

**MEDEC LIMITED
ACN 100 531 191**

**NOTICE OF GENERAL MEETING
EXPLANATORY STATEMENT
PROXY FORM**

**General Meeting to be held at Seminar Room, Medec Limited, 22 Letchworth
Centre Avenue, Salter Point, Western Australia on Friday, 11 January 2008
commencing at 11:00am (WSST).**

This Notice of General Meeting and Explanatory Statement should be read in its entirety.
If Shareholders are in doubt as to how to vote, they should seek advice from their accountant, solicitor
or other professional advisor without delay

NOTICE OF GENERAL MEETING

Notice is given that the General Meeting of the Shareholders of Medec Limited (ACN 100 531 191) ("**Company**") will be held at the Seminar Room, Medec Limited, 22 Letchworth Centre Avenue, Salter Point, Western Australia on Friday 11 January 2008 commencing at 11:00 am.

ORDINARY BUSINESS

RESOLUTION 1: APPROVAL OF ACQUISITION OF ATOS WELLNESS LIMITED AND INCREASE IN SHAREHOLDING OF ANANDA RAJAH AND PATHMA AYADURAI

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

"That, for the purposes of Listing Rules and 10.11 and sections 208 and 611 of the Corporations Act 2001 and for all other purposes, the Company:

*(a) agrees to the acquisition by the Company from Ananda Rajah and Pathma Ayadurai ("**the Vendors**") (as more particularly described in the Explanatory Statement accompanying this Notice) of all of the issued share capital in the ATOS Group in consideration for the issue to the Vendors of a total of 97,656,250 ordinary fully paid Shares in the Company;*

(b) approve and authorise the Directors to issue to the Vendors a maximum of 97,656,250 ordinary fully paid shares in the capital of the Company as consideration for the acquisition described in the sub-paragraph (a) above;

(c) consent and agree to the acquisition by the Vendors, by way of issue referred to in sub-paragraph (b) above, of 97,656,250 ordinary shares in the capital of the Company,

in each case on the terms and subject to the conditions more particularly described in the Explanatory Statement accompanying this Notice."

Voting Exclusion Statement

The Company will disregard any votes cast on this resolution by Ananda Rajah or Pathma Ayadurai or their associates or anyone who might obtain a benefit, except a benefit solely in the capacity as a holder of ordinary securities, if the resolution is passed, or any associate of those people. However the Company need not disregard a vote on this resolution if:

- it is cast by those people excluded from voting as proxy, appointed in writing for a person who is entitled to vote, in accordance with the directions on the proxy form and is not cast on behalf of a person excluded from voting or their associates; or
- it is cast by a person chairing the General 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.

RESOLUTION 2: AGREEMENT TO CONVERTIBLE LOAN FROM UNITED AUTO CO PTE LTD

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

"That, for the purposes of Listing Rule 7.1 and for all other purposes, the Company approve the issue of fully paid ordinary Shares in the Company to United Auto Co Pte Ltd or its nominees at a price and on the terms and conditions of a convertible loan agreement between the Company and United Auto Co Pte Ltd and as set out in the Explanatory Statement attached to this Notice of General Meeting.

Voting Exclusion Statement

The Company will disregard any votes cast on this resolution by United Auto Co Pte Ltd or its associates or anyone who might obtain a benefit, except a benefit solely in the capacity as a holder of ordinary securities, if the resolution is passed, or any associate of those people. However the Company need not disregard a vote on this resolution if:

- it is cast by those people excluded from voting as proxy, appointed in writing for a person who is entitled to vote, in accordance with the directions on the proxy form and is not cast on behalf of a person excluded from voting or their associates; or
- it is cast by a person chairing the General 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.

SPECIAL BUSINESS

RESOLUTION 3: CHANGE OF COMPANY NAME

To consider and if thought fit to pass the following resolution as a **special resolution**:

"That, for the purposes of section 157 of the Corporations Act 2001 and for all other purposes, the Company change its name from 'Medec Limited' to 'Atos Wellness Ltd'."

Note: Resolution 3 will not be put to the meeting unless resolution 1 is carried.

GENERAL NOTES

EXPLANATORY STATEMENT

The accompanying Explanatory Statement and Independent Expert's Report forms part of this Notice of General Meeting and should be read in conjunction with it.

Shareholders are specifically referred to the Glossary in the Explanatory Statement, which contains definitions of capitalised terms used in this Notice of General Meeting.

PROXIES

Please note that:

- (a) a Shareholder entitled to attend and vote at the General Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company;
- (c) a Shareholder may appoint a body corporate or an individual as its proxy;

- (d) a body corporate appointed as a Shareholder's proxy may appoint an individual as its representative to exercise any of the powers that the body may exercise as the Shareholder's proxy; and
- (e) Shareholders entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed proxy form provides further details on appointing proxies and lodging proxy forms. If a Shareholder appoints a body corporate as its proxy and the body corporate wishes to appoint an individual as its representative, the body corporate should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company or its share registry in advance of the General Meeting or handed in at the General Meeting when registering as a corporate representative.

VOTING ENTITLEMENTS

In accordance with Regulations 7.11.37 and 7.11.38 of the Corporate Regulations 2001, the Board has determined that a person's entitlement to vote at the General Meeting will be the entitlement of that person set out in the register of Shareholders as at 11:00am (WST) on 9 January 2008. Accordingly, transactions registered after that time will be disregarded in determining Shareholder's entitlement to attend and vote at the General Meeting.

By Order of the Board of Directors

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Lloyd A Halvorson
Company Secretary
Medec Limited



EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Company's General Meeting.

