

AVITA MEDICAL LIMITED

ABN 28 058 466 523

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY MEMORANDUM TO SHAREHOLDERS

Date of Meeting

18 November 2011

Time of Meeting

2pm WST

Place of Meeting

MGI Conference Room

Level 7, The Quadrant Building

1 William Street

Perth, Western Australia

A Proxy Form is enclosed

Please read this Notice and Explanatory Memorandum carefully.

If you are unable to attend the General Meeting please complete and return the enclosed Proxy Form in accordance with the specified directions.

AVITA MEDICAL LIMITED

ABN 28 058 466 523

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Shareholders of Avita Medical Limited ABN 28 058 466 523 ("Company") will be held at 2pm WST on Friday 18 November 2011 at the MGI Conference Room, Level 7, The Quadrant Building, 1 William Street, Perth, Western Australia, for the purpose of transacting the following business referred to in this Notice of Annual General Meeting.

AGENDA

ITEMS OF BUSINESS

Financial Reports

To receive and consider the financial report of the Company for the year ended 30 June 2011, together with the Directors' report and the auditor's report as set out in the Annual Report.

1. Resolution 1 - Adoption of Remuneration Report

To consider and, if thought fit, pass the following as an **ordinary resolution**:

"That for the purposes of section 250R(2) of the Corporations Act and for all other purposes the remuneration report as set out in the Annual Report be adopted."

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition: To the extent required by section 250(R) of the Corporations Act, a vote on this resolution must not be cast (in any capacity) by or on behalf of a member of the key management personnel, details of whose remuneration are included in the remuneration report, or a closely related party of such a member. However, a person described above may cast a vote on this resolution if the person does so as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and the vote is not cast on behalf of

the key management personnel or closely related parties described above.

2. Resolution 2 - Re-election of Ian Macpherson as a Director

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That Mr Ian Macpherson who retires in accordance with clause 56 of the Constitution and, being eligible, offers himself for election, be re-elected as a Director."

3. Resolution 3 - Re-election of Fiona Wood as a Director

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That Dr Fiona Wood who retires in accordance with clause 56 of the Constitution and, being eligible, offers herself for election, be re-elected as a Director."

4. Resolution 4 - Ratification of Issue of Shares to La Jolla Cove Investors Inc

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purpose of Listing Rule 7.4 and for all other purposes, the Company ratify the allotment and issue of 4,000,000 Shares to La Jolla Cove Investors Inc. on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion: The Company will disregard any votes cast on Resolution 4 by any person who participated in the issue the subject of Resolution 4 and any person associated with those persons. However, the Company need not disregard a vote if the vote 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 the vote 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.

5. Resolution 5 - Ratification of Issue of Options to Employees

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purpose of Listing Rule 7.4 and for all other purposes, the Company ratify the allotment and issue of 750,000 Options to employees on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion: The Company will disregard any votes cast on Resolution 5 by any person who participated in the issue the subject of Resolution 5 and any person associated with those persons. However, the Company need not disregard a vote if the vote 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 the vote 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.

Voting Prohibition: To the extent required by section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 5, if the proxy is either a member of the key management personnel for the Company or a closely related party of a member of the key management personnel for the Company, and the appointment does not specify the way the proxy is to vote on Resolution 5. However, the above prohibition does not apply if the proxy is the Chair of the meeting and the appointment expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with remuneration of a member of the key management personnel of the Company.

Resolution 6 - Approval of Employee Share Option Plan

To consider and, if thought fit, pass with or without modification the following resolution as an **ordinary resolution**:

"That, pursuant to and in accordance with Listing Rule 7.2, Exception 9, of the Listing Rules, the Company approve the issue of securities under the employee incentive option scheme for employees known as the "Avita Medical Limited Employee Share Option Plan", the rules of which are annexed as Annexure A to the Explanatory Memorandum accompanying this Notice of Meeting, as an exception to Listing Rule 7.1."

Voting Exclusion: The Company will disregard any votes cast on Resolution 6 by a Director (except one who is ineligible to participate in any employee incentive scheme in relation to the Company) and any associates of those persons. However, the Company need not disregard a vote if the vote 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 the vote 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.

Voting Prohibition: To the extent required by section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 6, if the proxy is either a member of the key management personnel for the Company or a closely related party of a member of the key management personnel for the Company, and the appointment does not specify the way the proxy is to vote on Resolution 6. However, the above prohibition does not apply if the proxy is the Chair of the meeting and the appointment expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with remuneration of a member of the key management personnel of the Company.

Resolution 7 - Election of Auditor

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

"That Grant Thornton Audit Pty Ltd be appointed as the Company's auditors."

OTHER BUSINESS

To deal with any other business which may be brought forward in accordance with the Constitution and the Corporations Act.

For the purposes of Resolutions 1 - 7, the following definitions apply:

"Annual Report" means the annual report of the Company for the year ended 30 June 2011;

"ASX" means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited;

"Company" means Avita Medical Limited ABN 28 058 466 523;

"Constitution" means the constitution of the Company;

"Corporations Act" means *Corporations Act 2001* (Cth);

"Director" means a director of the Company;

"EST" means Australian Eastern Standard Time;

"Explanatory Memorandum" means the explanatory memorandum accompanying this Notice;

"Listing Rules" means the Listing Rules of the ASX;

"Notice" means this Notice of Annual General Meeting;

"Option" means an option to acquire a Share;

"Resolution" means a resolution contained in this Notice;

"Shares" means fully paid ordinary shares in the capital of the Company; and

"WST" means Australian Western Standard Time.

