FOR IMMEDIATE RELEASE
4 November 2008

2008 ANNUAL GENERAL MEETING

Sydney, Australia & Bedminster, NJ – QRxPharma Limited (ASX: QRX and OTCQX: QRXPY), a clinical-stage specialty pharmaceutical company focused on the development and commercialisation of new treatments for pain management and other central nervous system (CNS) disorders, conducted its Annual General Meeting today at The Grace Hotel, 77 York Street, Sydney commencing at 10:00am. Please find attached the addresses delivered by Dr Peter Farrell (Chairman) and Dr John Holaday (Managing Director and Chief Executive Officer).

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About QRxPharma

QRxPharma Limited (ASX: QRX and OTCQX: QRXPY) is a clinical-stage specialty pharmaceutical company focused on the development and commercialisation of new treatments for pain management and central nervous system (CNS) disorders. Based on a business strategy to expand the clinical utility and commercial value of marketed and/or existing compounds, the Company's product portfolio includes both late and early stage clinical drug candidates with well-defined paths to regulatory approval and sales. QRxPharma intends to directly commercialise its products in the US and seek strategic partnerships abroad. QRxPharma's lead compound, MoxDuo ™ IR (Q8003IR), completed its first Phase 3 clinical trial in May 2008, having met all primary and secondary endpoints. The Company's preclinical and clinical pipeline includes other technologies in the fields of pain management, neurodegenerative disease and venomics. For more information: www.QRxPharma.com.

Chairman's Address – Dr Peter Farrell

4 November 2008

Ladies and gentlemen, in our first full year as a listed Company we continued to make steady progress towards the achievement of the clinical and commercial goals outlined in our Prospectus in 2007.

The funds raised during the IPO are being employed productively to support the Company's Drug Development Expenditure Program, with a continuing focus on the completion of the Phase 3 clinical trials of our dual opioid pain therapy Q8003IR, which we recently named "MoxDuoIR™". This drug is QRxPharma's lead product candidate for the treatment of moderate to severe pain.

I am pleased to report that these initial Phase 3 studies were completed in May 2008, ahead of schedule. This landmark achievement not only demonstrated the Company's ability to deliver on its development milestones but also ensured that we are now well on our way to achieving commercialisation of our first-in-class pain therapy in the US market in 2010-2011.

We are committed to translating our clinical progress into shareholder value and in parallel with the Phase 3 studies we have been preparing our New Drug Application (NDA) submission to the US FDA. A year of development activity for MoxDuoIR™ concluded with an FDA meeting in July this year where we set forth our clinical data (including efficacy, safety, side effects and tolerability) and assessed the adequacy of planned clinical trials for our NDA submission.

As we proposed, the FDA concurred that we required only two additional Phase 3 trials for final NDA filing. Furthermore, the clinical trials we conducted earlier related to safety were deemed sufficient by the FDA, resulting in a savings of over US $ 2 million in expenditures.

Under this streamlined clinical development program no additional pharmacology, toxicology or long-term clinical safety studies are deemed necessary to complete the regulatory submission procedure. The Company is, however, actively planning additional studies to generate data that will enhance market entry.

We should not underestimate the importance of the acceptance by the FDA of our Phase 3 development plan for MoxDuoIR™. This endorsement is a measure of success in terms of reduced risk, improved resource efficiencies and *de facto* endorsement of the potential therapeutic value of dual opioids which, you will recall, were discovered by researchers at the University of Queensland.

The successful outcome of our final submission will mark the last regulatory step before commercialisation of MoxDuoIR™, a prospect that is now well within our planning period.

Business Strategy

The positive outcome of the FDA meeting reinforces the soundness of QRxPharma's business strategy which in essence is to expand the clinical utility of existing compounds as well as deliver new treatments for specific conditions, with clear paths to regulatory approval and sales opportunities to broad specialty markets.

The global market for pain therapies is large and well-defined, particularly in the regulated and closely monitored moderate to severe pain sector. MoxDuoCR™, our controlled-release dual opioid designed to provide twelve hours of pain relief in patients with moderate to severe chronic pain, is being formulated to initiate Phase I studies. MoxDuoCR™ will reduce the number of opioid doses required per day and offer significant other benefits to patients and subscribers. The availability of MoxDuoIR™ and MoxDuoCR™ as complementary pain therapies will address both acute and chronic pain so as to extend prescriber choice.

We recognise that present market conditions require conservation of cash and expanded business development efforts. Accordingly, strategic partnering discussions are actively underway to augment our clinical trials and accelerate our commercialisation strategies.

QRxPharma continues to extend its product portfolio into neurodegenerative disorders with an exclusive worldwide license from the University of Alabama on the modulation of key proteins required by normal cellular function in the brain. The discovery relates to a molecule 'Torsin' that works to address neurologic disorders such as dystonia, Parkinson's Disease and Alzheimer's Disease.

