



Ellexmedical

**ANNUAL GENERAL
MEETING 2004**

Thursday 25 November 2004 at 2.00 pm

**Notice of
Annual
General
Meeting**

ELLEX MEDICAL LASERS LIMITED
ABN 15 007 702 927
Level 1, 82 Gilbert Street
Adelaide, South Australia 5000

Annual General Meeting

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of the shareholders of Ellex Medical Lasers Limited will be held at Level 1, 82 Gilbert Street, Adelaide, South Australia at 2:00 pm on Thursday 25 November 2004 for the purpose of transacting the following business.

Ordinary Business

1. Accounts & Reports

To receive and consider the financial statements of the Company and its controlled entities for the year ended 30 June 2004 and the related Directors' Reports, Directors' Declarations and Auditors' Report.

2. Directors

To consider and if thought fit, pass the following Ordinary Resolutions:

- (a) To elect a Director. Mr P Falzon retires by rotation in accordance with the Company's Constitution and, being eligible, offers himself for re-election.

3. Directors' & Employees' Share Option Plan

To consider and if thought fit, pass the following Ordinary Resolutions:

- (a) That for the purpose of listing rule 10.14, the Company may issue to Mr VK Previn or his nominated associate 500,000 options to take ordinary shares in the Company exercisable at 50¢ with an expiry date three years from the date of issue of options.
- (b) That for the purpose of listing rule 10.14, the Company may issue to Mr DJ Lindh or his nominated associate 200,000 options to take ordinary shares in the Company exercisable at 50¢ with an expiry date three years from the date of issue of the options.

Other Business

To deal with any other business that may be properly brought forward.

Shareholder Information

1. A shareholder entitled to attend and vote at this meeting is entitled to appoint not more than two proxies (who need not be shareholders of the Company) to attend and vote on a poll in the shareholder's place.
2. The appointment of two proxies will be of no effect unless each proxy is appointed to represent a specific proportion of the member's voting rights. A single proxy exercises all voting rights.
3. The proxy form must be signed by the shareholder or the shareholder's attorney duly authorised in writing, or if the shareholder is a corporation under its corporate seal or by its duly authorised attorney or representative.

If an attorney is to attend the meeting please submit the relevant power of attorney for noting and return.

If a representative of the corporation is to attend the meeting the appropriate letter of representation should be produced before admission.
4. In the case of joint holders the proxy form may be signed by any one holder.
5. The Company has determined in accordance with Corporations Regulation 10.2.115, that for the purpose of voting at the meeting, shares will be taken to be held by those who hold them at 10.00 pm on Tuesday 23 November 2004.
6. Proxies will only be valid and accepted by the Company if they were signed and forwarded to either the Company addressed to The Company Secretary, at PO Box 6239 Halifax Street, Adelaide SA 5000 or faxed to 08 8104 5210 or alternatively the share registry, in the business reply paid envelope provided, so as to be received not later than 48 hours before the meeting.
7. The Company's principal registry is maintained at the following address:

Computershare Investor Services Pty Limited
GPO Box 1903
ADELAIDE SA 5001

Telephone: 1300 556 161
61 3 9415 4000 (Outside Australia)

Facsimile: 08 8236 2305

By order of the Board

Kevin McGuinness

Company Secretary
Adelaide

Explanatory Notes

Resolution 2 – Appointment of Directors

Peter Falzon, Non-Executive Director

Peter Falzon was appointed a director on 26 November 2002 and his appointment was ratified at the 2003 AGM. He has considerable experience in business development and global distribution of ophthalmic equipment and is the Vice President of Business Development at Cutera Inc. Prior to this, he was the Senior Director of the Ophthalmic Business unit of Coherent (now Lumenis) – a US\$450 million revenue medical laser company listed on the Nasdaq where in 1997 - a downturn year in the world ophthalmic industry - he implemented a turn around strategy which resulted in 150% growth in the subsequent three years. Peter is also a member of the Ellex Medical Advisory Board.

Resolution 3 – Directors' and Employees' Share Option Plan

Issue of Options to Directors under the Plan

These options are to be issued out of the existing option pool for the Directors and Employee Share Option Plan already approved by shareholders. The exercise price will be 50¢.

The following persons referred to in listing rule 10.14 are entitled to participate in the scheme:

- DJ Lindh
- PJ Falzon
- KR Johnson
- VK Previn

At the 2003 Annual General Meeting, shareholders approved the issue of 50,000 options to Mr KR Johnson and 100,000 options to Mr P Falzon. These options were issued on 15 January 2004. No other options have been issued to Directors since the last approval.

Mr VK Previn and Mr DJ Lindh do not currently hold any options and the Directors recommend the issue of options in accordance with this notice.

The options to which this resolution relate will be issued by no later than 12 months after 25 November 2004.

Voting Exclusion Statement

The Company will disregard any votes cast in relation to Resolution 3 by:

- any Director; and
- an associate of a Director.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.