



**NOTICE OF REQUISITIONED GENERAL MEETING
AND EXPLANATORY STATEMENT**

**REQUEST BY CERTAIN SHAREHOLDERS TO REMOVE AND
REPLACE THE CHAIRMAN AND ANOTHER DIRECTOR**

**THE INFORMATION IN THE NOTICE OF MEETING AND EXPLANATORY
STATEMENT IS IMPORTANT**

You are urged to consider this information carefully and to *exercise your right to vote.*

QRxPharma Limited ABN 16 102 254 151
Level 11, Suite 1, 100 Walker St, North Sydney, NSW 2060 Australia Tel: 61 2 8404 4139 Fax: 61 2 8920 0314
Postal Address: PO Box 1810 North Sydney, NSW 2060 Australia
www.qrxpharma.com



3 June 2014

Dear Fellow Shareholder,

Shareholders associated with Mr Langley Walker (the **Walker shareholders**) have requisitioned a General Meeting of QRxPharma Limited (the **Company**) to remove and replace the Chairman and another director and appoint nominees of the Walker shareholders in their place.

The responsibility of the Board of your Company is clear in these circumstances. We must act in the best interests of all shareholders by informing them fully and fairly. Having done so, the directors will accept without question the decision of shareholders.

Your directors believe that the information set out in the Notice of General Meeting and Explanatory Statement is the key information you need to make your decision on how to vote and we urge you to read it carefully.

The vote at the General Meeting will determine the future direction of your Company, so I urge you to exercise your right to vote either by attending the meeting in person, or by lodging the enclosed proxy form before 10.00 am (Sydney time) on Monday, 7 July 2014.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'R. Plampin', with a horizontal line underneath.

Mr Peter Campbell
Director; Chairman of the General Meeting



NOTICE OF GENERAL MEETING

QRxPharma Limited
ABN 16 102 254 151

Notice is given that a General Meeting of shareholders of QRxPharma Limited (the **Company**) will be held at the offices of DibbsBarker, Lawyers, Level 8, 123 Pitt Street, Sydney, NSW at 10:00 am (Sydney time) on Wednesday, 9 July 2014.

BUSINESS

Resolutions

1. Removal of Director – Dr Peter Farrell

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That in accordance with section 203D of the Corporations Act 2001 (Cwth), Dr Peter Farrell be removed from office as a Director of the Company on and with effect immediately from the close of this general meeting.”

2. Removal of Director – Dr Gary Pace

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

“That in accordance with section 203D of the Corporations Act 2001 (Cwth), Dr Gary Pace be removed from office as a Director of the Company on and with effect immediately from the close of this general meeting.”

3. Appointment of Director – Dr Richard Treagus

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That Dr Richard Treagus, having consented to act as a Director of the Company, be and is hereby appointed as a Director of the Company on and with effect immediately from the close of this general meeting.”

4. Appointment of Director – Mr Bruce Hancox

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That Mr Bruce Hancox, having consented to act as a Director of the Company, be and is hereby appointed as a Director of the Company on and with effect immediately from the close of this general meeting.”

By Order of the Board

A handwritten signature in cursive script that reads "C. J. Campbell".

Chris J Campbell
Company Secretary
3 June 2014

Determination of Entitlement to Attend and Vote

The Company has determined that the holders of the Company's ordinary shares for the purpose of the general meeting will be the registered holders of ordinary shares at 10.00 am (Sydney time) on Monday, 7 July 2014.

This notice is also being sent to JPMorgan Chase Bank as depositary agent of the Company's American Depositary Receipts (**ADR**). Holders of the ADRs are invited to attend the general meeting but are not entitled to vote on any of the proposed resolutions. However, holders of ADRs may, subject to the terms of the depositary agreement between JPMorgan Chase Bank and the holders of the ADRs, instruct the JPMorgan Chase Bank to vote the ordinary shares underlying their ADRs on their behalf.