By order of the Board

Gabriel Chiappini

Company Secretary

Dated: 12 October 2011

How to vote

Members can vote by either:

- attending the meeting and voting in person or by attorney or, in the case of body corporates, by appointing a corporate representative to attend and vote; or
- appointing a proxy to attend and vote on their behalf using the proxy form accompanying this Notice of Meeting and by submitting their proxy appointment and voting instructions in person, by post, or by facsimile.

Voting in person (or by attorney)

Members, or their attorneys, who plan to attend the meeting are asked to arrive at the venue 15 minutes prior to the time designated for the meeting, if possible, so that their holding may be checked against the Company's share register and attendance recorded. Attorneys should bring with them an original or certified copy of the power of attorney under which they have been authorised to attend and vote at the meeting.

Voting by a body corporate

A member which is a body corporate may appoint an individual to act as its representative and vote in person at the meeting. The representative should bring to the meeting evidence of his or her appointment, including any authority under which it is signed unless previously given to the Company's Share Registry.

Voting by proxy

- A member entitled to attend and vote at a meeting may appoint:
 - a) one proxy if the member is only entitled to one vote; and
 - b) one of two proxies if the member is entitled to cast two or more votes at the meeting,as the member's proxy or proxies to attend and vote for the member at the meeting.
- A proxy need not be a member.
- If a member appoints two proxies, the appointment may specify the proportion or the number of votes that each proxy may exercise. If the appointment does not specify the proportion or number, each proxy may exercise half of the votes in which case any fraction of votes will be disregarded.
- To be effective, proxies must be received by 2pm (WST) on 16 November 2011. Proxies lodged after this time will be invalid.
- Proxies may be lodged using any of the following methods:
 - by returning a completed proxy form in person or by post to:

By hand:
Avita Medical Limited
c/- Computershare Investor Services Pty Ltd
Level 2, 45 St Georges Terrace PERTH WA 6009

By post:

Avita Medical Limited
c/- Computershare Investor Services Pty Ltd
GPO Box 242
MELBOURNE VIC 3001

or

- by faxing a completed proxy form to +1800 783 447

If the appointment of a proxy is signed by the appointer's attorney, the authority under which the appointment was signed or a certified copy must be received by the Company by 2pm (WST) on 16 November 2011. If facsimile transmission is used, the power of attorney must be certified.

Members who are entitled to vote

In accordance with Regulations 7.11.37 of the Corporations Regulations 2001, the Board has determined that a person's entitlement to vote at the Annual General Meeting will be the entitlement of that person set out in the register of member as at 7.00pm EST (4.00pm WST) on 16 November 2011.

AVITA MEDICAL LIMITED

ABN 28 058 466 523

EXPLANATORY MEMORANDUM

This Explanatory Memorandum is intended to provide shareholders with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice of Annual General Meeting of Avita Medical Limited (the "Company").

Details of the definitions used throughout this Explanatory Memorandum are set out in the Glossary.

If you appoint the Chairman as your proxy, or the Chairman is appointed as your proxy by default, new rules apply in respect of Resolutions 1, 5 and 6. Your attention is drawn to the important notice on the proxy form. Please note that the Chairman of the meeting intends to vote all undirected proxies held by him and which are able to be voted, in favour of all resolutions.

FINANCIAL REPORTS

The first item of the Notice of Annual General Meeting deals with the presentation of the consolidated annual financial report of the Company for the financial year ended 30 June 2011 together with the Directors' report in relation to that financial year and the auditor's report on the financial report. Shareholders should consider these documents and raise any matters of interest with the Directors when this item is being considered.

No resolution is required to be moved in respect of this item.

Shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions and make comments on the accounts and on the business, operations and management of the Company.

The Chairman will also provide shareholders a reasonable opportunity to ask the Company's auditor questions relevant to:

- the conduct of the audit;
- the preparation and content of the independent audit report;
- the accounting policies adopted by the Company in relation to the preparation of accounts; and
- the independence of the auditor in relation to the conduct of the audit.

RESOLUTION 1 - ADOPTION OF REMUNERATION REPORT

In accordance with section 250R(2) of the Corporations Act the Company is required to present to its shareholders the remuneration report as disclosed in the Company's 2011 Annual Report. The vote on the

Resolution is advisory only and does not bind the Directors or the Company. The Remuneration Report is set out in the Company's Annual Report and is also available on the Company's website (www.avitamedical.com).

The remuneration report explains the Board's policies in relation to the nature and level of remuneration paid to Directors, sets out remuneration details for each Director and any service agreements and sets out the details of any share based compensation.

In accordance with the recently introduced provisions of the Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act 2011, to the extent required by section 250(R)(4) and (5) of the Corporations Act, a vote on Resolution 1 must not be cast (in any capacity) by or on behalf of a member of the key management personnel, details of whose remuneration are included in the Remuneration Report, or a closely related party of such a member.

However, a person described above may cast a vote on Resolution 1 if the person does so as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and the vote is not cast on behalf of the key management personnel or closely related parties described above.

The term "key management personnel" has the meaning given in the accounting standards and broadly means those persons with the authority and responsibility for planning, directing and controlling the activities of the Company, and includes any director.

The term "closely related party" is defined in the new legislation to include, in respect of a member of key management personnel:

- a spouse or child of the member;
- a child or spouse of the member's spouse;
- a dependent of the member or the member's spouse;
- anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the Company;
- a company the member controls; or
- a person prescribed by regulations that may be made for this purpose.

