

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

Australian Pharmaceutical Industries Ltd (API)

ABN

57 000 004 320

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |  |  |
|---|--|--|
| 1 | +Class of +securities issued or to be issued   | Fully paid ordinary shares in API ( <b>Shares</b> ).   |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued  | 110,400,121 Shares under the retail component of the accelerated non-renounceable entitlement offer announced by API on 21 October 2009 ( <b>Retail Entitlement Offer</b> ) and also in respect of Shares allocated under the Placement. |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully paid ordinary shares in API.   |

4	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?  If the additional securities do not rank equally, please state: <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	Yes, except that Shares issued under the Retail Entitlement Offer or Placement will not be entitled to participate in the dividend in respect of the full year ended 31 August 2009, payable on 11 December 2009.				
5	Issue price or consideration	\$ 0.65 per Share.				
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	See Appendix 3B lodged on 21 October 2009.				
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	24 November 2009.				
8	Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)	<table border="1" style="width: 100%;"> <thead> <tr> <th style="width: 50%;">Number</th> <th style="width: 50%;">+Class</th> </tr> </thead> <tbody> <tr> <td>488,115,883 following the allotment of the Shares under the Retail Entitlement Offer.</td> <td>Fully paid ordinary shares.</td> </tr> </tbody> </table>	Number	+Class	488,115,883 following the allotment of the Shares under the Retail Entitlement Offer.	Fully paid ordinary shares.
Number	+Class					
488,115,883 following the allotment of the Shares under the Retail Entitlement Offer.	Fully paid ordinary shares.					
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	<table border="1" style="width: 100%;"> <thead> <tr> <th style="width: 50%;">Number</th> <th style="width: 50%;">+Class</th> </tr> </thead> <tbody> <tr> <td style="height: 40px;"></td> <td></td> </tr> </tbody> </table>	Number	+Class		
Number	+Class					
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Shares issued under the Entitlement Offer will rank pari passu with existing ordinary shares, but will not be entitled to participate in the dividend in respect of the financial year ended 31 August 2009, payable on 11 December 2009.				

## **Part 2 - Bonus issue or pro rata issue**

+ See chapter 19 for defined terms.

11	Is security holder approval required?	See Appendix 3B lodged on 21 October 2009.
12	Is the issue renounceable or non-renounceable?	See Appendix 3B lodged on 21 October 2009.
13	Ratio in which the +securities will be offered	See Appendix 3B lodged on 21 October 2009.
14	+Class of +securities to which the offer relates	See Appendix 3B lodged on 21 October 2009.
15	+Record date to determine entitlements	See Appendix 3B lodged on 21 October 2009.
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	See Appendix 3B lodged on 21 October 2009.
17	Policy for deciding entitlements in relation to fractions	See Appendix 3B lodged on 21 October 2009.
18	Names of countries in which the entity has +security holders who will not be sent new issue documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	See Appendix 3B lodged on 21 October 2009.
19	Closing date for receipt of acceptances or renunciations	See Appendix 3B lodged on 21 October 2009.
20	Names of any underwriters	See Appendix 3B lodged on 21 October 2009.
21	Amount of any underwriting fee or commission	See Appendix 3B lodged on 21 October 2009.
22	Names of any brokers to the issue	Not applicable.
23	Fee or commission payable to the broker to the issue	Not applicable.
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	Not applicable.
25	If the issue is contingent on +security holders' approval, the date of the meeting	Not applicable.
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	No prospectus is being prepared. A retail offer booklet and an entitlement and acceptance form were sent to eligible retail shareholders on 30 October 2009.

+ See chapter 19 for defined terms.

27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Not applicable.
28	Date rights trading will begin (if applicable)	Not applicable.
29	Date rights trading will end (if applicable)	Not applicable.
30	How do <sup>+</sup> security holders sell their entitlements <i>in full</i> through a broker?	Not applicable.
31	How do <sup>+</sup> security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Not applicable.
32	How do <sup>+</sup> security holders dispose of their entitlements (except by sale through a broker)?	Not applicable.
33	<sup>+</sup> Despatch date	24 November 2009.

### Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

- 34 Type of securities  
(tick one)
- (a)  Securities described in Part 1
- (b)  All other securities  
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

#### Entities that have ticked box 34(a)

Additional securities forming a new class of securities

*Tick to indicate you are providing the information or documents*

- 35  If the <sup>+</sup>securities are <sup>+</sup>equity securities, the names of the 20 largest holders of the additional <sup>+</sup>securities, and the number and percentage of additional <sup>+</sup>securities held by those holders
- 36  If the <sup>+</sup>securities are <sup>+</sup>equity securities, a distribution schedule of the additional <sup>+</sup>securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000

<sup>+</sup> See chapter 19 for defined terms.

10,001 - 100,000  
100,001 and over

37  A copy of any trust deed for the additional <sup>+</sup>securities

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<sup>+</sup> See chapter 19 for defined terms.

**Entities that have ticked box 34(b)**

38 Number of securities for which  
+quotation is sought

39 Class of +securities for which  
quotation is sought

40 Do the +securities rank equally in all  
respects from the date of allotment  
with an existing +class of quoted  
+securities?

If the additional securities do not  
rank equally, please state:

- the date from which they do
- the extent to which they  
participate for the next dividend,  
(in the case of a trust,  
distribution) or interest payment
- the extent to which they do not  
rank equally, other than in  
relation to the next dividend,  
distribution or interest payment

41 Reason for request for quotation  
now  
Example: In the case of restricted securities, end of  
restriction period

(if issued upon conversion of  
another security, clearly identify that  
other security)

	Number	+Class
42 Number and +class of all +securities quoted on ASX ( <i>including</i> the securities in clause 38)		

+ See chapter 19 for defined terms.

**Quotation agreement**

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: 

Date: 24 November 2009

(Company secretary)

Print name: Peter Sanguinetti