



ASX RELEASE

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QRxPharma's US Commercialisation Partner, Actavis, to be acquired by Watson Pharmaceuticals, Inc.

MoxDuo[®] IR on track for launch in Q3, 2012

Sydney, Australia and Bedminster, New Jersey – QRxPharma (ASX: QRX and OTCQX: QRXPY) is pleased to report that its US commercialisation partner for MoxDuo IR, Actavis, is to be acquired by Watson Pharmaceuticals, Inc (NYSE: WPI). The Company believes the merger will bode well for the commercialisation of MoxDuo IR in the US market. The preparations for product launch of MoxDuo IR in Q3, 2012 remain on track and there are no changes to the ongoing strategic partnership agreement with Actavis.

“In preparation for the MoxDuo IR launch into the US \$2.6 billion acute pain marketplace, Actavis has already invested considerable resources and increased their branded opioid salesforce from 60 to 120,” said Dr. John Holaday, CEO and Managing Director, QRxPharma. “We believe the acquisition is a very positive move that strengthens opportunities for MoxDuo both in the US and abroad, and we look forward to continuing progress with the Actavis-Watson team.”

According to public records, Watson is among the top five pharmaceutical companies in the United States, and among the top four generic companies in the world, based on total prescriptions. In November 2011, Watson launched its generic version of Kadian[®], a long-lasting morphine formulation for the treatment of chronic pain. Kadian was previously solely marketed as a branded product by Actavis, bringing them over \$275 million in annual sales over the past year. Both companies are now marketing generic versions of this chronic pain medicine in the US.

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About Actavis

Actavis is a privately held company based in Europe with over 10,000 employees and annual global sales in excess of EUR 1.8 billion. Actavis is the world's fourth largest generic pharmaceutical company with a growing franchise in branded products. Actavis Inc. is the US subsidiary of Actavis Group hf and approximately one third of Actavis Group hf's sales are generated in North America, Actavis' single largest market. Actavis Inc. has been manufacturing Kadian for 15 years, and US sales have grown 50% in the last 5 years to approximately \$275 million for the 12 months ending September 30, 2011, according to IMS Health. For more information, visit www.actavis.us.

About Watson

Watson Pharmaceuticals, Inc. (NYSE: WPI) is a leading integrated global pharmaceutical company engaged in the development, manufacturing, marketing, sale and distribution of generic, branded and biologic pharmaceutical products, with commercial operations in many key international markets. Watson's largest commercial market is the United States, followed by key international markets including Western Europe, Canada, Asia/Pacific, South America and South Africa. The Company generated net revenues of \$4.6 billion in 2011. For more information, visit www.watson.com.

About QRxPharma

QRxPharma Limited (ASX: QRX and OTCQX: QRXPY) is a commercial-stage specialty pharmaceutical company focused on the development and commercialisation of new treatments for pain management. Based on a development strategy that focuses on enhancing and expanding the clinical utility of currently marketed compounds, the Company's product portfolio includes both late and early stage clinical drug candidates with the potential for reduced risk, abbreviated development paths, and improved patient outcomes. QRxPharma's lead product candidate, immediate release MoxDuo, has a PDUFA date of 25 June 2012 when the New Drug Application review by the US Food and Drug Administration (FDA) will be completed. The Company recently signed a strategic partnership agreement with Actavis, Inc. to commercialise MoxDuo IR in the US acute pain market, with product launch anticipated in Q3, CY2012. QRxPharma may co-promote its products in the US and plans to seek strategic partnerships for worldwide markets. Additionally, the Company's clinical pipeline includes an intravenous (IV) and continuous release (CR) formulation of MoxDuo. For more information, visit www.qrxpharma.com.

Forward Looking Statements

This release contains forward-looking statements. Forward-looking statements are statements that are not historical facts; they include statements about our beliefs and expectations. Any statement in this release that states our intentions, beliefs, expectations or predictions (and the assumptions underlying them) is a forward-looking statement. These statements are based on plans, estimates and projections as they are currently available to the management of QRxPharma. Forward-looking statements therefore speak only as of the date they are made, and we undertake no obligation to update publicly any of them in light of new information or future events. By their very nature, forward-looking statements involve risks and uncertainties. A number of important factors could therefore cause actual results to differ materially from those contained in any forward-looking statement. Such factors include risks relating to the stage of products under development; uncertainties relating to clinical trials; dependence on third parties; future capital needs; and risks relating to the commercialisation of the Company's proposed products.