



Medical Diagnostic Systems

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE is given that the Annual General Meeting of Compumedics Limited (ACN 006 854 897) ("**the Company**") will be held at Compumedics Limited, 30-40 Flockhart Street, Abbotsford Victoria 3067 Australia on Thursday 21 October, 2004 at 10.30am.

At the Annual General Meeting, the financial statements of the Company for the year ended 30 June 2004 will be tabled and shareholders will be given the opportunity to raise any issues or ask any questions generally concerning the financial statements or the business operations of the Company.

In addition the following ordinary business will be decided upon:

1. Election of Directors

Election of Mr. Bruce Rathie as a director of Compumedics:

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

"That Mr. Bruce Rathie, having been nominated by the Board and being eligible, is elected as a director of Compumedics."

Explanatory notes

Resolution – Election of director

As noted in the Chairman's letter, Mr John Dyson has decided not to offer himself for re-election. The Board has conducted a process of identifying new candidates for election to the Board, to broaden the scope of the Board's skills and experience. As part of this process, a strong and extensive group of candidates were considered by way of a formal and independent search process. Mr. Bruce Rathie stood out in terms of his commerce, legal and merchant banking background. Mr. Rathie's nomination for election has been unanimously endorsed by the Board.

Biographical information concerning Mr Rathie follows:

Extensive experience in senior management roles and at director level with more than 16 years as a executive and non executive director of professional and business/ commercial enterprises both public and private. My operational and managerial experience in profit focused enterprises is first class and includes strategy development and implementation, finance/budgeting, legal/regulatory/ASX compliance and adherence to the highest standards of corporate governance. My directorship experience includes:

- MD/Chief Executive and Executive Director of major investment banks for over 10 years including Director of Ord Minnett Inc, Managing Director of Jardine Fleming Australia Capital Limited, Director of Jardine Fleming Australia Limited, Managing Director of JF Ord Minnett Capital Limited and Director of Salomon Brothers Australia Limited
- Executive Director/Member Finance & Audit Committee of then ASX listed services company TSE Group Limited for over 2 years
- Currently National Executive Director of Australian Institute of Management with over 35,000 members
- Currently Chairman & Non Executive Director of PolyNovo Biomaterials Pty Ltd a biotechnology joint venture between the CSIRO and the ASX listed Xceed Biotechnology Limited appointed by the CSIRO
- Currently Non Executive Director of UnitingCare Aging NSW & ACT which is the largest aged care service provider in NSW with over 90 facilities.

Corporate Finance/Investment Banking

15 years experience in the finance industry with high profile, global investment banks such as Salomon Brothers/SSB/Citigroup, Jardine Fleming/Robert Fleming now JPMorgan, Wardley/HSBC and Ord Minnett. Training received has been exceptional with resultant strong understanding of the finance/capital markets both debt and equity, M&A execution and strategy and industry/business fundamentals and dynamics across many industry sectors. I assumed responsibility on behalf of Salomon Brothers/SSB/Citigroup for some of the country's largest, successful transactions of their time including the privatization of Telstra (T1 and T2), \$5.2 billion privatization of Commonwealth Bank (CBA3), \$1.5 billion privatization of Qantas, \$600m hybrid issue by Woolworths, \$430 million acquisition of Smiths Snackfoods by United Biscuits PLC and the \$400 million trade sale of Parker & Parsley's Australian oil and gas assets amongst many others.

Legal

8 years experience with major firms/company in Australia. Very strong legal background blended with a commercial/deal doing outlook. Elevated to partnership early in my legal career, I ultimately set up and headed the Company & Tax Group within the successor firm to Clayton Utz in Brisbane. In mid 1984, I was approached for one of the most exciting corporate legal roles in the country at the time being that of Senior In-House Counsel to Bell Resources in Melbourne at the time of its first bid for BHP in the mid 1980's.

Your Directors recommend that members vote in favour of Mr. Rathie's election.

BY ORDER OF THE BOARD



David Lawson, Secretary
17 September, 2004