

20 September 2012

ASX Announcement

Sale of Unmarketable Parcels of Shares

The Board of Sigma Pharmaceuticals Limited (**Sigma**) today announces that it has established a share sale facility (**Facility**) for holders of unmarketable parcels of shares in Sigma.

As at 5.00pm EST on 14 September 2012 an unmarketable parcel of shares with a market value of less than \$500 is any shareholding of 719 shares or less. Sigma has approximately 1800 shareholders with an unmarketable parcel of shares.

Sigma is offering the Facility to assist holders of unmarketable parcels to sell shares without having to use a broker or pay brokerage costs. Sigma will pay for all costs of sale for shareholders who use the Facility. The Facility offers a convenient and cost effective way for you to sell your shares, free of brokerage.

By facilitating the sale of unmarketable parcels, Sigma will reduce the costs associated with maintaining small shareholdings (i.e. printing and mailing costs of distribution Annual Reports and Notices of Meetings together with share registry costs).

Attached is a copy of the letter and retention form to be mailed to shareholders holding an unmarketable parcel of Sigma shares.

Interim Dividend - Dividend Reinvestment Plan

On 13 September 2012, Sigma announced that the Board has determined that an interim dividend of 2.0 cents per share is to be payable. The dividend will be fully franked and paid on 26 October 2012.

The Board has determined that the Dividend Reinvestment Plan will not apply in respect of the interim dividend.



Ms Sue Morgan
General Counsel & Company Secretary



20 September 2012

Dear Shareholder

Notice of intention to sell your unmarketable parcel of shares

I am writing to advise that Sigma Pharmaceuticals Limited (**Sigma**) has established a share sale facility (**Facility**) to sell on your behalf, your unmarketable parcel of shares in Sigma. Under ASX Listing Rules a shareholding of less than \$500 in shares is defined as being an unmarketable parcel of shares (**Unmarketable Parcel**).

Sigma has approximately 1,800 shareholders with an Unmarketable Parcel of shares. Sigma is offering the Facility to assist holders of Unmarketable Parcels to sell their shares. If you use this Facility, your Unmarketable Parcel of shares will be sold without having to use a broker or pay brokerage. Sigma will pay all other costs associated with the sale of the shares.

Your shareholding (which is set out on the attached Notice of Retention) was less than a marketable parcel at 14 September 2012.

Unless you advise Sigma, through completing and returning the enclosed Notice of Retention, that you wish to retain your shares within 6 weeks of receipt of this letter, Sigma will sell your shares through the Facility, in accordance with Sigma's Constitution and the ASX Listing Rules.

If you wish to sell your shares through the Facility you don't need to do anything.

As soon as practical from 5 November 2012, Sigma will endeavour to arrange the sale at the prevailing market price and the proceeds from that sale will be remitted to you.

The price at which your shares are sold will depend on a number of factors (including prevailing market conditions) and you will not have control over the time at which your shares are sold. The price at which the shares will be sold is not fixed and is not underwritten.

The proceeds to which you are entitled will be remitted to you using the credit payment details recorded for your holding. Where direct credit payments cannot be processed, then payment will be made by cheque.

If you wish to retain your shares you must complete and return the enclosed form by 31 October 2012.

Should you have any in relation to this matter please call 1300 139 653.

**Ms Sue Morgan
General Counsel & Company Secretary**



Sigma Pharmaceuticals Limited

ABN 15 088 417 403

All Registry communications to:
Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia
Telephone: 1300 139 653
From outside Australia: +61 2 8280 7167
ASX Code: SIP
Website: www.linkmarketservices.com.au



SRN/HIN:

**Number of Shares held as at
the Record Date, 7:00pm (AEDT)
on 14 September 2012:**

IMPORTANT NOTICE

Please complete this form if you do not wish your Shares in Sigma Pharmaceuticals to be sold. If you do not understand this notice you should immediately consult your financial adviser.

SECURITY RETENTION FORM

If you wish to retain your Shareholding in Sigma Pharmaceuticals ("Sigma") you must complete this form and return it to Sigma's Registry, so that it is received no later than 5:00pm (AEDT), on 31 October 2012. Forms may be mailed or delivered to the addresses below.

Mailing Address

Sigma Pharmaceuticals
C/- Link Market Services Limited
Locked Bag A14
SYDNEY SOUTH NSW 1235

or

Hand Delivery

Sigma Pharmaceuticals
C/- Link Market Services Limited
1A Homebush Bay Drive
RHODES NSW 2138 *(Do not use this address for mailing purposes)*

This form must be received by Sigma's Registry no later than 5:00pm (AEDT), on 31 October 2012, or your Shares will be sold.

Retention of Shares

I/We the Shareholder(s) described above by signing this form, hereby give notice that I/we wish to retain my/our Shareholding in Sigma, pursuant to Rule 31 of the Company's Constitution.

Contact Details

Enter your telephone number(s) where we may contact you regarding this form.

Telephone Number – Business Hours

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Telephone Number – After Hours

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Contact Name (PRINT)

Shareholder Signature(s) – This MUST be completed

Shareholder 1

Individual or Sole Director and
Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Date

/ /

This form should be signed by the Shareholder. If a joint holding, all Shareholders should sign. If signed by the Shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

Link Market Services Limited advises that Chapter 2C of the *Corporations Act 2001* requires information about you as a Shareholder (including your name, address and details of the shares you hold) to be included in the public register of the entity in which you hold shares. Information is collected to administer your Shareholding and if some or all of the information is not collected then it might not be possible to administer your Shareholding. Your personal information may be disclosed to the entity in which you hold shares. You can obtain access to your personal information by contacting us at the address or telephone number shown on this form. Our privacy policy is available on our website (www.linkmarketservices.com.au).

**THIS FORM MUST BE RECEIVED BY LINK MARKET SERVICES LIMITED
BY NO LATER THAN 5:00PM (AEDT) ON THE 31 OCTOBER 2012**

If you require further information on how to complete this form, please contact the Sigma Pharmaceuticals Information Line on 1300 139 653 (within Australia) or +61 2 8280 7167 (from outside Australia) between 8:30am and 5:30pm (AEDT) Monday to Friday.

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