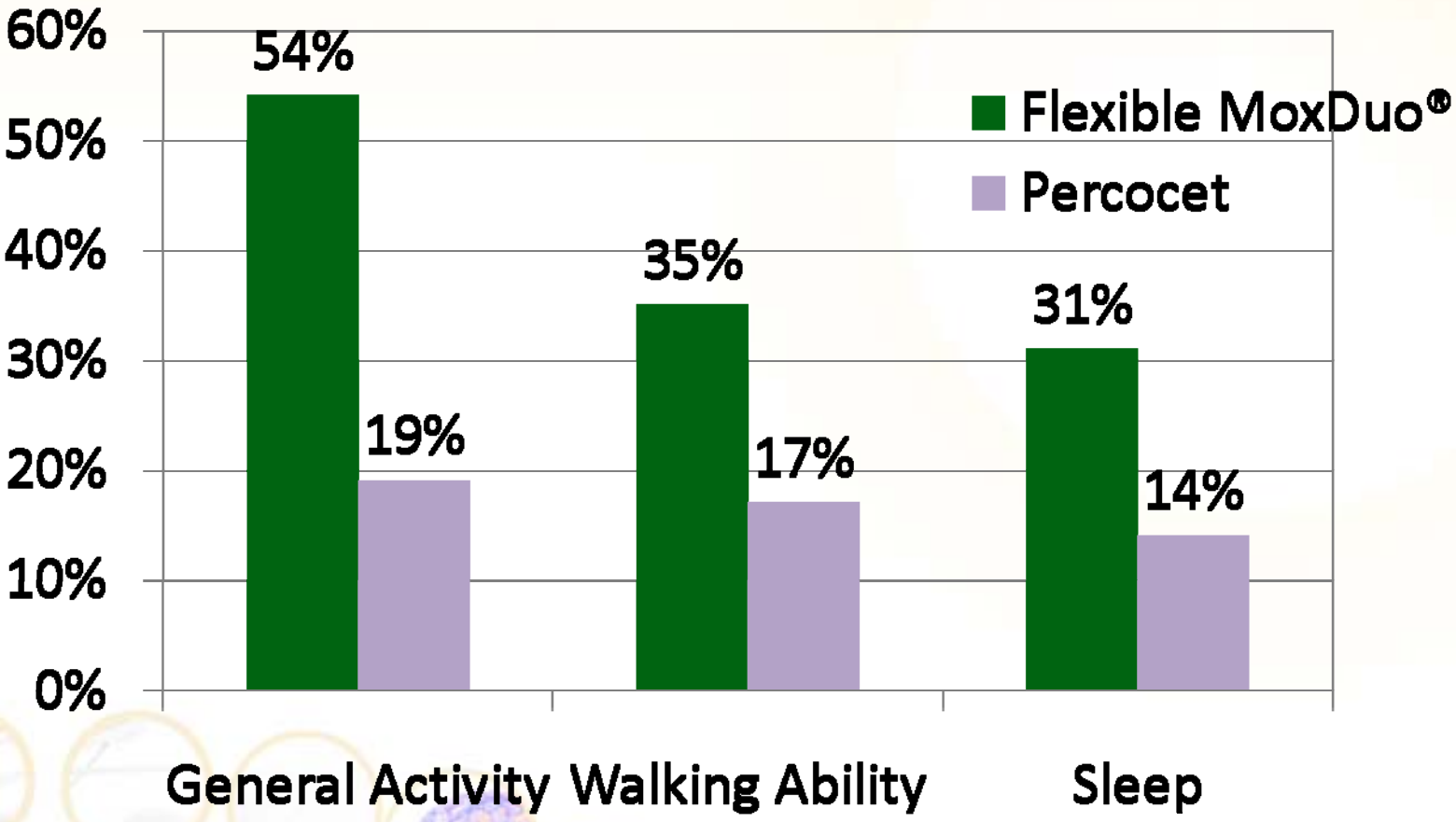
MoxDuo IR has Fewer AEs vs Percocet

Study 020



Study 020: Brief Pain Inventory Comparisons for Equi-analgesic Doses

Mean % Improvement from Baseline to End of Treatment



ADDITIONAL PROGRAMS

MoxDuo IV

MoxDuo CR

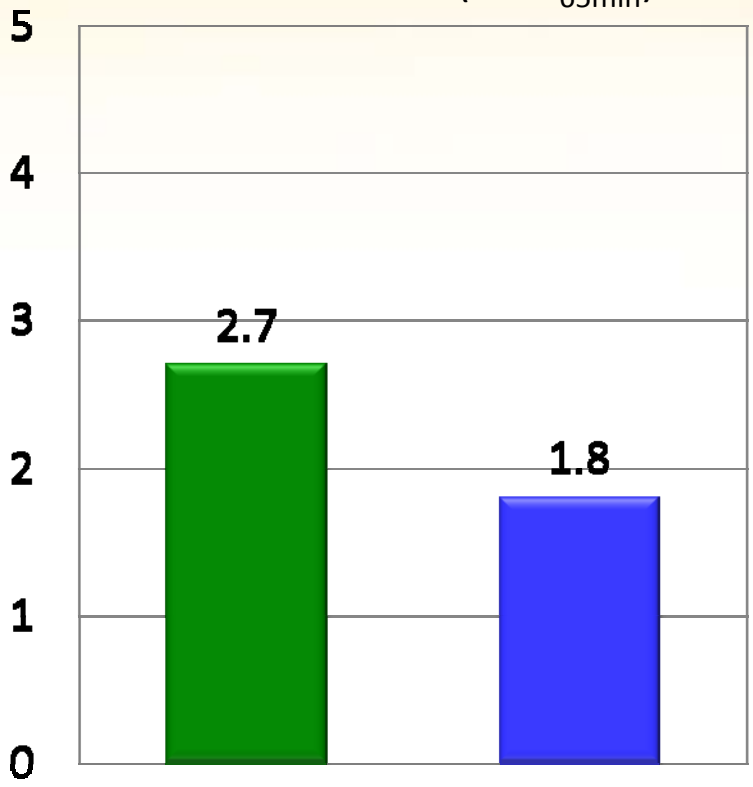
CNS Program

MoxDuo IV: Development Status

- **February 2010: Aoxing strategic alliance**
  - Aoxing funds clinical development of in exchange for exclusive marketing rights in China (Royalties to QRxPharma)
