ASX RELEASE
30 March 2010

QRxPharma Files IND for MoxDuo®CR; Initiates Phase 1 Trial of Controlled-Release Dual-Opioid™Formulation for Use in Chronic Pain

Pilot Study to Evaluate Pharmacokinetic Profile of Experimental Formulations

Sydney, Australia and Bedminster, New Jersey – QRxPharma (ASX: QRX and OTCQX: QRXPY) announced today initiation of the Company's first Phase 1 trial to evaluate the pharmacokinetic (PK) profiles of experimental controlled-release (CR) morphine and oxycodone formulations that will be incorporated into MoxDuo®CR. MoxDuo®CR contains a fixed 3:2 morphine:oxycodone combination and is intended to be dosed twice daily in patients experiencing chronic pain, an approximately US$7 billion dollar market worldwide.

In accordance with the recently approved IND filed with the US Food and Drug Administration (FDA), this two-part pilot study will compare the rate at which key components of the controlled-release formulation are absorbed, distributed, metabolized and eliminated by the body to the pharmacokinetic profiles of co-administered MS Contin® 30 mg (sustained release morphine) and Oxycontin® 20 mg (sustained release oxycodone). The purpose of the study is to determine which of the various experimental formulations provide the optimum duration of drug levels in the blood for incorporation into MoxDuo®CR tablets.

"We are pleased to announce this Phase 1 study as it represents a significant milestone for the Company and the advancement of MoxDuo®CR to address the multi-billion dollar chronic pain market," said Dr. John Holaday, Managing Director and Chief Executive Officer, QRxPharma. "With the initiation of this trial, all three MoxDuo® product presentations are now in the clinic and progressing toward commercialisation."

The Company's MoxDuo® product portfolio includes both immediate and controlled release as well as intravenous formulations. "Our goal is to provide physicians and patients with a variety of complementary Dual-Opioids™ for managing moderate to severe pain from hospital to home," added Holaday.

QRxPharma's most advanced product, MoxDuo®IR, is now in pivotal Phase 3 studies and scheduled for New Drug Application (NDA) filing with the FDA in Q4 2010. MoxDuo®CR is expected to deliver clinical benefits similar to those demonstrated with the Company's immediate release formulation – fewer side effects with equal or better pain relief.

This Study is an open-label, single-dose, crossover trial in normal volunteers at one US clinical research site. Study objectives are to: (1) estimate the relative bioavailabilities for each experimental formulation using co-administered sustained release opioids as reference treatments; (2) to select the QRxPharma controlled-release formulation components that best match the PK profile targeted for each compound for incorporation into the MoxDuo®CR tablet; and (3) facilitate design of pivotal PK studies necessary for developing the *final* MoxDuo®CR tablet.

"Ultimately, our vision for the MoxDuo®CR tablet is to provide 12 hours of relief in patients with moderate to severe chronic pain including cancer, lower back, osteoarthritis, and neuropathic pain. This proprietary formulation, manufactured with Patheon, will not only encompass sustained delivery technology (twice daily dosage), but also abuse deterrent and tamper resistant features," added Holaday.

###

For more information please contact:

John Holaday, Ph.D.
Managing Director and Chief Executive Officer
Tel: +1 301 908 3086
Email: john.holaday@qrxpharma.com

Chris J Campbell
Chief Financial Officer and Company Secretary
Tel: +61 2 9492 8021
Email: chris.campbell@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.

About QRxPharma

QRxPharma (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 development strategy which 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. The Company intends to directly commercialise its products in the US and seek strategic partnerships for worldwide markets. QRxPharma's lead product candidate, MoxDuo®IR, is in Phase 3 clinical development and has successfully completed multiple comparative studies evaluating its efficacy and safety against equianalgesic doses of morphine, oxycodone and Percocet® for the treatment of acute pain. Data collected from these studies provided additional guidance for optimizing the design and initiation of two pivotal Phase 3 studies required for New Drug Application (NDA) filings with the US Food and Drug Administration (FDA). Both pivotal studies are currently underway. The remaining PK study has completed enrolment and the Company expects to file its NDA Q4 2010. The Company's preclinical and clinical pipeline includes other technologies in the fields of pain management, neurodegenerative disease and venomics. For more information, visit www.qrxpharma.com.