Although the effect of Resolution 1 is advisory only, the recent amendments to the Corporations Act referred to above have also introduced what has been referred to as the 'two strikes' rule. Under this rule, companies will be required to put a resolution to shareholders to hold fresh elections for directors if at two consecutive annual general meetings more than 25% of the votes cast on a resolution (such as Resolution 1) to adopt the remuneration report are cast against that resolution. Accordingly, if 25% or more of the votes cast at the meeting on Resolution 1 are against that resolution, and (at the next annual general meeting in 2012) if 25% of

the votes are cast against the resolution to adopt the 2011/2012 remuneration report, then the Company will be required to propose a resolution to hold another general meeting within the following 90 days. If such a resolution is passed, then at the subsequent general meeting all Directors (other than a Managing Director) who were in office when the remuneration report was approved at board level will cease to hold office (but may, if eligible, stand for re-election).

Recommendation – all the Directors recommend that shareholders vote in favour of this resolution.

RESOLUTION 2 – RE-ELECTION OF IAN MACPHERSON AS A DIRECTOR

Under the Company's Constitution and the Listing Rules:

- (a) a Director must retire from office at the conclusion of the third annual general meeting after the Director was last elected; and
- (b) at each annual general meeting one-third of the Directors or, if their number is not a multiple of three, then the number nearest to but not more than one-third of the Directors must retire from office.

Pursuant to clause 56 of the Company's Constitution, Mr Ian Macpherson, being a Director, retires by way of rotation and, being eligible, offers himself for re-election as a Director.

Mr Macpherson was first appointed to the Board on 5 March 2008 as a non-executive Director and deputy chairman following completion of the merger with Visiomed Group Limited. Mr Macpherson is a graduate from the University of Western Australia with a Bachelor of Commerce. He commenced his career in commerce in 1978 prior to entering the Chartered Accounting profession. In July 1990 he resigned from the partnership of Arthur Anderson and Co to establish the firm of Ord Partners, Chartered Accountants.

Mr Macpherson advises on capital structuring, equity and debt raising, ASIC and ASX compliance procedures. He is a member of the Institute of Chartered Accountants in Australia. During the past three years Mr Macpherson has also served as a non-executive director of several ASX listed companies.

Recommendation – the Directors (other than Mr Ian Macpherson who abstains from making a recommendation) recommend that shareholders vote in favour of this resolution.

RESOLUTION 3 – RE-ELECTION OF FIONA WOOD AS A DIRECTOR

Under the Company's Constitution and the Listing Rules:

- (c) a Director must retire from office at the conclusion of the third annual general meeting after the Director was last elected; and

- (d) at each annual general meeting one-third of the Directors or, if their number is not a multiple of three, then the number nearest to but not more than one-third of the Directors must retire from office.

Pursuant to clause 56 of the company's Constitution, Dr Fiona Wood, being a Director, retires by way of rotation and, being eligible, offers herself for re-election as a Director.

Professor Wood was re-appointed to the Board on 11 April 2006 following her earlier resignation from the Board on 31 December 2005. Professor Wood is currently Director of the Western Australian Burns Service and Consultant Plastic Surgeon at both the Royal Perth and Princess Margaret hospitals. She is the Chairman of the McComb Research Foundation established in 1999 with co-founder Marie Stoner.

Dr Wood has been involved in a number of education and disaster response programs associated with her interest in burns and published a variety of papers over the years. In addition, she has been the recipient of the 2003 Australian Medical Association 'Contribution to Medicine' Award with an Order of Australia Medal for work with Bali bombing victims.

She was named West Australian of the Year for 2004 and 2005 and was named Australian of the Year in 2005.

Recommendation – the Directors (other than Dr Fiona Wood who abstains from making a recommendation) recommend that shareholders vote in favour of this resolution.

RESOLUTION 4 – RATIFICATION OF ISSUE OF SHARES TO LA JOLLA COVE INVESTORS INC.

On 17 May 2011 the Company announced that the convertible debt agreement entered into in June 2010 with investment group La Jolla Cove Investors Inc. ("La Jolla") had been retired.

The terms of this arrangement (which were announced to ASX) are that:

- the Company was to make a one-time cash payment of US\$200,000 to La Jolla;
- the Company was to issue 4,000,000 shares to La Jolla in exchange for the forfeiture of its rights to further convertible notes;
- issued shares will be held for a minimum of 12 months;
- following the 12-month escrow La Jolla may choose to sell the shares at a prescribed rate subject to market limitations; and
- 75% of the proceeds from sale of the shares held by La Jolla above AUD 12 cents will revert to Avita.

On 23 May 2011 the Company issued 4,000,000 shares to La Jolla in accordance with the terms of the arrangement.

Listing Rule 7.4 permits the ratification of a previous issue of securities made without prior shareholder

approval, provided the issue did not breach the 15% threshold under Listing Rule 7.1. The effect of such ratification is to restore a company's maximum discretionary power to issue further shares up to 15% of the issued capital of the company without requiring shareholder approval.

Pursuant to Resolution 4, the Directors are seeking ratification under Listing Rule 7.4 of the issue of the abovementioned 4,000,000 Shares in order to restore the right of the Company to issue further Shares within the 15% limit during the next 12 months.

The following information in relation to the Shares is provided to shareholders for the purposes of Listing Rule 7.5:

- (a) a total of 4,000,000 Shares were allotted and issued;
- (b) the Shares were issued on 23 May 2011 as part of the consideration given to La Jolla for the cancellation of the convertible note facility and agreement;
- (c) the Shares issued were fully paid ordinary shares in the capital of the Company and rank equally in all respects with the existing fully paid Shares on issue;
- (d) the Shares were issued to La Jolla, an unrelated party of the Company; and
- (e) no cash funds were raised from the issue.

Recommendation - all the Directors recommend that shareholders vote in favour of this resolution.