We are also continuing our research, in collaboration with the University of Queensland and the Queensland Institute of Medical Research, into the therapeutic potential to be derived from certain snake venoms. Dr Holaday will update you shortly on our progress in both the Torsin and venomics programs.

Financial Report

Ladies and gentlemen, we are all aware of the current pressures on listed companies, and market conditions have been less than favourable to our share price over the past year. Whilst many of our institutional and retail shareholders have been with us since the IPO, there is a clear and immediate need to broaden the Company's shareholder base in order to recognise the value of our growing assets.

With that goal in mind, QRxPharma has initiated with JP Morgan an American Depositary Receipt program for US listing and has recently joined the International OTCQX with the assistance of Merriman Curhan Ford. Our relationship with this firm, our Principal American Liaison, generates informational roadshows, analyst coverage and market making and will afford us broad access to the US market to facilitate US investment in QRxPharma.

In FY2008 the Company made a loss from ordinary activities after income tax of $36.6 million. This result includes non-cash charges of $18.1 million, comprising an

impairment charge to the Torsin intellectual property of $14.6 million and share-based payments of $3.5 million. Excluding these charges the loss was in line with expectations in fulfilling our research and development commitments and in the progression of the Company's clinical pipeline candidates and preclinical stage drugs.

QRxPharma continues to manage its cash position closely as it progresses the MoxDuoIR™ Phase 3 development program and retained nearly $30 million in cash reserves at September 30 2008, sufficient to meet all of our commitments in the current financial year, including MoxDuoIR™ clinical trials as planned.

Scientific Advisory Board (SAB)

The Company's global Scientific Advisory Board comprises internationally recognised leaders in the fields of pain therapy, central nervous system drug discovery, pharmaceutical development, regulatory approvals and product commercialisation.

The SAB is chaired by Dr Solomon Snyder and was strengthened during the year with the appointments of Dr Lester Crawford, former Commissioner of the FDA, and Dr Gavril Pasternak, a world authority on opioid drugs. Strategic counsel from members of the SAB has been of great assistance to QRxPharma, particularly in dealings with the FDA, as the Company moves steadily towards achieving its core objective of bringing to market a product portfolio of late and early stage clinical candidates with rapid development programs and improved patient outcomes.

Employees

During the year QRxPharma continued to recruit high quality specialised staff and under John Holaday's distinguished leadership we now have assembled a formidable team of experienced executives in clinical and commercial development of drug therapies.

Allied with existing management these key people in disciplines ranging from clinical research, through regulatory affairs, to operations and commercialisation, were instrumental in concluding the initial Phase 3 study ahead of schedule.

Ladies and gentlemen, I am proud of what we have accomplished together during our first year of public ownership. In the current year we will conserve our cash resources to maintain a firm financial footing as we continue our clinical trial program. We also plan to extend our intellectual property protection in order to enhance the market value of our product portfolio.

As I have indicated, we intend to seek the support of further global shareholders as well as focus on business development to establish appropriate strategic partnerships to accelerate product commercialisation.

I shall now hand over to John Holaday to provide an operational review of the past year.

Managing Director's Address – Dr John Holaday
4 November 2008

In the seventeen months since listing on ASX, QRxPharma has made major progress towards the creation of ultimate shareholder value. Our journey has been marked by the passing of significant milestones and, as the Chairman has said, we are now well on our way towards the achievement of our first and clearly-defined business goal – the commercialisation of our lead pain therapy product candidate, MoxDuoIR™, in the US market in 2010-2011.

We are also making significant advances in relation to our other product candidates within the Company's Drug Development Expenditure Program. I shall refer later to our parallel progress in researching and developing products to address neurodegenerative disorders and to further work in the field of venomics.

I should at the outset echo the Chairman's praise of the QRxPharma clinical and commercial team that worked so hard to complete the MoxDuoIR™ initial Phase 3 studies ahead of schedule. Our specialised staff is without peer in the industry and during the year we have filled all of the key commercial and clinical positions necessary to bring our lead product to market once final regulatory approvals are achieved. I am proud to lead a team of such highly-skilled professionals.

QRxPharma's pain management therapies, derived principally from our patented dual opioid technology, will offer superior pain relief while minimising patient side-effects. Our product candidates will target a $12 billion global marketplace of sufferers from acute and chronic pain.

Our portfolio includes immediate release, continuous release and intravenous formulations and will provide prescribing pain physicians with diverse doses and formulations that can be tailored to individual patients' needs.

FY 2008 Achievements

Peter and I have referred to the Phase 3 clinical studies we have conducted for

MoxDuoIR™. Shareholders may appreciate a fuller understanding of the importance of these late stage trials in the context of final approval by the FDA of our New Drug Application, itself an essential step before our principal pain management product candidate can be brought to market.

Exactly a year ago our watershed Phase 3 clinical trials were initiated. The goal of these double blind, placebo-controlled studies was to compare four different dosage regimens of MoxDuoIR™ in patients with moderate to severe post-surgery pain and to establish the preferred dose parameters. Secondary endpoints of the study included (i) efficacy relating to the time to onset of analgesia and the duration of effect and (ii) safety as measured by the incidence and intensity of opioid-related adverse events.