  - QRxPharma retains ownership of MoxDuo IV and rights to clinical work for product registration outside China
- **July 2010: Completed Phase 2 proof-of-concept study: IV morphine/oxycodone vs. IV morphine alone**
  - Moderate to severe post-operative pain (hip replacement)
  - 48 hour dosing initiated by anesthetist (65 minute titration) then transferred to patient controlled analgesia (PCA)
  - Improved SPID scores with morphine/oxycodone, fewer doses required and significantly reduced adverse events

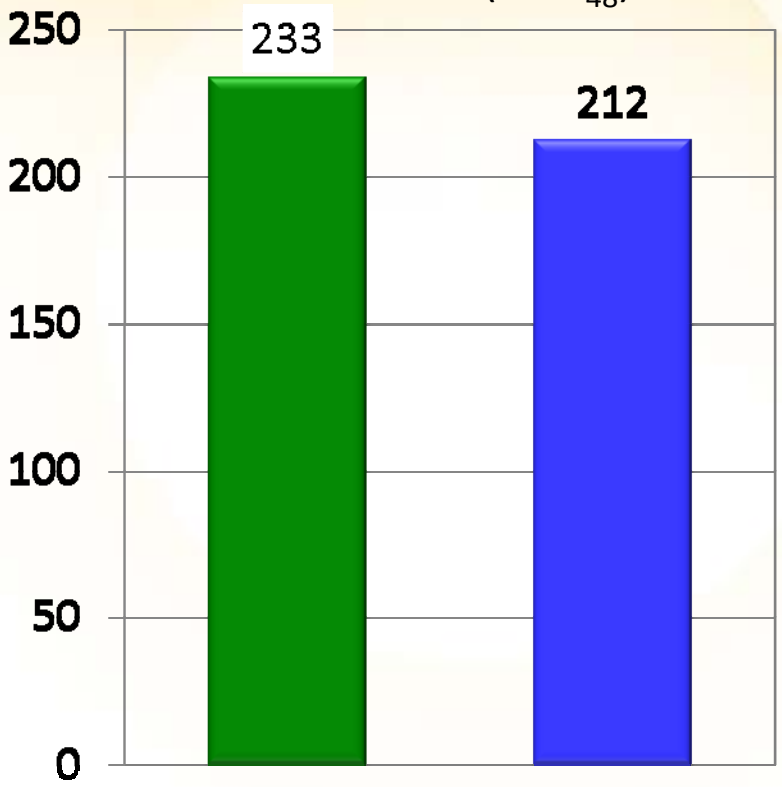
Phase 2 Results

Titration Period ($SPID_{65min}$)