RESOLUTION 5 - RATIFICATION OF ISSUE OF OPTIONS TO EMPLOYEES

On 8 July 2011 the Company issued 750,000 Options to employees pursuant to the Company's Employee Share Option Plan.

Resolution 5 seeks shareholder approval pursuant to Listing Rule 7.4 to ratify the issue of these Options.

The primary purpose of the allotment of Options was to provide a long term incentive in order to retain and motivate key officers and key employees of the Company who are considered to be vital to the future success of the Company.

The following information in relation to the Options is provided to shareholders for the purposes of Listing Rule 7.5:

- (a) a total of 750,000 Options were issued as follows:

Tranche	Vesting Date	Number of Options	Exercise Price (\$)	Expiry
1	8/7/2011	150,000	\$0.14	1/7/2014
2	1/7/2012	250,000	\$0.14	1/7/2014
3	1/7/2013	350,000	\$0.14	1/7/2014
TOTAL		750,000		

- (b) The Options were issued for nil consideration;
- (c) The Options were issued on the terms and conditions of the Company's Employee Share Option Plan, a copy of the rules of which is attached as Annexure A to the Notice of Meeting, and subject to the vesting condition that the grantee remains in continuous employment from the date of grant to the Vesting Date;
- (d) The grantees of the Options were employees of the Company, none of whom are Directors or related parties of the Company; and
- (e) No funds were raised from the issue of the Options. It is anticipated that any funds raised on exercise of the Options will be used for general working capital purposes.

Recommendation - all the Directors recommend that shareholders vote in favour of this resolution.

In accordance with the recently introduced provisions of the Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act 2011, to the extent required by section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 5, if the proxy is either a member of the key management personnel for the Company or a closely related party of a member of the key management personnel for the Company, and the appointment does not specify the way the proxy is to vote on Resolution 5. However, this prohibition does not apply if the proxy is the Chair of the meeting and the appointment expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with remuneration of a member of the key management personnel of the Company.

RESOLUTION 6 - APPROVAL OF EMPLOYEE SHARE OPTION PLAN

As referred to at Resolution 5 above, the Company has established an option plan under which employees may be offered the opportunity to subscribe for Options ("Employee Options") in order to increase the range of potential incentives available to them and to strengthen links between the Company and its employees ("Plan").

Resolution 5 seeks to ratify a prior issue of Options made under the Plan. In respect of future issues, Shareholder approval is required if any issue of Employee Options pursuant to the Plan is to fall within an exception to the calculation of the 15% limit imposed by Listing Rule 7.1 on the number of securities which may be issued without shareholder approval. Accordingly, shareholder approval is sought (by way of Resolution 6) for the purposes of Listing Rule 7.2 Exception 9(b) which provides that Listing Rule 7.1 does not apply to an issue of securities under an employee incentive scheme where that issue has been approved by the holders of ordinary securities within three years of the date of issue of the issues.

The Plan is designed to provide incentives to the employees of the Company and to recognise their contribution to the Company's success. Under the Company's current circumstances, the Directors consider that the incentives to employees in the form of Options are a cost effective and efficient incentive for the Company as opposed to alternative forms of incentives such as cash bonuses or increased remuneration. To enable the Company to secure and retain employees who can assist the Company in achieving its objectives, it is necessary to provide remuneration and incentives to such personnel. The Plan is designed to achieve this objective, by encouraging continued improvement in performance over time and by encouraging personnel to acquire and retain shareholdings in the Company.

Under the Plan, the Board may offer to eligible persons the opportunity to subscribe for such number of Employee Options in the Company as the Board may decide and on the terms set out in the rules of the Plan, a copy of which is contained in Annexure A of this Explanatory Memorandum. Employee Options granted under the Plan will be offered to participants in the Plan on the basis of the Board's view of the contribution of the eligible person to the Company.

Shareholder approval for the purposes of Listing Rule 7.2 Exception 9(b) was last sought and obtained at the Company's Annual General Meeting on 28 November 2006 (and thus such approval has expired for the purposes of the Listing Rule).

In accordance with the requirements of Listing Rule 7.2 Exception 9(b) the following information is provided:

- (a) a copy of the rules of the Plan is attached as Annexure A to the Notice of Meeting; and
- (b) 3,775,000 Employee Options have been issued under the Plan since the date of the last approval. Of these 275,000 are made up of post 10:1 consolidation options. Of the total issued since the date of the last approval there were no Employee Options that were exercised and 275,000 Employee Options have lapsed.

In accordance with the recently introduced provisions of the Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act 2011, to the extent required by section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 6, if the proxy is either a member of the key management personnel for the Company or a closely related party of a member of the key management personnel for the Company, and the appointment does not specify the way the proxy is to vote on Resolution 6. However, this prohibition does not apply if the proxy is the Chair of the meeting and the appointment expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with remuneration of a member of the key management personnel of the Company.

RESOLUTION 7 - ELECTION OF AUDITOR

Ernst & Young has applied to ASIC for consent to resign as the Company's auditor (which consent is anticipated shortly). Grant Thornton Audit Pty Ltd has been duly nominated and has consented to act as the Company's auditor in accordance with sections 328A and 328B of the Corporations Act.

Recommendation - all the Directors recommend that shareholders vote in favour of this resolution.

GLOSSARY

"\$" means Australian dollars.

"**ASX**" means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

"**Board**" means the board of Directors.

"**Company**" means Avita Medical Limited ABN 28 058 466 523.

"**Constitution**" means the constitution of the Company.

"**Corporations Act**" means the *Corporations Act 2001* (Cth).

"**Director**" means a director of the Company.