The studies were conducted with 256 patients at six clinical research sites across the US and were completed significantly ahead of schedule.

It is unusual that all primary and secondary endpoints are met in Phase 3 studies and it therefore is particularly pleasing that QRxPharma achieved this outcome on such a complete and timely basis, thereby reinforcing the potential clinical benefit and commercial value of our dual opioid product portfolio.

The data derived from the Phase 3 study suggest that our dual opioids may provide synergistic effects on pain relief with equal or better analgesia at materially lower doses than the active opioid comparator while simultaneously reducing the incidence of side-effects.

As the Chairman noted, in July this year the Company held a definitive meeting with the FDA to review proposed Phase 3 protocol designs for the remaining trials. Following this meeting and pending further input from the FDA, only two further trials will be required for filing our NDA, including a combination rule study in patients experiencing post-surgery pain and a placebo controlled study in patients following total knee replacement. No additional animal pharmacology, toxicology or long-term clinical safety studies will be required for regulatory submission.

Importantly, another outcome from our FDA negotiations has been the opportunity to reduce the financial risk associated with our clinical trial program by approaching the FDA for a Special Protocol Assessment (SPA) which will minimise the risk of the FDA requiring further trials or requirements after presentation of our planned trial results.

During the year work continued on the development of MoxDuoCR™, our controlled release dual opioid. This product candidate is being formulated to provide 12 hours of pain relief for patients with moderate to severe pain suffering from chronic conditions, such as lower back pain and the pain of malignancy. We further envision the addition of abuse protection technologies to this formulation.

An exciting addition to the Company's pain management product candidate portfolio is MoxDuoIV™, which is complementary to MoxDuoIR™ and MoxDuoCR™, offering prescribing physicians broader and better treatment options than traditional opioids. As an intravenous formulation, this pain management therapy is tailored for the immediate, post-surgical treatment of hospital-based pain, and will commence clinical trials in 2009. MoxDuoIV™ broadens the scope of our dual opioid portfolio as it will be used to treat pain in a peri-operative setting.

One of the great strengths of the QRxPharma business model is that 30 % of the US market for moderate to severe pain can be covered by approximately 150 salespeople, targeting pain specialists, pain clinics and high prescribing doctors. So when the time comes to roll out our full-scale marketing effort we will benefit greatly from these scale efficiencies.

Neurodegenerative Diseases

As the Chairman stated, QRxPharma has an alliance with the University of Alabama whose world-class research has revealed that certain antibiotic drugs happen to activate an important protective mechanism in the brain to prevent the progression of neurodegenerative diseases such as dystonia, Parkinson's Disease, Huntington's Disease and Alzheimers.

The Company holds an exclusive worldwide licence from the University of Alabama to an important patent portfolio of 'torsin' inventions from the University.

A family of small molecules that activate this protective torsin system has been shown in preclinical models to prevent protein mutations and to ameliorate movement disorders by working at a causative level. Further clinical anecdotes are known where patients with dystonia were coincidentally treated with these molecules, and showed clinical improvement.

This week we announced that investigators conducting this ground-breaking research collaboratively with QRxPharma were awarded a grant from the Michael J. Fox Foundation. This not only further supports our research efforts, but also endorses the potential importance of our torsin program. With their additional support, we are confident of further progress in the current year.

Venomics

Based on collaborations with the University of Queensland and the Queensland Institute for Medical Research to identify and characterise proteins and peptides from Australian snake venoms, QRxPharma has also developed a unique drug discovery platform for therapies in coagulation and blood homeostasis. Venoms from some of the world's deadliest snakes have proved a fertile area for the discovery of novel proteins and peptides with significant therapeutic potential.

The Company owns intellectual property assets derived from this research and is well-positioned to benefit from its potential over the longer term through strategic partnerships that will benefit shareholders and patients in the coming years.

Conclusion

Ladies and gentlemen, QRxPharma is well-positioned to execute, on time and on budget. Over the past year, we have significantly cut costs and emphasized the addition of value to our clinical and preclinical research efforts. Our business model is designed to shorten the transition from the laboratory to the market through strategic partnering with

companies that will co-develop products and assist in expediting commercialization.

We are now well-structured to move quickly when commercialisation occurs and have established a new corporate presence in New Jersey to support our marketing effort.

We are focussed totally on cash conservation and the development of our preclinical and clinical pipeline, and as clinical trials progress we will enhance the ultimate value of our pain management portfolio.

As the Chairman has advised, we retain the funds necessary to meet our commitments well beyond the current financial year and we will continue to seek new shareholder interest, particularly in the US.

I am proud of our progress to date and on behalf of the management team I thank the Board for its continuing support and commit all of us to building QRxPharma into a commercially ready specialty pharmaceutical company that can and will achieve all of its promise and potential.

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