Median Number of Doses:
12 in each arm

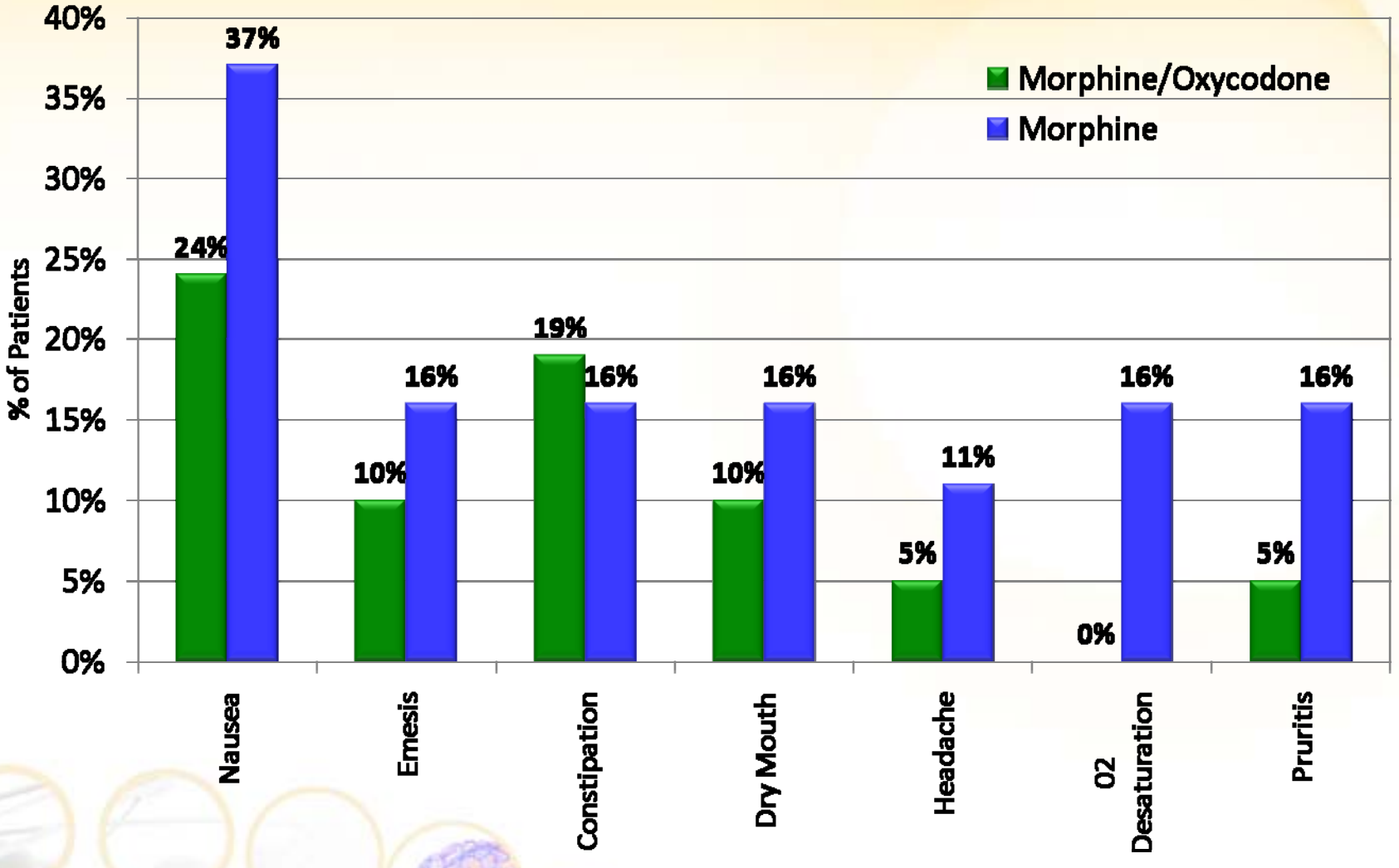
PCA Period ($SPID_{48}$)



Median Number of Doses:
13 in morphine/oxycodone arm
17 in morphine arm

Morphine/Oxycodone Morphine

Opioid Related Adverse Events



MoxDuo CR

- **Controlled-release (CR) dual-opioid tablet designed to provide 12 hours of pain relief with abuse/tamper resistance**
  - Patients suffering from moderate to severe chronic pain (i.e. cancer, lower back, osteoarthritis and neuropathic)
- **Phase 1 PK profile consistent with expectations for a twice-daily formulation**
  - Component doses of MoxDuo CR vs. Oxycontin® 20 mg (sustained release oxycodone)
  - N=14 normal, healthy volunteers, single dose crossover design
  - Compared the rate at which the oxycodone component of the CR formulation were absorbed, distributed, metabolized and eliminated

CNS Program

- **Reduce protein misfolding linked to neurodegenerative diseases**
  - Dystonia, Huntington's, Parkinson's and Alzheimer's
- **Primarily funded by the Michael J. Fox Foundation**
- **Treat at causative level, not temporary symptomatic relief**
  - Exclusive rights to novel IP
  - Sponsored research agreement with University of Alabama
  - Drug targets to increase activity of normal Torsin A
- **Development approach**
  - NCE discovery
  - Partnering discussions ongoing

AGM – Summary of proposed resolutions

- Approval of Conditional Placement shares (and director participation)
- Ratification of the Tranche 1 Placement
- Option issue to Directors
- Amendments to the constitution to re-insert proportional takeover provisions and amend dividend sections as a result of recent amendments to the Corporations Act