

OPT OUT AND CLAIM REGISTRATION NOTICE

FEDERAL COURT OF AUSTRALIA

QRXPHERMA LIMITED CLASS ACTION

You have been provided a copy of this notice pursuant to orders of the Federal Court of Australia. Please read it very carefully, as it may affect your legal rights.

You have the following options:

1. **Register by 4.00pm AEST on 16 November 2018** to receive any compensation from any settlement in the class action (see the section below headed '*Option A – Register your interest to participate in any settlement*').

If you have already signed a funding agreement with Litman Holdings Pty Ltd (**Litman**) or JustKapital Portfolio Pty Limited (**JustKapital**) (together, the **Funders**) in respect of this class action, you do not need to do anything in response to this notice to register.

OR

2. **Opt out of the class action by 16 November 2018** and you will no longer be a group member in the class action, and will not be entitled to receive compensation from any settlement or judgment in the class action, but you will be entitled to pursue your rights separately should you wish to do so (see the section below headed '*Option B – Opt out and cease to be a Group Member*').

OR

3. **Do nothing** - if you do not take either of the steps referred to above by 16 November 2018, you will remain a group member in this class action, but if the class action is settled you will not be entitled to receive compensation from the settlement reached, and you will not be entitled to pursue your claims separately. If the class action is not settled but is successful on a Court judgment on the Applicant's claim, you will retain your rights to pursue your individual claims and to receive compensation from any judgment (see the section below headed '*Option C – Not respond to this notice*').

1. Why is this notice important?

A class action has been commenced in the Federal Court of Australia by Kenquist Nominees Pty Ltd as trustee for The Kenquist Superannuation Fund (**Applicant**) against Peter Campbell, Michael Quinn, John Holaday, Dibbs Barker and Morgans Corporate Limited (**Respondents**). The action arises in relation to the operation and affairs of QRxPharma Limited (**QRxPharma**) and was commenced on behalf of the Applicant and all QRxPharma shareholders who:

- (a) obtained an interest in ordinary shares in QRxPharma by purchase of those shares:
 - (i) in accordance with the terms of, or as part of, any rights issue, institutional placement or share purchase plan during the period from 6 November 2009 to 25 June 2012 (**Relevant Period**); and/or
 - (ii) otherwise on the financial market operated by the ASX during the Relevant Period; and
- (b) suffered loss or damage by reason of the conduct of QRxPharma and the Respondents as set out in the Second Further Amended Statement of Claim.

Such persons are defined as **Group Members**.

JustKapital is funding this class action to completion. In addition to litigation funding agreements JustKapital has entered into with certain Group Members, JustKapital has also assumed the obligations of Litman under the litigation funding agreements that Litman entered into with some other Group Members. JustKapital is a subsidiary of the ASX-listed public company, JustKapital Limited. JustKapital Limited has finance facilities in place in respect of its litigation funding business, including this class action. These facilities do not limit or affect the position of Group Members in this class action.

The Federal Court of Australia has ordered that this notice be published for the information of persons who might be Group Members. **If you are a Group Member you should read this notice carefully.**

The Federal Court of Australia has referred the class action to mediation which is to occur by no later than 22 February 2019. In order for a Group Member's potential claim to be considered at that or any subsequent mediation, a Group Member (who has not signed a funding agreement with the Funders) will need to comply with this notice and provide the information requested (see the section below headed '*Option A – Register your interest to participate in any settlement*').

Any questions you have concerning the matters contained in this notice should not be directed to the court. If there is anything in this notice that you do not understand, you should seek legal advice.

2. What is a class action?

A class action is an action that is brought by one person (Applicant) on his, her or its own behalf and on behalf of a group of people (Group Members) against another person or persons (Respondents), where the Applicant and the Group Members have similar claims against the Respondents.

Group Members in a class action **are not** individually responsible for the legal costs associated with bringing the class action or if the claim is unsuccessful. Only the Applicant is responsible for those costs.

Group Members are bound by any judgment on the common questions or settlement entered into in a class action unless they have opted out of the class action. This means that:

- (a) if the class action is successful, Group Members may be eligible for a share of any settlement monies or Court-awarded damages;
- (b) if the class action is unsuccessful, Group Members are bound by that result; and
- (c) regardless of the outcome of the class action, Group Members will not be able to pursue their claims against the Respondents in separate legal proceedings independently of the class action unless they have opted out.