"**La Jolla**" means La Jolla Cove Investors Inc.

"**Listing Rules**" means the Listing Rules of the ASX.

"**Notice**" means the notice of annual general meeting which accompanies this Explanatory Memorandum.

"**Option**" means an option to acquire a Share.

"**Resolution**" means a resolution proposed pursuant to the Notice.

"**Share**" means a fully paid ordinary share in the capital of the Company.

"**WST**" means Australian Western Standard Time.

ANNEXURE A

RULES OF AVITA MEDICAL LIMITED EMPLOYEE SHARE OPTION PLAN

Avita Medical Limited

ACN 058 466 523

**Avita Medical Limited Senior Employee
Option Scheme**

Avita Medical Limited

ACN 058 466 573

RULES OF THE AVITA MEDICAL LIMITED SENIOR EMPLOYEE OPTION SCHEME

1 NAME AND OBJECT

- 1.1 This Scheme will be called the "Avita Medical Limited Senior Employee Option Scheme".
- 1.2 The object of the Scheme is to:
- (a) provide a long term incentive in order to retain and motivate key officers and key employees of the Company or any Subsidiary of the Company who are considered to be key to the future success of the Company;
 - (b) recognise the ability and efforts of the key officers and key employees and their contribution to the future success of the Company; and
 - (c) enable the key officers and key employees to hold an equity interest in the Company.

2 DEFINITIONS AND INTERPRETATIONS

2.1 Definitions

In the Scheme, unless the context or subject matter otherwise requires:

"Application Form" means a duly completed and executed application for the issue of Options made by an Employee or Permitted Nominee (in the form approved by the Board from time to time), in respect of an offer of Options made under clause 3.1;

"approved foreign market" has the meaning given to it in Class Order 03/184 of the Australian Securities and Investments Commission;

"ASX" means ASX Limited ABN 98 008 624 691;

"Board" means the board of Directors of the Company;

"Business Day" means a day on which banks are open for business in Perth, excluding a Saturday, Sunday or public holiday;

"Company" means Avita Medical Limited ACN 058 466 523;

"Corporations Act" means the Corporations Act 2001;

"current market price" means the price of the Shares published by ASX as the final price for the previous day on which the Shares were traded on ASX;

"Death" means the death of a Participant;

"Date of Issue" means the date that the Board approves the issue of Options under the Scheme;

"Director" means a director or officer for the time being and from time to time of the Company or any Subsidiary of the Company;

"Employee" means any person employed by the Company or by any Subsidiary of the Company in either a part time or full time capacity, who, in the opinion of the Board, is a senior employee, and includes a Director or other officer who holds salaried employment or office with the Company or with any Subsidiary of the Company and **"Employment"** has a corresponding meaning;

"Exercise Price" means the amount that is payable per Share on the exercise of an Option determined in accordance with clause 7.1;

"Exercise Period" has the meaning set out in clause 7.2;

"Listing Rules" means the listing rules of ASX or the relevant Recognised Stock Exchange as the case may be;

"Market Price" means the volume weighted average closing sale price of Shares on ASX or the relevant Recognised Stock Exchange on the twenty (20) trading days immediately preceding the Date of Issue;

"Official Quotation" has the meaning given to it in the Listing Rules;

"Options" means options granted or to be granted under the Scheme to subscribe for Shares, each such option entitling the holder to subscribe for one Share and includes Vested Options;

"Participant" means an Employee to whom Options have been issued under the Scheme, or their estate in the event of Death;

"Permitted Nominee" has the meaning given to it by clause 3.4(b);

"Recognised Stock Exchange" means a stock exchange recognised by the Board;

"Retirement" means the termination of the Employee's Employment with the Company by reason of:

- (a) reaching the normal retirement age as determined by the Board from time to time;
- (b) participation in an early retirement scheme of the Company;
- (c) participation in a voluntary redundancy scheme of the Company;
- (d) being made redundant or being retrenched by the Company;
- (e) being approved for early retirement under any superannuation plan of the Company;

- (f) any illness or incapacity of the Employee which is accepted by the Board as necessitating the permanent withdrawal of the Employee from the work force; or
- (g) circumstances which the Board considers should be treated as Retirement for the purposes of the Scheme;

"Rules" means these rules of this Scheme;

"Share" means a fully paid ordinary share in the capital of the Company;

"Scheme" means the Avita Medical Limited Senior Employee Option Scheme established and operated in accordance with these Rules as amended from time to time;

"Subsidiary" has the meaning given to that term by Part 1.2 Division 6 of the Corporations Act;

"Tax" means any tax, levy, impost, GST, deduction, charge, rate, contribution, duty or withholding which is assessed (or deemed to be assessed), levied, imposed or made by any government or any governmental, semi-governmental or judicial entity or authority together with any interest, penalty, fine, charge, fee or other amount assessed (or deemed to be assessed), levied, imposed or made on or in respect of any or all of the foregoing; and

"Vested Options" means, where applicable, Options which have vested in accordance with **clause 6** that are, subject to clauses 7.2 and 7.3, capable of being exercised by a Participant.

2.2 Interpretation

In these terms and conditions, unless the contrary intention appears:

- (a) headings are used for ease of reference only and do not affect the meaning of the Scheme;
- (b) the singular includes the plural and vice versa and words importing gender include other genders;
- (c) a reference to the Scheme includes any schedules or annexures;
- (d) a reference to the Scheme includes a reference to the Scheme as altered or replaced from time to time;
- (e) words and expressions importing natural persons include partnerships and bodies corporate;
- (f) other grammatical forms of defined words or expression have corresponding meanings; and
- (g) reference to any legislation or provisions of any legislation includes any modifications or re-enactment of the legislation or any legislative provision substituted for, and all legislation and statutory instruments and regulations issued under, the legislation.

