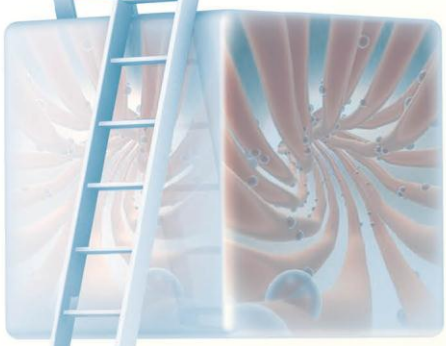
ASX RELEASE
30 August 2012

PRELIMINARY FINANCIAL RESULTS
YEAR ENDED 30 JUNE 2012

Sydney, Australia and Bedminster, New Jersey – QRxPharma Limited (ASX: QRX and OTCQX: QRXPY) today reported a net loss for the year ended 30 June 2012 from ordinary activities of $16 million (compared to a net loss of $25.6 million in 2011) with the Company retaining cash reserves of $23 million (compared to $7.3 million in 2011).

QRxPharma remains committed to launching immediate release MOXDUO® into the $2.5 billion US acute pain marketplace. In August 2011, the Company completed its submission of the MOXDUO New Drug Application (NDA) with the United States Food and Drug Administration (FDA). The FDA accepted the NDA for substantive review in November 2011 and issued a Complete Response Letter (CRL) in June 2012.



Following a post submission review with the FDA in August 2012 where the steps required for approval of immediate release MOXDUO were clarified, the Company believes that analysis of the additional data requested by the Agency and subsequent refiling of the NDA could result in a positive decision from the FDA in mid-2013.

"We remain confident in MOXDUO as a potential therapeutic option for the millions of patients suffering from moderate to severe acute pain and will continue our efforts to bring this therapy to market," said Dr. John Holaday, Managing Director and Chief Executive Officer, QRxPharma.

During the fiscal year, the Company entered into a strategic collaboration with Actavis, Inc. to commercialise immediate release MOXDUO in the US marketplace. Commencing at launch, Actavis will pay QRxPharma royalties of 10% up to 30% depending on net sales thresholds, except for a period starting 3-6 months following launch where QRxPharma will receive a 50% royalty on US $150 million in cumulative sales. Additionally, QRxPharma retains a co-promotion/profit-share right, whereby the Company can create its own sales force and provide up to 25% effective selling effort to US prescribers at any time following the first 12 months after product launch.

This strategic collaboration validates the MOXDUO technology platform, and Actavis has confirmed its support of the Company's efforts to work with the FDA to fully address the Agency's questions in a timely manner.

QRxPharma also successfully undertook two Phase 1 studies in healthy volunteers for MOXDUO CR, a controlled-release Dual-Opioid® utilising a 3:2 ratio of morphine and oxycodone. The proprietary MOXDUO CR formulation is designed to provide at least 12 hours of analgesia in patients suffering from moderate to severe chronic pain including cancer, lower back, osteoarthritis and neuropathic. MOXDUO CR encompasses both sustained delivery technology as well as abuse deterrent and tamper resistant features which are essential for this product formulation.

In addition, the Company strengthened its' intellectual property portfolio with the announcement in May 2012, that the United States Patent and Trademark Office (USPTO) issued the Company US Patent No 8,182,837, expiring in 2023. This patent is directed to a pain treatment method which utilises MOXDUO's composition as a defined ratio of morphine/oxycodone (3/2). The patent covers oral administration of two Dual Opioid compositions: (1) immediate release MOXDUO for the treatment of acute pain and (2) MOXDUO CR for the treatment of chronic pain.

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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 entered into a strategic collaboration with Actavis Inc. in December 2011 for the commercialisation of MOXDUO in the US acute pain market. 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.

Contact information:

John W 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