If you consider that you have claims against a Respondent which are based on your individual circumstances or otherwise additional to the claims described in the class action (see below under the heading "3. What is this class action about?"), then it is important that you seek independent legal advice about the potential binding effects of the class action before the deadline for opting out (see below).

3. What is this class action about?

The class action against the Respondents is brought by the Applicant on behalf of itself and Group Members. The Applicant's lawyers are Corrs Chambers Westgarth. The Respondents to the class action are:

- (a) Peter Campbell, Michael Quinn and John Holaday (**Directors**), each of whom was a director of QRxPharma;
- (b) Morgans Corporate Limited (**Morgans**), the lead manager, or joint lead manager, in several of QRxPharma's capital raisings from 2009 to 2012; and
- (c) Dibbs Barker, a firm of solicitors who acted as the lawyers to QRxPharma in those capital raisings.

The Applicant alleges in its Second Further Amended Statement of Claim that QRxPharma engaged in breaches of the *Corporations Act 2001* (Cth) provisions relating to its continuous disclosure and capital raising obligations. The allegation is essentially that QRxPharma failed to disclose to investors that the United States Food and Drug Administration had:

- (a) communicated concerns to QRxPharma relating to its application for a Special Protocol Assessment for the drug known as MoxDuo and that these concerns were not addressed by QRxPharma in its application (**FDA Concerns**); and
- (b) rejected QRxPharma's application for a Special Protocol Assessment for MoxDuo (**SPA Rejection**).

The Applicant also alleges that QRxPharma engaged in misleading or deceptive conduct by making representations about QRxPharma's progress in obtaining regulatory approval for MoxDuo.

The Applicant alleges that:

- (a) the Directors were knowingly involved in those breaches relating to both the FDA Concerns and SPA Rejection; and
- (b) Morgans and Dibbs Barker were knowingly involved in those breaches relating to the SPA Rejection.

The Respondents deny the allegations and are defending the class action.

4. Are you a Group Member?

You are a Group Member if you meet the description in section 1 above headed "Why is this notice important".

If you are unsure whether or not you are a Group Member, you should contact Corrs Chambers Westgarth on (02) 9210 6185 or qrxclassaction@corrs.com.au, or seek your own legal advice without delay.

5. What is Opt Out?

The Applicant in a class action does not need to seek the consent of Group Members to commence a class action on their behalf or to identify a specific Group Member. However, Group Members can cease to be Group Members by opting out of the class action.

An explanation of how Group Members are able to opt out is found in section 7 below headed "What Group Members must do".

6. Will you be liable for legal costs or a Funders' fee?

You will **not become liable for any legal costs or any adverse costs orders in the event that the class action is unsuccessful** simply by remaining a Group Member for the determination of the common questions or registering to participate in any settlement.

In the event the class action is successful, you should be aware that the Applicant will likely make an application to the Court that seeks either a funding equalisation order or a common fund order.

In this class action, the Group Members fall within two categories:

- (a) Group Members who have signed a litigation funding agreement with the Funders (**Funded Group Members**); and
- (b) Group Members who have not signed a litigation funding agreement with the Funders (**Non-Funded Group Members**).

In the event of a successful resolution of their claims, the Funded Group Members are liable to pay to the Funders, from any monies recovered, a share of the legal costs, Funders' fee and any other amounts payable under the funding agreements. On the other hand, absent a Court order, the Non-Funded Group Members are not liable to do so.

Funding equalisation orders have the effect of redistributing the additional amount the Non-Funded Group Members receive in the hand across all Group Members, *pro rata* to the value of each Group Member's claim, so as to ensure that all Group Members pay an equal *pro rata* share of the Funders' fee.

Common fund orders are likely to have the effect that the Applicant and each Group Member pay to the Funders, on a pro-rata basis, an amount equal to their share of costs and expenses paid or payable by the Funders and/or a reasonable funding fee or commission to the Funders in an amount, or at a rate, which will be specified by the Court having regard to a number of factors but which will be proportionate to the amount sought and recovered in the proceeding and the risks assumed by the Funders.

