



# Notice of Annual General Meeting 2011

Ellex Medical Lasers Limited

ACN 007 702 927

Thursday 24 November, 2011 at 2.00pm

To be held at:  
Level 1, 82 Gilbert Street  
Adelaide SA 5000

## Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of the shareholders of Ellex Medical Lasers Limited (the Company) will be held at Ellex Medical Lasers Limited, Level 1, 82 Gilbert Street, Adelaide, South Australia, at 2:00 pm (Adelaide time) on Thursday 24 November 2011 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 2011 and the related Directors' Reports, Directors' Declarations and Auditors' Report. The annual report is able to be viewed online at the following address:

[www.ellex.com/corp/investors/annual-reports](http://www.ellex.com/corp/investors/annual-reports).

#### 2. Directors

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

"To re-elect Giuseppe Canala as a director. Giuseppe Canala retires by rotation in accordance with the Company's Constitution and, being eligible, offers himself for re-election."

#### 3. Remuneration Report

To adopt the Remuneration Report as set out in the Directors' Report which forms part of the Annual Report for the year ended 30 June 2011.

### 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 should specify the percentage of voting rights or number of securities to be applied to each proxy and if not specified then each proxy may exercise half your votes with fractions disregarded. A single proxy exercises all voting rights.
3. Voting Exclusions

The Company will disregard any votes cast on the Remuneration Report by any Key Management Personnel the details of whose remuneration are included in the Remuneration Report, and any Closely Related Party of such Key Management Personnel.

However, the Company need not disregard a vote in relation to the Remuneration Report if it is cast by a person (including a person chairing the meeting) as proxy for a person who is entitled to vote, in accordance with the directions on the relevant proxy form.

#### Please Note:

In accordance with section 250R(4) and 250R(5) of the Corporations Act, the Chairman will not vote any undirected proxies in relation to the Remuneration Report unless the shareholder specifically authorises the Chairman to vote in accordance with the Chairman's stated voting intentions.

If a Shareholder wishes to nominate the Chairman as their proxy for the purpose of Remuneration Report the Shareholder must either tick the 'for' or 'against' box, directing the Chairman how to vote, or tick the box authorising the Chairman to vote in accordance with his stated voting intentions, on the enclosed Proxy Form in order for their proxy vote to be counted.

Alternatively, Shareholders can nominate as their proxy for the purpose of the Remuneration Report a proxy who is not a member of the Company's Key Management Personnel. That person would be permitted to vote undirected proxies

4. The Company has determined in accordance with Corporations Regulation 7.11.37, that for the purpose of voting at the meeting, shares will be taken to be held by those who hold them at 7:00 pm on Tuesday 22 November 2011.

To record a valid vote, members will need to take the following steps:

Cast your vote online by visiting [www.investorvote.com.au](http://www.investorvote.com.au) and following the instructions and information provided on the enclosed proxy form; or

Complete and lodge the Proxy Form (and the power of attorney or other authority (if any) under which it is signed, or a certified copy of it at:

- (a) the share registry of the Company, Computershare Investor Services Pty Limited, located at GPO Box 242, Melbourne VIC 3001, or by facsimile on 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia); or
- (b) the registered office of the Company located at 82 Gilbert Street, Adelaide SA 5000, or by facsimile on (08) 8104 5231

no later than 48 hours before the time for the holding of the meeting.

**Custodian voting** – for Intermediary Online subscribers only (custodians) please visit [www.intermediaryonline.com](http://www.intermediaryonline.com) to submit your voting intentions.

By order of the Board  
**Giuseppe Canala**  
Company Secretary  
Adelaide

Dated: 28 September 2011

## Explanatory Memorandum

### Introduction

This Explanatory Memorandum has been prepared for the information of shareholders of Ellex Medical Lasers Limited (the Company) in connection with the business to be conducted at the Annual General Meeting to be held at 2:00 pm (Adelaide time) on Thursday 24 November 2011

### Ordinary Business

#### Resolution 2 – Re-election of Director

##### Giuseppe Canala, Director

Giuseppe Canala is 64 years old and was appointed non-executive director on 17 October 2008 and Company Secretary on 27 October 2008. Giuseppe is an experienced company director with a range of laser-related companies, with a professional engineering and economics background. As an original co-founder of Ellex, he has served the Company in a broad range of management roles, including Director of Engineering, Operations Manager and Managing Director. He served as Chairman of Ellex from 1990 to 2001.

#### Resolution 3 – Remuneration Report

The Directors' Report, which forms part of the Annual Report for the year ended 30 June 2011, outlines the remuneration arrangements in place for Key Management Personnel (KMP) of the Company.

The Corporations Act 2001 requires that a resolution be put to shareholders each year to adopt the Remuneration Report. The vote on this resolution is advisory only and does not bind the directors or the Company.

Recent legislation introduced a process in relation to the non-binding shareholder vote which requires that where, at an AGM, a company's remuneration report receives votes against approving the remuneration report of 25 percent or more of the votes actually cast at the meeting and comments are made on the remuneration report, the company's subsequent remuneration report is required to include an explanation of the board's proposed action in response to the "no" vote and comments or an explanation of why no action has been taken.

Where a company's subsequent remuneration report receives votes against approving the remuneration report of 25 percent or more of the votes actually cast at the meeting and comments are made, shareholders at that second AGM are to consider a resolution to determine whether to hold a further meeting at which the board of directors is replaced ("spill resolution"). If this "spill resolution" passes by ordinary resolution, then the directors who approved the directors' report must resign, and if they do not, then a meeting must be held within 90 days of the second AGM at which those directors cease to hold office immediately before the end of the "spill meeting" and the meeting may resolve to appoint those or other persons to the vacated positions.

The Chairman of the meeting will allow reasonable opportunity for shareholders to ask questions about or comment on the Remuneration Report at the AGM.