

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

QRxPharma Limited (**QRxPharma**)

ABN

16 102 254 151

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |  |  |
|---|--|--|
| 1 | +Class of +securities issued or to be issued   | Fully paid ordinary shares in QRxPharma ( <b>Shares</b> )  |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued  | 17,241,379 Shares under the institutional placement announced by QRxPharma on 22 July 2011 ( <b>Placement</b> )<br><br>Up to approximately 7,153,275 Shares (subject to rounding and reconciliation of shareholder entitlements) under the non-renounceable pro-rata rights issue announced by QRxPharma on 22 July 2011 ( <b>Rights Issue</b> ) |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Ordinary fully paid shares   |

<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>Yes</p>				
<p>5 Issue price or consideration</p>	<p>\$1.45 per Share</p>				
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>The net proceeds of the Placement and Rights Issue will be used to provide funds to progress MoxDuo<sup>®</sup> IR through FDA approval and commercialisation leading to product launch expected in 2012, to progress the development of MoxDuo controlled release (CR) and to provide for additional working capital</p>				
<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<p>27 July 2011 for the Placement 30 August 2011 for the Rights Issue</p>				
<p>8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="703 1496 995 1529">Number</th> <th data-bbox="1003 1496 1286 1529">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="703 1536 995 1570">150,218,781</td> <td data-bbox="1003 1536 1286 1570">Ordinary Shares</td> </tr> </tbody> </table>	Number	+Class	150,218,781	Ordinary Shares
Number	+Class				
150,218,781	Ordinary Shares				

+ See chapter 19 for defined terms.

9. Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)

Number	+Class
295,000	Options with an exercise price of \$1.26 and an expiry date of 24 March 2014;
402,726	Options with an exercise price of \$1.42 and expiry date of 31 March 2014;
2,013,630	Options with an exercise price of \$1.00 and expiry date of 14 April 2014;
1,448,450	Options with an exercise price of \$2.00 and expiry date of 25 May 2014;
502,726	Options with an exercise price of \$1.00 and expiry date of 25 May 2014;
50,000	Options with an exercise price of \$1.70 and expiry date of 1 September 2014;
75,000	Options with an exercise price of \$1.45 and expiry date of 1 October 2014;
50,000	Options with an exercise price of \$1.34 and an expiry date of 9 October 2014;
25,000	Options with an exercise price of \$1.27 and an expiry date of 25 October 2014;
200,000	Options with an exercise price of \$1.11 and an expiry date of 1 January 2015;
310,000	Options with an exercise price of \$2.00 and an expiry date of 1 January 2015;
600,000	Options with an exercise price of \$1.05 and an expiry date of 1 April 2015;
75,000	Options with an exercise price of \$1.04 and an expiry date of 1 April 2015;
50,000	Options with an exercise price of \$0.60 and an expiry date of 1 October 2015;
295,000	Options with an exercise price of \$0.20 and an expiry date of 1 January 2016;
467,500	Options with an exercise price of \$0.65 and an expiry date of 31 August 2016;
150,000	Options with an exercise price of \$0.90 and an expiry date of 1 October 2016;
300,000	Options with an exercise price of \$1.12 and an expiry date of 16 November 2016;
100,000	Options with an exercise price of \$0.78 and an expiry date of 1 January 2017;

9. Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable) (continued)

Number	+Class
565,000	Options with an exercise price of \$0.84 and an expiry date of 17 February 2017;
225,000	Options with an exercise price of \$1.15 and an expiry date of 1 July 2017;
50,000	Options with an exercise price of \$0.95 and an expiry date of 24 August 2017;
150,000	Options with an exercise price of \$0.93 and an expiry date of 4 October 2017;
850,000	Options with an exercise price of \$1.00 and an expiry date of 8 November 2017;
1,330,000	Options with an exercise price of \$1.40 and an expiry date of 1 January 2018.
150,000	Options with an exercise price of \$1.70 and an expiry date of 7 July 2018.

+ See chapter 19 for defined terms.

	Number	+Class
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Shares issued under the Placement and Rights Issue will rank equally with existing ordinary shares

## Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Non-renounceable
13	Ratio in which the +securities will be offered	1 new Share for every 20 existing Shares as at the record date
14	+Class of +securities to which the offer relates	Fully paid ordinary shares
15	+Record date to determine entitlements	7.00pm, 2 August 2011
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No
17	Policy for deciding entitlements in relation to fractions	Where fractions arise in the calculation of entitlements they will be rounded up to the nearest whole number of new Shares
18	Names of countries in which the entity has +security holders who will not be sent new issue documents  Note: Security holders must be told how their entitlements are to be dealt with.  Cross reference: rule 7.7.	All countries except Australia, New Zealand and the United States
19	Closing date for receipt of acceptances or renunciations	Placement – 21 July 2011 Rights issue – 5.00pm, 22 August 2011
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A

22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	A broker stamping fee of 1.5% (plus GST) will be paid on the value subscribed pursuant to a stamped Entitlement and Acceptance Form, up to a maximum of \$500 in respect of any one Entitlement and Acceptance Form
25	If the issue is contingent on +security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	8 August 2011
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	22 July 2011
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	+Despatch date	27 July 2011 for the Placement 30 August 2011 for the Rights Issue

+ See chapter 19 for defined terms.

## Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities  
(tick one)

(a)  Securities described in Part 1

(b)  All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

### Entities that have ticked box 34(a)

#### Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35  If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36  If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over

37  A copy of any trust deed for the additional +securities

### Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

39 Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)

Number	+Class



## Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

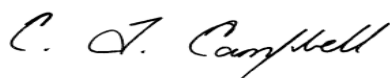
- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: ..... Date: 22 July 2011  
Company Secretary

Print name: Chris J Campbell