A copy of the standard form funding agreement for this class action may be inspected between 9am - 5pm at the offices of Corrs Chambers Westgarth in Sydney, Perth, Melbourne and Brisbane. Contact details are available from www.corrs.com.au or by calling (02) 9210 6185.

Legal work specific to your claim

If the preparation or finalisation of your personal claim requires work to be done in relation to issues that are specific to your claim, you can engage Corrs Chambers Westgarth or other lawyers to do that work for you. Details of the terms on which Corrs Chambers Westgarth are acting in the class action may be obtained from them by contacting qrxclassaction@corrs.com.au or (02) 9210 6185.

7. What Group Members must do

If you are a Group Member in the QRxPharma class action, you must choose from one of the following three options:

Option A – Register your interest to participate in any settlement

If you wish to receive a share of any settlement monies resulting from a settlement of the class action, you must register your interest by **4:00pm AEST on 16 November 2018**. There is no cost to register, and you may do so by:

- (a) completing and submitting the online Group Member Registration Form available on the website hosted by Link Market Services Limited, [<https://www.qrxclassaction.com.au>]; or
- (b) completing the Group Member Registration Form attached to this notice (headed 'Option A') and returning it to Link Market Services Limited at the address contained on the form.

Registrations received after 4:00pm AEST on 16 November 2018 will not be accepted with the result that you will be treated as having not responded to this notice (see Option C below).

It is important that you fully complete the Group Member Registration Form and provide all of the information and any accompanying documents referred to in the Group Member Registration Form. The information in the Group Member Registration Form will be collated by Link Market Services

Limited, used by the Applicant's lawyers and advisors and some of the information (your name and trading history (which includes, if applicable, the name of the broker through which you acquired your shares), but **not** your SRN/HIN and contact details) will be provided to the Respondents' lawyers prior to any settlement discussions to enable the parties to have sufficient information about the claims of registered Group Members to settle the class action. The Respondents' lawyers have been ordered by the Court to keep this information confidential, to use it only for the purposes of settlement discussions and not to contact registered Group Members. The Respondents' lawyers have also been ordered by the Court not to disclose the names of registered Group Members to the Respondents. The Respondents' lawyers may provide de-identified information (your trading history (which includes, if applicable, the name of the broker through which you acquired your shares), but **not** your name) to the Respondents and their consultants and agents for the purposes of settlement discussions.

If you are holding shares on behalf of one or more beneficiaries, you should provide the details required by the Group Member Registration Form for each and every beneficiary if you wish to claim a share of any settlement monies on their behalf.

Please note you should **not** submit both an Opt Out Notice and Group Member Registration Form. You may only submit one of the two. If you submit both, you will be treated as having opted out (see Option B below).

Note: Group Members who:

- have already entered into a funding agreement with Litman Holdings Pty Ltd or JustKapital Portfolio Pty Limited; or
- enter into a funding agreement with JustKapital Portfolio Pty Limited before 4pm AEST on 16 November 2018,

are deemed to have registered their interest to participate in any settlement and do not need to take any further action. Corrs Chambers Westgarth will contact you directly if you need to provide any further information.

Option B – Opt out and cease to be a Group Member

If you do not wish to remain a Group Member in the QRxPharma class action, you must opt out of the proceeding by completing the "Opt Out Notice" attached to this notice headed "Option B". If you opt out of the QRxPharma proceeding, you:

- (a) will not be affected by any orders made in the QRxPharma action;
- (b) will not be permitted to participate in the distribution of any damages award or settlement outcome; and
- (c) will be able to commence separate proceedings on your own behalf if you so wish.

Opt Out Notices must be submitted directly to the New South Wales District Registry of the Federal Court of Australia before **4:00pm AEST on 16 November 2018**. Opt Out Notices received after this time will not be accepted, and you will remain as a Group Member in the QRxPharma class action but will not be permitted to participate in any compensation if the class action is settled (see Option C below).

Option C – Not respond to this Notice

If you have not already signed a funding agreement with the Funders, and do nothing in response to this Notice, you will remain a Group Member in the QRxPharma class action, but **you will not be permitted to participate in or otherwise benefit from any settlement**. Further, in that event, any cause of action you might otherwise have had against the Respondents in respect of the matters the

subject of the class action will no longer be available to you. In other words, if you have not already signed a funding agreement with the Funders and you do nothing, you will lose your right to make any claim for damages or other relief against the Respondents in relation to the matters the subject of the class action if the class action is settled. If this class action is unsuccessful or is not as successful as you might have wished, you will not be able to sue on the same claim in any other proceedings.