Chairman for the General Meeting

As the Company's current Chairman has an interest in Resolution 1 (the removal of Dr Peter Farrell), the Board has determined that Mr Peter Campbell will act as Chairman of the General Meeting.

Proxies

Ordinary shareholders have the right to appoint a proxy, who need not be an ordinary shareholder of the Company. If an ordinary shareholder is entitled to two or more votes they may appoint two proxies and may specify the percentage of votes that each proxy is appointed to exercise. A proxy form has been included for ordinary shareholders with this Notice of General Meeting. The proxy form must be received by Link Market Services Limited, located at 1A Homebush Bay Drive, Rhodes, NSW 2138 or Level 12, 680 George Street, Sydney, NSW 2000, or by facsimile on +61 2 9287 0309, by no later than 10.00 am (Sydney time) on Monday, 7 July 2014, being not less than 48 hours before the time for holding the meeting. Alternatively, proxy forms may also be lodged online at Link Market Services Limited's website www.linkmarketservices.com.au in accordance with the instructions given there. You will be taken to have signed the proxy form if you lodge it in accordance with the instructions provided on the website.

Power of Attorney

If an ordinary shareholder has appointed an attorney to attend and vote at the meeting, or if a proxy form is signed by an attorney, the power of attorney must likewise be received by Link Market Services Limited, located at 1A Homebush Bay Drive, Rhodes, NSW 2138 or Level 12, 680 George Street, Sydney, NSW 2000, or by facsimile on +61 2 9287 0309, by no later than 10.00 am (Sydney time) on Monday, 7 July 2014, being not less than 48 hours before the time for holding the meeting.

Corporate Representatives

A member who is a body corporate may appoint an individual as a representative to exercise the member's voting rights at the general meeting pursuant to section 250D of the *Corporations Act 2001* (Cwth) (**Corporations Act**). Representatives will be required to present documentary evidence of their appointment on the day of the meeting.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to assist shareholders with their consideration of the resolutions detailed in the Notice of General Meeting dated 3 June 2014 (**Notice of Meeting**). This Explanatory Statement should be read with, and forms part of, the accompanying Notice of Meeting.

PART A KEY CONSIDERATIONS

The Board has identified the following key considerations which are relevant to your decision on how to vote:

1. No alternative strategy proposed

Your current Board has articulated its strategic direction for the Company in the status overview released to the Australian Securities Exchange (ASX) on 19 May 2014, along with the next steps for the Company.

The first step forward is to meet with United States Food and Drug Administration (FDA). Once more granular feedback is obtained at this meeting, management and the Board propose to:

- a. Carefully review the feedback and design one or more studies which they believe are practical and offer a good chance of meeting the FDA's requirements for approval,
- b. Reconvene with the FDA and review the proposed study design,
- c. With guidance from the FDA consider a formal agreement in the form of a Special Protocol Agreement (SPA), and
- d. (Once steps a to c have been completed) finalise and implement a plan for the least dilutive funding to pursue FDA approval.

Throughout this process the Board is committed to critically evaluate each step and if they believe that chances for ultimate success are unlikely they would propose to wind the Company down, sell assets as appropriate and return residual capital to all shareholders.

Our objective is to maximise value for *all* of our shareholders.

The Walker shareholders have not articulated an alternative strategy for the Company, either publicly or in discussions with the current directors. Accordingly, your Board does not know what their plans are for your Company and its assets.

2. Critical period for Company

Following the recent FDA Anesthetic and Analgesic Drug Products Advisory Committee decision to recommend against approval of Moxduo[®], the Company is at a crucial juncture.

Subject to formal confirmation from the FDA we expect that an "End of Review" meeting with management of the Company will be held at 3:00pm (EDT) on 9 July 2014 in the United States to discuss the outcome of its decision and what steps are open to the Company to address matters underpinning the FDA's decision. Following that meeting, the Company will have greater clarity as to its future direction. In particular, the management and your Board will be in a position to assess whether it is worthwhile

pursuing additional clinical trials or whether to discontinue work on Moxduo and return our remaining funds to all of our shareholders.

