



25 August 2011

Company Announcements
ASX Limited
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

QRxPharma Limited (QRxPharma) – Non-renounceable rights issue – Notice of under subscriptions

We refer to the rights issue announced by QRxPharma on 22 July 2011 (**Rights Issue**) and the Rights Issue Booklet, also lodged with the ASX on 22 July 2011.

QRxPharma has received acceptances and applications from eligible shareholders for 1,046,351 shares raising approximately A\$1.5 million at A\$1.45 per share.

The Rights Issue was under-subscribed by 6,107,353 shares. An Appendix 3B in respect of the shares to be issued to shareholders will be lodged with the ASX on Tuesday, 30 August 2011.

The allotment of the new shares issued under the Rights Issue, and the statements of holdings for these new shares, will be despatched on Tuesday, 30 August 2011 with trading in new shares expected to commence on Wednesday, 31 August 2011.

The directors wish to thank all shareholders who participated in the Rights Issue which was launched on the completion of a successful Placement to institutions and professional investors which raised A\$25 million as announced to the ASX on 22 July 2011. Post the Placement and Rights Issue, the Company's pro-forma net cash position (after expenses of the capital raising) at 30 June 2011 would be approximately A\$32.4 million.

Please contact me if you have any queries.

Yours sincerely

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

Chris Campbell
Company Secretary

QRxPharma Limited