In the event that the mediation is unsuccessful and the matter proceeds to a trial on which the common questions are answered favourably to the Applicant, you will have a further opportunity to participate in any court award of damages.

8. Where can you obtain copies of relevant documents?

Copies of relevant documents, including the Opt Out Notice, Group Member Registration Form, Second Further Amended Statement of Claim, Defences and Replies, may be obtained by:

- (a) emailing qrxclassaction@corrs.com.au;
- (b) viewing them at the website [<https://www.qrxclassaction.com.au>];
- (c) inspecting them between 9am - 5pm at one of the offices of Corrs Chambers Westgarth, contact details for which are available from www.corrs.com.au or by contacting Corrs Chambers Westgarth on (02) 9210 6185;
- (d) viewing them at the Federal Court of Australia website, which is accessible at <http://www.fedcourt.gov.au>, or by visiting a District Registry of the Federal Court of Australia in Melbourne, Sydney, Canberra, Brisbane, Perth, Adelaide, Hobart or Darwin.

9. Questions

Please consider the above matters carefully. If you are unclear about whether you are a Group Member, or if you have any other questions regarding the QRxPharma class action, you should contact Corrs Chambers Westgarth by writing to "QRxPharma Class Action", GPO Box 9925, Sydney NSW 2001, or by sending an email to qrxclassaction@corrs.com.au. Alternatively, you can seek legal advice from other solicitors. You should not delay in making your decision.

If you wish to register (Option A), but do not have access to the internet or are otherwise unable to register in accordance with Option A, please call (02) 9210 6185 between the hours of 9:00am to 5:00pm AEST by no later than **4:00pm AEST on 16 November 2018**. At the time of your call, please ensure you have all available information relevant to your trading transactions in QRxPharma securities.

LINK - CLASS ACTION SERVICES

QRxPharma Shareholder Class Action Claim Registration Form

All communications to:
 Link Market Services Limited
 PO Box 3184
 Rhodes NSW 2138 Australia
 Telephone: 02 9210 6185
 Email: QRX@linkmarketservices.com.au

OPTION A - GROUP MEMBER REGISTRATION - QRXPHARMA CLASS ACTION FEDERAL COURT OF AUSTRALIA PROCEEDING NSD 1364/2015

Note: Group members who:

- have already entered into a funding agreement with Litman Holdings Pty Ltd or JustKapital Portfolio Pty Limited; or
 - enter into a funding agreement with JustKapital Portfolio Pty Limited before 4pm AEST on 16 November 2018,
- are registered and do not need to take any further action. Corrs Chambers Westgarth will contact you directly if you need to provide any further information.

The group member named below registers to receive a share of any settlement monies resulting from any settlement of this class action.

Group Member Details (Please print clearly)

Full name of registered owner

ACN/ABN (if applicable)

Post Code

Postal address

Email address

Securityholder Reference Number (SRN) or
 Holder Identification Number (HIN)

Contact details (Please print clearly)

Please provide contact details where we can contact you if we have any questions on this form.

Name

Day time contact number

Email address

Post Code

Postal address

QRXC002

Transaction Date and Quantity of Shares

The number of QRxPharma Limited (QRx) shares held by the Shareholder(s) prior to the commencement of trading on the Australian Securities Exchange on 6 November 2009.

Number of QRx Shares:

Transactions between 6 November 2009 - 25 June 2012

Date of Purchase (DD/MM/YYYY)	Number of Shares	Consideration paid (inc. brokerage)	Trade Type (please refer to c below)	Broker Name (if any) (please refer to d below)
<input type="text"/>	<input type="text"/>	\$ <input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	\$ <input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	\$ <input type="text"/>	<input type="text"/>	<input type="text"/>

Date of Sale (DD/MM/YYYY)	Number of Shares	Consideration received (net of brokerage)
<input type="text"/>	<input type="text"/>	\$ <input type="text"/>
<input type="text"/>	<input type="text"/>	\$ <input type="text"/>
<input type="text"/>	<input type="text"/>	\$ <input type="text"/>

- Note:**
- (a) If the above space is insufficient, please either provide the required information in Schedule A or in a separate document and return with this form.
 - (b) If your QRxPharma shares were or are held under different registered names, or the holdings have different SRN/HIN numbers, please copy and complete this page for each holding.
 - (c) Trade types: On Market, 2009 Placement, 2009 Rights Issue, 2010 Placement, 2010 Share purchase plan, 2011 Placement, 2011 Rights Issue, Other.
 - (d) Broker name (if any): refers to the name of the broker through which you acquired your shares.