The removal of long-standing directors with deep FDA experience has the potential to adversely affect the Company's ability to navigate this critical period.

The Board is concerned at the actual and potential disruption caused by the requisitioned resolutions. In particular:

- the actions of the meeting requisitioners could have a negative effect on business development activities, negotiations with marketing partners and evaluation of possible funding opportunities in light of further FDA feedback. The Board is of the view that early positive discussions could be prejudiced by the proposed change of directors.
- the uncertainty caused by the proposed changes may have a negative impact on retention and incentivisation of the Company's senior management, staff and engaged consultants. In particular the Board believes that the retention of Dr Edward Rudnic is at best uncertain and observes that a number of the staff and consultants were recruited from his extensive industry networks.

3. Risk that Walker Shareholders may gain effective control without paying a control premium

If Dr Farrell and Dr Pace are removed from the Board and replaced by Dr Treagus and Mr Hancox, nominees of the Walker shareholders will be in a position to exercise half of the votes at Board meetings. That, coupled with the financial resources of the Walker shareholders, could put them in a position where Dr Treagus and Mr Hancox can dominate decision making by the Board, and the Walker shareholders can take effective control of the Company and its resources (either immediately or over time) without paying a control premium that might otherwise be offered in a takeover bid for the Company.

PART B CHRONOLOGY

On 13 May 2014, the Company received a notice of requisition of meeting pursuant to section 249D of the Corporations Act (**Section 249D Notice**) from the following shareholders of the Company:

1. Walker Group Holdings Pty Ltd ACN 001 215 069;
2. Tesroff Pty Ltd ACN 002 229 503 as trustee of the Leighton Place Unit Trust;
3. Werft Pty Ltd ACN 002 605 049 as trustee for the Walker Group of Companies Retirement Fund;
and
4. Auckland Trust Company Limited as trustee of the Second Pacific Master Superannuation Fund,

who together hold in aggregate 16,433,120 shares, being at least 5% of the voting shares of the Company. Under the Corporations Act and the Company's constitution, a general meeting must be called on the request of shareholders with at least 5% of the votes that may be cast at a general meeting of the Company.

At the time of printing this Notice of Meeting, the shareholders that requisitioned the meeting had not provided the Company with a statement setting out the reasons for the Section 249D Notice, or their

reasons to request that Dr Peter Farrell and Dr Gary Pace be removed as directors of the Company and that Dr Richard Treagus and Mr Bruce Hancox be appointed in their place.

1. FDA decision

As announced to the ASX on 23 April 2014, the FDA's Anesthetic and Analgesic Drug Products Advisory Committee voted to recommend against approval of Moxduo, an immediate release Dual Opioid[®] for the treatment of moderate to severe acute pain. The Advisory Committee was of the view that the Company did not provide sufficient evidence to warrant approval of Moxduo at that time. As announced to the ASX on 26 May 2014, the FDA's Complete Response Letter provided the same feedback.

Although disappointed in the outcome of the Advisory Committee's meeting, the Board remains convinced of the advantages of Moxduo compared to morphine and oxycodone and the Company remains committed to bringing Moxduo to market. The Company is presently reviewing the Agency's feedback and the Company looks forward to the upcoming End of Review meeting with the FDA to clarify the steps required for approval.

Additionally, as announced to the ASX on 2 May 2014, Dr John Holaday agreed to step down as Managing Director and Chief Executive Officer of the Company. The Board of Directors appointed Dr Edward Rudnic as Chief Executive Officer, with immediate effect, to establish a commercialisation strategy with the aim of bringing Moxduo to market.

Following the Advisory Committee's vote, on 19 May 2014, the Company released on the ASX a detailed overview of the status of Moxduo, the key questions arising out of the Advisory Committee's decision, and the next steps for the Company.