3 GRANT OF OPTIONS

3.1 Offer of Options

The Board, acting on behalf of the Company, may, from time to time in its absolute discretion or after recommendation of the CEO, offer such number of Options as it determines to any Employee, without any consideration being payable by the Employee (unless the Board decides otherwise), pursuant to, and subject to, the Rules.

3.2 Information in an Offer

Each offer of Options shall be accompanied by the following information:

- (a) the name and address of the Employee to whom the offer is made;
- (b) the number of Options being offered, the minimum number of Options and any multiple of such minimum or any other number which may be accepted;
- (c) the period within which the offer may be accepted;
- (d) the Exercise Period and expiry date of the Options;
- (e) the Exercise Price; and the method of calculation of the Exercise Price;
- (f) the manner in which the Employee must exercise the Options;
- (g) a copy of these Rules;
- (h) an undertaking to, and an explanation of the way in which the Company will, make the current market price available to the Employee during the period within which the offer may be accepted, within a reasonable period of the Employee requesting;
- (i) an undertaking that, unless at the time of the exercise of the Options the Shares will have been quoted on the financial market operated by ASX or an approved foreign market throughout the 12 month period immediately preceding the exercise date of the Options without suspension for more than a total of 2 trading days during that period, the Company will have a prospectus available in relation to the Shares which complies with the requirements of the Corporations Act;
- (j) a warning to the effect of clause 7.2(b); and
- (k) any other matters which the Board may determine.

3.3 Notice of Prospectus Lodged

Where the Company lodges a prospectus in relation to the Shares, and a Participant holding Options may exercise them before the expiry date of that prospectus, as soon as practicable after lodging the prospectus the Company must send to each such Participant:

- (a) a copy of the prospectus; or

(b) a statement which:

- (i) meets the requirements of section 734(6); and
- (ii) informs the Participant of the manner in which a copy of that prospectus may be obtained free of charge.

The Company need not comply with this clause 3.3 when its Shares have been quoted on the financial market operated by ASX or an approved foreign market throughout the 12 month period immediately before the offer of Options without suspension for more than a total of 2 trading days during that period.

3.4 Acceptance

(a) Upon receipt of an offer of Options, an Employee may within the period specified in the offer:

- (i) accept the whole or any lesser number of Options offered by giving to the Company an Application Form; or
- (ii) nominate a nominee in whose favour the Employee wishes to renounce the offer by notice in writing to the Board. The Board may, in its absolute discretion, resolve not to allow such renunciation of an offer in favour of a nominee without giving any reason for such decision.

(b) Upon:

- (i) receipt of the Application Form referred to in sub-clause 3.4(a); or
- (ii) the Board resolving to allow a renunciation of an offer in favour of a nominee ("**Permitted Nominee**") and the Permitted Nominee accepting the whole or any lesser number of Options offered by giving the Company an Application Form,

then the Employee or Permitted Nominee, as the case may be, will be taken to have agreed to be bound by these Rules and will be granted Options subject to these Rules.

(c) If Options are issued to a Permitted Nominee or an Employee, the Employee must, without limiting any provision in these Rules, ensure that the Permitted Nominee complies with these Rules.

(d) On the issue of Options following receipt by the Company of an Application Form, an Employee or the Permitted Nominee, as the case may be, becomes a Participant.

3.5 Restriction on Grants

The number of Shares to be received on exercise of the Options the subject of the offer under the Scheme when aggregated with:

- (a) the number of Shares which would be issued were each outstanding offer or Option, being an offer made or Options acquired pursuant to the Scheme or any other employee share scheme extended only to Employees or Directors of the Company, exercised; and
- (b) the number of Shares issued during the previous 5 years pursuant to the Scheme or any other employee share scheme extended only to Employees or Directors of the Company;

but disregarding any offer made, or Options acquired or Share issued by way of or as a result of:

- (c) an offer under the Scheme to a person situated at the time of receipt of the offer outside Australia; or
- (d) an offer under the Scheme that did not need disclosure to investors because of section 708 of the Corporations Act; or
- (e) an offer made under a disclosure document,

must not exceed 5% of the total number of issued Shares as at the time of the offer under the Scheme.

4 OPTION CERTIFICATE

The Company will issue a certificate or other written evidence of ownership in respect of each grant of Options to each Participant. The certificate or other written evidence will be in such form as the Board may prescribe from time to time.

5 QUOTATION

5.1 The Company will not apply for Official Quotation of any Options.

5.2 If Shares of the same class as those allotted pursuant to the exercise of Options granted under the Scheme are listed on the ASX, the Company must apply for Official Quotation of those Shares allotted pursuant to the exercise of Options within the time required by the Listing Rules after the date of allotment.

6 VESTING

Subject to **clauses 7.2** and **13**, the Board may determine what, if any, vesting conditions are to attach to any Options granted under this Scheme. For the avoidance of doubt, Options granted under this Scheme need not have any vesting conditions.

7 EXERCISE OF OPTIONS

7.1 Exercise Price

The Exercise Price shall be:

- (a) 15% above the Market Price rounded upwards to the nearest one (1) cent; or

(b) Any other price as may be determined by the Board.

7.2 Exercise Period

(a) Subject to this **clause 7** and to **clause 8**, Options will be exercisable by the Participant in accordance with **clause 9** for a period commencing on the date that the Options are granted or, if applicable, vested under **clause 6**, and expiring on the date being three (3) years from the date of grant of the Options, irrespective of the date the Options vested (if applicable), subject to and conditional upon the Participant remaining an Employee at the date of exercise. Options may not be exercised if they have lapsed.