Please provide any available documentary evidence in support of the information you are providing with this form, such as holding statements, contract notes and trade information in excel format if claiming on behalf of multiple funds.

Signature



Date

Signed by, or on behalf of and with authority of, the
Group Member (as specified above)

By signing this form, I agree that the information I provide in this form:

- (a) Will be collated by Link Market Services Limited (Link);
- (b) Will be compared by Link and the Applicant's lawyers against what is recorded on QRx's share register in relation to my shareholding;
- (c) Will be used by the Applicant's lawyers and advisors for the purposes of establishing my claim as part of the QRxPharma class action;
- (d) Will be provided to the Respondents' lawyers only in an identified format (ie with your name, but not with your contact details or SRN/HIN) for the purposes of settlement discussions in the QRxPharma class action. The Respondents' lawyers have been ordered to keep this information confidential, to use it only for the purposes of mediation and not to contact registered group members. The Respondents' lawyers have also been ordered not to disclose the names of registered group members to the Respondents; and
- (e) May be provided to the Respondents in a de-identified format (ie without your name, contact details or SRN/HIN) for the purposes of settlement discussions in the QRxPharma class action.

Return completed Form

Please return the completed form (and Schedule A, if applicable) to the above physical or email address by 16 November 2018.

LINK - CLASS ACTION SERVICES

QRxPharma Shareholder Class Action Claim Registration Form

Schedule A - Schedule of Additional Transactions

All communications to:
Link Market Services Limited
PO Box 3184
Rhodes NSW 2138 Australia
Telephone: 02 9210 6185
Email: QRX@linkmarketservices.com.au

Securityholder Reference Number (SRN)
Or Holder Identification Number (HIN)

**OPTION A - GROUP MEMBER REGISTRATION - QRXPHARMA CLASS ACTION
FEDERAL COURT OF AUSTRALIA PROCEEDING NSD 1364/2015**

Transactions (please copy this form if you require more trade sections)

[illegible][illegible]

Note: Trade types: On Market, 2009 Placement, 2009 Rights Issue, 2010 Placement, 2010 Share purchase plan, 2011 Placement, 2011 Rights Issue, Other.
Broker name (if any): refers to the name of the broker through which you acquired your shares.

Signature



Date _____

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Signed by, or on behalf of and with authority of, the Group Member (as specified above)

Return completed Form

Please return the completed form (and Schedule A, if applicable) to the above physical or email address by 16 November 2018.

QRXC001A

OPTION B

Form 21
Rule 9.34

OPT OUT NOTICE

No. 1364 of 2015

Federal Court of Australia
District Registry: New South Wales
Division: General

Kenquist Nominees Pty Limited (ACN 008 797 224)
In its capacity ATF The Kenquist Superannuation Fund
Applicant

Peter Campbell and others
Respondents

To: The Registrar
Federal Court of Australia
New South Wales District Registry
Level 17, Law Courts Building
Queens Square
Sydney NSW 2000

The person named below as a group member in this representative proceeding gives notice under section 33J of the *Federal Court of Australia Act 1976* that the group member is opting out of the representative proceeding.

Date:

Signed by:

.....(signature)

.....(print name

Group Member / Lawyer for the Group Member

(please complete the next page)

Postal address of Group Member:	
Telephone contact:	
Email address:	
ACN/ABN: (if a company or trustee)	
HIN/SRN:	
If the shares were acquired on behalf of another person/entity, name of that person/entity:	

If you are signing as the solicitor or representative of the group member:

Person completing the form (print):	
Authority of person completing this form (eg., company director, lawyer):	
Postal address of person completing this form:	
Telephone contact:	
Email address:	