2. Approaches from Walker shareholder representatives

On or about 4 May 2014 Mr Bruce Hancox spoke with Mr Michael Quinn, director, and advised that he represented shareholders who wished to appoint Dr Treagus to the Board. The Board advised Mr Hancox that they would consider the request after undertaking appropriate due diligence for appointment of a director. The Board did not rule out appointing Dr Treagus, nor did the directors suggest that he would not be welcomed onto the Board. Nevertheless, on 13 May 2014 the Company received the Section 249D Notice.

The Board of Directors believes that the issue of the Section 249D Notice is connected with the Advisory Committee decision. Representatives of the Company have met privately with each of Mr Hancox and Dr Treagus and the Board is aware of Mr Hancox's public statements reported in the financial press, but the Board has received no formal statement for inclusion in this Notice, other than the biographical details of the two candidates. The requisitioning parties have, however, indicated that they may provide a statement for circulation to members at a later point.

PART C RESOLUTIONS

1. RESOLUTIONS 1 AND 2 - REMOVAL OF DR PETER FARRELL AND DR GARY PACE AS DIRECTORS

The Section 249D Notice requisitioned a general meeting to propose resolutions to remove Dr Peter Farrell and Dr Gary Pace as Directors of the Company.

In accordance with the requirements of the Corporations Act, the Company has convened the General Meeting to allow shareholders to vote on the removal of Dr Farrell and Dr Pace as Directors.

Recommendation

Mr Peter Campbell and Mr Michael Quinn, the Board members whose positions are not in question recommend that you vote **AGAINST** the resolutions, for the reasons set out in Part A of this Explanatory Statement.

They believe that the retention of Dr Farrell and Dr Pace, both highly experienced and seasoned company directors in medical companies in the United States, is essential to support the Company in managing its future strategy and development.

Dr Peter C Farrell PhD, ScD, AM. is the Non-Executive Chairman of the Company and has served in this role since 27 April 2007. Dr Farrell also chairs the Nominations and Remuneration Committees.

Dr Farrell is highly regarded internationally in the health care industry with over 35 years executive and consulting experience. Dr Farrell is the Non-Executive Chairman of ResMed Inc (ASX and NYSE: RMD), which he founded in 1989.

Dr Farrell is a Fellow of several professional bodies, including the Australian Academy of Technological Sciences and Engineering, and the Australian Institutes of Management and Company Directors. He is a former Chair of the Executive Council of the Division of Sleep Medicine at Harvard Medical School but still serves on their Board. He also serves on the Boards of the Rady Management and the Jacobs Engineering Schools of the University of California, San Diego (UCSD) and is also on the Health Sciences Advisory Board of UCSD's School of Medicine. Dr Farrell is a Visiting Professor at the University of New South Wales (UNSW) and is also Chair of the UNSW Centre for Innovation and Entrepreneurship.

Dr Farrell has received numerous prestigious awards and was admitted to membership of the Order of Australia in 2004. In 2012 he was admitted to the US National Academy of Engineering. He holds Bachelors and Masters degrees in chemical engineering from the University of Sydney and the Massachusetts Institute of Technology (MIT) respectively, a PhD in bioengineering from the University of Washington in Seattle, and a ScD from the UNSW for research related to dialysis and renal medicine.

Dr Farrell holds 1,983,955 ordinary shares (1.2% of the issued capital of the Company) and 225,000 options over ordinary shares.

Dr Gary Pace is a co-founder of the Company with a deep understanding of the Company's patent portfolio and continues to work with the Company as a consultant. Dr Pace is a seasoned biopharmaceutical executive with over 35 years of experience in the industry. He has co-founded a number of early stage life science companies where he built products from the laboratory to commercialisation.

Dr Pace is an elected Fellow of the Australian Academy of Technological Sciences and Engineering, author and co-author of over 50 research papers, reviews and patents. In 2003 he was awarded a Centenary Medal by the Australian Government “for service to Australian society in research and development” and 2011 Director of the Year (corporate governance) by the San Diego Directors Forum. Dr Pace holds a Bachelor of Science (Honours) from the University of New South Wales (UNSW) and a PhD from Massachusetts Institute of Technology (MIT), where he was a Fulbright Scholar.