(b) Notwithstanding sub-clause 7.2(a), Participants cannot exercise any Options unless either:

(i) a current prospectus in relation to Shares is available to them; or

(ii) the Shares have been quoted on the financial market operated by ASX or an approved foreign market throughout the 12 month period immediately preceding the exercise date of the Options without suspension for more than a total of 2 trading days during that period.

7.3 Number of Options Exercised

Irrespective of whether the Company is listed on the ASX, the Options may only be exercised in parcels such that the number of Shares required to be issued to a Participant on any occasion is not less than a marketable parcel (as defined in the Listing Rules).

8 LAPSE OF OPTIONS

8.1 Expiry of Exercise Period

Options will lapse on the earlier of the circumstances set out in **clause 8.2** or the expiry of the Exercise Period set out in **clause 7.2**.

8.2 Termination of Employment

Where termination of Employment occurs by what ever reason, the Participant will remain entitled to exercise the Vested Options at any time from the date of termination until expiry of the Vested Options.

9 PROCEDURE FOR EXERCISE OF OPTIONS

9.1 Notice

Subject to **clauses 7.2 and 7.3**, a Participant may exercise Vested Options, in whole or in part, by notice in writing (in the form prescribed by the Board) given by the Participant to the Company. Such notice must be lodged at the Company's principal office, specifying the number of Options being exercised, and accompanied by the relevant Option certificate (for cancellation) and payment in full of the Exercise Price in respect of the Options being exercised.

9.2 Issue of Shares

Subject to **clause 9.1**, the Company will issue to the Participant the number of Shares in respect of which Options have been validly exercised, such issue to be effected at any time, at the Board's discretion, after exercise of the Options but not later than 7 working days after receipt by the Company of a valid notice of exercise and the Exercise Price. All Shares issued upon exercise of Options will upon issue rank pari passu in all respects with the Shares in the Company.

10 ASSIGNMENT / TRANSFER

10.1 Assignment Restricted

Options must not be assigned, transferred or otherwise disposed of by a Participant unless otherwise permitted by the Board in its absolute discretion.

11 NEW ISSUES

11.1 Only on Allotment of Shares

A Participant may not participate, in relation to Options issued to the Participant, in new issues of securities by the Company except to the extent that they have validly exercised their Vested Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue of securities, the closing date will be at least 10 Business Days after the issue is announced in order that Participants may have the opportunity to exercise their Vested Options before the closing date for determining entitlement to participate in the issue.

11.2 No Change to Options

No change will be made to the number of Options or to the Exercise Price if the Company makes a new issue of shares or other securities convertible into shares, other than changes made in accordance with the Listing Rules.

12 RECONSTRUCTIONS

12.1 Adjustment

If there is a reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company, the number of Options or the Exercise Price or both will be adjusted or reconstructed (as appropriate) in a manner which will not result in any benefit or detriment being conferred on or suffered by the Participant which is not equally conferred on or suffered by the holders of Shares in the Company.

12.2 Listing Rules Apply

In determining the treatment of Options in the event of a reconstruction of the issued capital of the Company, the Board will, where appropriate, apply the rules set out in the Listing Rules applicable to the treatment of options on a capital reconstruction.

13 CHANGE OF CONTROL

In the event that:

- (a) a person has become entitled to not less than 50% of all Shares in the Company;
and
- (b) a statement is lodged with the ASX to the effect that a person has become entitled to not less than 50% of all Shares in the Company; or
- (c) pursuant to an application made to a court of competent jurisdiction, the court orders a meeting to be held in relation to a proposed compromise or arrangement for the purpose of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other entity; or
- (d) the Company passes a resolution for voluntary winding up; or
- (e) an order is made for the compulsory winding up of the Company;

all Options granted will immediately vest and be exercisable for a period of 30 days commencing on the date of the relevant event, after which time all Options will lapse.

14 AMENDMENT TO THE SCHEME

14.1 Amendment

Subject to **clause 14.2**, the Board may from time to time amend, vary or add to the Scheme without the consent of any Employee or Participant provided any amendment, variation or addition shall not adversely affect the rights attached to any Option previously granted under the Scheme.

14.2 Compliance with Law

No variation of the Scheme will be effective unless and until all applicable requirements of the Corporations Act and, if the Company is listed on ASX, the Listing Rules in relation to that variation have been fully complied with by the Company.

14.3 Board Decisions

A determination, decision, approval or opinion of the Board required pursuant to the Scheme to be made by the Board may be made by the Board in such manner as the Board sees fit and at the absolute discretion of the Board.

14.4 Board Decision Final

In the absence of manifest error, any determination, decision, approval or opinion of the Board as to the interpretation, effect or application of the Scheme will be final.

15 ADMINISTRATION

15.1 Administration of Scheme

The Scheme will be administered under the supervision of the Board which may determine:

- (a) appropriate procedures for administration of the Scheme; and
- (b) appropriate procedures and documentation for the grant of Options to Employees.

15.2 Matters Not Covered in Terms and Conditions

If any matter arises on or in connection with the Scheme or its operation for which provision is not made in these terms and conditions, that matter may be resolved or provided for in such a manner, not inconsistent with the Scheme, as the Board may in its discretion think fit.

16 OVERRIDING RESTRICTIONS ON GRANT OR EXERCISE OF OPTIONS

Notwithstanding any term or condition of this Scheme, no Option may be granted or exercised if to do so would contravene the Corporations Act or, if the Company is Listed, the Listing Rules or any other law applicable to the Company.

