



16 November 2009

Dear Option holder

QRxPharma Limited – Renounceable Rights Issue

On 16 November 2009, QRxPharma Limited (**QRxPharma**) announced a fully underwritten renounceable rights issue of approximately 17,000,000 new fully paid ordinary shares (**Rights Issue**) under which its eligible shareholders will be offered 1 fully paid ordinary share in QRxPharma for every 5 fully paid ordinary shares held on the record date, at an issue price of A\$0.80 per share.

This Rights Issue offer will be made to those shareholders of QRxPharma with registered addresses in Australia, New Zealand and the U.S. only and will be fully underwritten by RBS Morgans Corporate Limited.

The Rights Issue will raise approximately \$13,600,000 before costs. The funds raised will be used for funding the Phase 3 drug development and expenditure programme of QRxPharma's MoxDuo™ IR (immediate release) product and for additional working capital purposes.

The record date for determining entitlements to the rights issue is **24 November 2009**.

Under the terms and conditions of the options that you currently hold, there is no entitlement to participate in the Rights Issue. If you wish to participate in the Rights Issue you must first exercise your options by **6.00 pm (Sydney time) on 24 November 2009** so that QRxPharma can allot and issue your shares in time for you to participate in the Rights Issue.

Please note that only vested options can be exercised.

It is not compulsory to exercise your vested options. However, if you wish to do so, please complete all of the steps required by the terms and conditions of the options, including payment of the relevant exercise price. Failure to exercise your options by this deadline will mean that you are not eligible to participate in the Rights Issue for those options or the shares to be issued upon exercise of those options.

Please contact me on (02) 9492 8021 if you have any questions about your options.

For your information, further details on the Rights Issue can be accessed on our website at www.qrxpharma.com or the ASX website at www.asx.com.au under ASX Code “QRX”.

Yours faithfully
QRxPharma Limited

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

Chris Campbell
Company Secretary

QRxPharma Limited ABN 16 102 254 151

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