Dr Pace holds 3,615,268 ordinary shares (2.2% of the issued capital of the Company) and 225,000 options over ordinary shares.

Given Dr Farrell’s and Dr Pace’s interest in the outcome of these resolutions, each abstained from making any formal recommendation regarding the resolutions. A joint statement from Drs Farrell and Pace is attached as Annexure C.

Undirected Proxies

Mr Peter Campbell, the Chairman of the General Meeting, has indicated that he will vote undirected proxies against Resolutions 1 and 2.

2. RESOLUTIONS 3 AND 4 – APPOINTMENT OF DR RICHARD TREAGUS AND MR BRUCE HANCOX AS DIRECTORS

The Section 249D Notice requisitioned a general meeting to propose resolutions to appoint Dr Richard Treagus and Mr Bruce Hancox as Directors of the Company. The Section 249D Notice was accompanied by signed consents from Dr Treagus and Mr Hancox to act as directors of the Company.

In accordance with the requirements of the Corporations Act, the Company has convened the General Meeting to allow shareholders to vote on the appointment of Dr Treagus and Mr Hancox as Directors.

The shareholders that requisitioned the meeting requested that the Company include biographical details of Dr Richard Treagus and Mr Bruce Hancox which appear in Annexures A and B of this Explanatory Statement.

Recommendation

Mr Peter Campbell and Mr Michael Quinn recommend that you vote **AGAINST** each of these resolutions for the reasons set out in Part A of the Explanatory Statement. Also, Mr Hancox and Dr Treagus have expressed no plan for the Company, or its shareholders, and when asked for one, have declined to articulate one. Neither has either Mr Hancox or Dr Treagus provided a statement in support of their appointment to the Board.

The Directors are concerned that these resolutions may be the beginning of a process to take control of the Company by a minority of the shareholders with little consideration of the wishes of the majority of the shareholders.

Given Dr Farrell’s and Dr Pace’s interest in the outcome of these resolutions, each abstained from making any formal recommendation regarding the resolutions. As noted above in respect of Resolutions 1 and 2, a joint statement from Drs Farrell and Pace is attached as Annexure C.

Undirected Proxies

Mr Peter Campbell, the Chairman of the General Meeting, has indicated that he will vote undirected proxies against Resolutions 3 and 4.

Annexure A – Biographical Details of Dr Richard Treagus supplied with the S249D Notice

Dr Richard Treagus

Dr Treagus is a physician and entrepreneur with more than 20 years' experience in all aspects of the international biopharmaceutical industry. He is a business builder with a track record of delivering strong commercial outcomes and shareholder returns. He has held senior executive roles with pharmaceutical organisations in South Africa and Australia and has successfully established numerous pharmaceutical business partnerships in the US, Europe and Asia. Dr Treagus served as Chief Executive Officer of ASX-listed company Acrux Limited until 2012. Under his leadership Acrux gained FDA approval for three drug products and concluded the largest product licensing deal in the history of the Australian biotech industry; a transaction with Eli Lilly worth US\$335 million plus royalties. In 2010 Dr Treagus was awarded the Ernst & Young Entrepreneur-of-the-Year (Southern Region) in the Listed Company Category and in subsequent years has served on the judging panel. Dr Treagus is currently executive chairman of Neuren Pharmaceuticals Limited, an ASX-listed biopharmaceutical company focusing on the development of new therapies for brain injury, neurodevelopmental and neurodegenerative disorders.

Annexure B – Biographical Details of Mr Bruce Hannon supplied with the S249D Notice

Mr Bruce Hancox

Mr Hancox has had a long and distinguished career in business in New Zealand and in Australia. He was for many years involved with Brierley Investments Limited as General Manager, Group Chief Executive and Chairman. He also served as a director of many Brierley subsidiaries in New Zealand, Australia and the United States. Since 2006 he has pursued various private investment interests and has been a director of, and a consultant to, a number of companies. He has acted as an advisor on a number of takeover situations. From 2007 until 30 April 2013 he was a director of ASX-listed company Retail Food Group Limited. He is currently a director of Neuren Pharmaceuticals Limited and Medical Australia Limited – both of which are ASX-listed companies.