17 RIGHTS OF PARTICIPANTS

Nothing in this Scheme:

- (a) confers on any Employee the right to be offered with Options pursuant to clause 3.1;
- (b) confers on any Employee the right to continue as an Employee of the Company or any Subsidiary of the Company;
- (c) affects any rights which the Company or a Subsidiary of the Company may have to terminate the Employment of any Employee; or
- (d) may be used to increase damages in any action brought against the Company or a Subsidiary of the Company in respect of any such termination.

18 EXCLUSION OF PRIOR REPRESENTATIONS AND WARRANTIES

- (a) The Employee acknowledges that he or she has satisfied himself or herself in concluding to invest in the Company by acquiring Shares and in doing so has obtained his or her own legal, financial and taxation advice.
- (b) The Employee acknowledges further that he or she has not relied on any representations made to him or her as to the appropriateness of the Company as an investment vehicle.
- (c) The Employee acknowledges that the Options will not be listed on the ASX, and that an investment in the Shares may be illiquid, and agrees that the Company is not under any obligation to apply for quotation of the Options on the ASX.

19 BROKERAGE OR COMMISSION

No brokerage, commission, stamp duty or transaction costs will be payable by an Employee in relation to the issue or the exercise of any Options.

20 GOVERNING LAW AND JURISDICTION

(a) The terms and conditions of the Scheme shall be governed by and construed in accordance with the laws for the time being force in the State of Western Australia.

(b) Each Participant irrevocably and unconditionally submits to non-exclusive jurisdiction of the courts of the State of Western Australia and courts entitled to hear appeals from those courts.

21 COSTS AND EXPENSES

The Company will pay all expenses, costs and charges incurred in operating the Scheme.

22 TAXATION

The issue or exercise of Options under the Scheme may have implications regarding Tax for the Employee. The Company is not liable for any Tax that is or may be incurred by the Employee with respect to the Options and the Employee is encouraged to seek independent taxation advice in this regard.

23 NOTICES

(a) Any notice required to be given or delivered to the Company under the terms of the Scheme shall be in writing and addressed to the Company at its principal office.

(b) Any notice required to be given or delivered to the Employee shall be in writing and addressed to the Employee at the address last notified by the Employee to the Company.

(c) All notices shall be deemed effective upon personal delivery or upon deposit in the mail, postage prepaid and properly addressed to the party to be notified.

(d) If notices are sent by facsimile, notices shall be deemed effective upon receipt of a notice that the facsimile has been successfully transmitted.

24 TERMINATION OF SCHEME

The Scheme may be terminated at any time by resolution of the Board, but such termination will not affect or prejudice accrued rights of Participants holding Options at that time.

000001 000 AVH
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Lodge your vote:



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Proxy Form

For your vote to be effective it must be received by 2.00pm (WST) Wednesday 16 November 2011

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the information tab, "Downloadable forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form →



View the annual report, 24 hours a day, 7 days a week:

www.avitamedical.com

To view and update your securityholding:

www.investorcentre.com

Your secure access information is:

SRN/HIN: I999999999



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
 FLAT 123
 123 SAMPLE STREET
 THE SAMPLE HILL
 SAMPLE ESTATE
 SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf XX

I/We being a member/s of Avita Medical Limited hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Avita Medical Limited to be held at MGI Conference Room, Level 7 The Quadrant Building, 1 William Street, Perth, Western Australia on Friday, 18 November 2011 at 2.00pm (WST) and at any adjournment of that meeting.

Important for Items 1, 5 and 6 - If the Chairman of the Meeting is your proxy or is appointed as your proxy by default

By marking this box, you are directing the Chairman of the Meeting to vote in accordance with the Chairman's voting intentions on Items 1, 5 and 6 as set out below and in the Notice of Meeting. If you do not mark this box, and you have not directed your proxy how to vote on Items 1, 5 and 6, the Chairman of the Meeting will not cast your votes on Items 1, 5 and 6 and your votes will not be counted in computing the required majority if a poll is called on these items. If you appoint the Chairman of the Meeting as your proxy you can direct the Chairman how to vote by either marking the boxes in Step 2 below (for example if you wish to vote against or abstain from voting) or by marking this box (in which case the Chairman of the Meeting will vote in favour of Items 1, 5 and 6).

The Chairman of the Meeting intends to vote all available proxies in favour of Items 1, 5 and 6 of business.

I/We direct the Chairman of the Meeting to vote in accordance with the Chairman's voting intentions on Items 1, 5 and 6 (except where I/we have indicated a different voting intention below) and acknowledge that the Chairman of the Meeting may exercise my proxy even though Items 1, 5 and 6 are connected directly or indirectly with the remuneration of a member of key management personnel and even if the Chairman of the Meeting has an interest in the outcome of these items and that votes cast by the Chairman, other than as proxy holder, would be disregarded because of that interest.

STEP 2 Items of Business **PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

ORDINARY BUSINESS

	For	Against	Abstain
Item 1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 2 Re-election of Ian Macpherson as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3 Re-election of Fiona Wood as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 4 Ratification of Issue of Shares to La Jolla Cove Investors Inc	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 5 Ratification of Issue of Options to Employees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 6 Approval of Employee Share Option Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 7 Election of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote all available proxies in favour of each item of business.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1	Securityholder 2	Securityholder 3
<input style="width: 90%; height: 20px;" type="text"/>	<input style="width: 90%; height: 20px;" type="text"/>	<input style="width: 90%; height: 20px;" type="text"/>
Sole Director and Sole Company Secretary	Director	Director/Company Secretary

Contact Name _____ Contact Daytime Telephone _____ Date ____/____/____