Annexure C – Statement from Dr Peter Farrell and Dr Gary Pace

We have been honoured to serve as non-executive directors of QRxPharma Limited. Despite obvious disappointments, we believe that management were diligent at all times and complied with all directives received from the FDA.

Shareholders associated with Mr Langley Walker have requisitioned a General Meeting of the Company. The business of the meeting includes resolutions to remove both of us from the Board, and further resolutions to appoint Dr Richard Treagus and Mr Bruce Hancox.

We respect the rights of the Company's shareholders to decide who should serve on the Board of your Company. We do not believe it is appropriate for us to engage in an emotive campaign of opposition to the proposed resolutions. If shareholders vote to remove us, we will accept the decision and facilitate handover of responsibilities to the new directors elected to replace us.

The Board has identified a number of matters which we believe are important for shareholders to consider in deciding how to vote. These are set out in the Explanatory Memorandum accompanying the Notice of Meeting.

Our biographical details are set out in the Explanatory Memorandum.

Each of us holds a strong personal view that it is not in the best interests of all of the Company's shareholders to pass the resolutions proposed by shareholders associated with Mr Langley Walker. We hold shares, and we intend to vote against the resolutions proposed at the meeting.

The outcome of the resolutions proposed at the upcoming General Meeting is important for the future direction of the Company. Accordingly we urge all of our fellow shareholders to ***please exercise your right to vote***. If you can't attend the meeting, we urge you to lodge the enclosed proxy form.



QRxPharma Limited

ABN 16 102 254 151

LODGE YOUR VOTE



ONLINE >

www.linkmarketservices.com.au



By mail:
QRxPharma Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia



By fax: +61 2 9287 0309



All enquiries to: Telephone: +61 1800 612 532



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SHAREHOLDER PROXY FORM - GENERAL MEETING

I/We being a member(s) of QRxPharma Limited and entitled to attend and vote hereby appoint:

STEP 1

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are NOT appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy

or failing the person/body corporate named, or if no person/body corporate is named, the Chairman of the Meeting, as my/our proxy and to vote for me/us on my/our behalf at the General Meeting of the Company to be held at 10:00am on Wednesday, 9 July 2014, at DibbsBarker Lawyers, Level 8, 123 Pitt Street, Sydney, NSW, 2000 and at any adjournment or postponement of the meeting.

The Chairman of the Meeting intends to vote undirected proxies AGAINST all items of business.

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the meeting. Please read the voting instructions overleaf before marking any boxes with an

STEP 2

VOTING DIRECTIONS

	For	Against	Abstain*
Resolution 1 Removal of Director - Dr Peter Farrell	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Removal of Director - Dr Gary Pace	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Appointment of Director - Dr Richard Treagus	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Appointment of Director - Mr Bruce Hancox	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3

SIGNATURE OF SHAREHOLDERS - THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the Corporations Act 2001 (Cth).

QRX PRX401



HOW TO COMPLETE THIS PROXY FORM

Your Name and Address

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person in Step 1. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the Company. A proxy may be an individual or a body corporate.

Votes on Items of Business - Proxy Appointment

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

Corporate Representatives

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry.

Lodgement of a Proxy Form

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:00am on Monday, 7 July 2014**, being not later than 48 hours before the commencement of the meeting. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the proxy form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the proxy form).



by mail:

QRxPharma Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



by fax:

+61 2 9287 0309



by hand:

delivering it to Link Market Services Limited, 1A Homebush Bay Drive, Rhodes NSW 2138 or Level 12, 680 George Street, Sydney NSW 2000.

**If you would like to attend and vote at the General Meeting in person, please bring this form with you.
This will assist in registering your attendance.**