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company, which is material to a decision on how to vote on the resolutions in the accompanying Note of General Meeting.

Capitalised terms in this Explanatory Statement are defined in the Glossary.

This Explanatory Statement should be read in conjunction with the Notice of General Meeting and the enclosed Independent Expert's Report and should be read in full before making any decision in relation to the resolutions.

RESOLUTION 1: APPROVAL OF ACQUISITION OF ATOS LIMITED AND INCREASE IN SHAREHOLDING OF ANANDA RAJAH AND PATHMA AYADURAI

Background Information and Description of Transaction

On 25 May 2007, the Company signed a heads of agreement with the major shareholders of Singapore companies ATOS Wellness Pte Ltd and Inahamani Pte Ltd ("**the ATOS Group**") to acquire 75.5% of the issued share capital of the ATOS Group.

Following further extensive negotiations between the parties, on 15 and 31 October 2007 the Company signed an amended heads of agreement with the major shareholders of ATOS Group to vary the earlier agreement so that the Company is to acquire 100% of the issued share capital of the ATOS Group ("**the ATOS Agreement**").

ATOS is a well-established business that has been operating in Singapore for 23 years and operates 4 exclusive wellness centres and a wholesale and retail business for the Company and related products in the health and wellness industry.

The ATOS Agreement provides that the total consideration payable by the Company is to be by way of the issue of Shares to the vendor shareholders, Ananda Rajah and Pathma Ayadurai ("**the Vendors**"). The acquisition and payment of the consideration Shares is to occur in 2 stages in the following terms:

Stage 1

On 14 January 2008 (or such later date as the parties agree but no later than one month after Shareholder approval), the Vendors will transfer to the Company 50.5% of the shares in the ATOS Group (being 25.25% from each of the Vendors) and the Company will issue 49,316,406 ordinary fully paid Shares to the Vendors. One half of these Company Shares issued to the Vendors are to be held in escrow until 31 December 2010 and to be released from escrow only upon the ATOS Group meeting the EBIDTA Profit Guarantee described below.

Stage 2

On 8 February 2008 (or such later date as the parties agree but no later than one month after Shareholder approval), the Vendors will transfer to the Company 49.5% of the shares in the ATOS Group (being 24.75% from each of the Vendors) and the Company will issue 48,339,844 ordinary fully paid Shares to the Vendors. One half of these Company Shares issued to the Vendors are to be held in escrow until 31 December 2010 and to be released from escrow only upon the ATOS Group meeting the EBIDTA Profit Guarantee described below.

The Agreement also contains the following terms:

- The deemed purchase price for the acquisition is \$11,718,750;
- The deemed issue price of the Medec Shares is 12 cents per share;
- The parties agree an exchange rate, for the purposes of the Agreement, of AUD\$1 = S\$1.28;
- The Vendors voluntarily submit to escrow, until 31 December 2010, 50% of the Shares issued to them under the Agreement; and

- The Vendors guarantee the profits of the ATOS Group for the period 1 January 2008 to 31 December 2010 to be an average EBDITA of S\$2.5million per year (“the EBIDTA Profit Guarantee”).

The Agreement is subject to:

- the approval of the Shareholders of the Company;
- the transfer of assets and business from ATOS Consumer Products Pte Ltd, Slimline Studio Pte Ltd and Slimcare Studio Pte Ltd to the ATOS Group;
- an independent expert forming the view that the transaction proposed by the Agreement is fair and reasonable to the Shareholders of the Company; and
- the parties completing a business plan that demonstrates sufficient funding.

Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act regulates the provision of financial benefits to related parties by a public company. Section 208 of the Corporations Act prohibits a public company giving a financial benefit to a related party unless one of a number of exceptions applies. The Company is of the view that none of the exceptions are likely to apply to this resolution.

A “financial benefit” is defined in the Corporations Act in broad terms and includes a public company issuing securities and making an offer to issue securities.

For the purposes of Chapter 2E of the Corporations Act, the Directors and their spouses or de facto spouses are related parties of the Company. Any person who was a related party continues to be a related party for 6 months after they leave that position. Further, any person who the entity (in this case Medec) has reasonable grounds to believe will become a related party in the future, is a related party.

Section 208 of the Corporations Act provides that for a public company to give a financial benefit to a related party of that company, the public company must:

- (a) obtain the approval of members in the way set out in Sections 217 to 227; and
- (b) give the benefit within 15 months after the approval.

If this resolution is passed, securities will be issued to Ananda Rajah and Pathma Ayadurai. Mr Rajah was a Director in the 6 months prior to the original offer to issue and, pursuant to the extended definition of related party found in the Corporations Act, was a related party of the Company at the time of the offer. Ms Ayadurai is the spouse of Mr Rajah and accordingly was also a related party of the Company at the time of the offer. Medec has reasonable grounds to believe Mr Rajah may become a related party in the future.

For the avoidance of doubt, the Company is seeking shareholder approval for the purposes of Chapter 2E of the Corporations Act in respect of the Shares to be issued to a former Director, who is a likely to be a future Director, and that Director’s spouse who were offered the issue of those Shares within 6 months of leaving the position of Director.

Chapter 10 of the Listing Rules

Listing Rule 10.11 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of securities to a related party of the Company. A “related party” under the Listing Rules has the same meaning as under the Corporations Act as described above. Under Listing Rule 10.13.3 the issue of securities must be made within 1 month of the approval.

Approval pursuant to Listing Rule 7.1 is not required in order to grant the Shares to Mr Rajah and Ms Ayadurai where approval is being obtained under Listing Rule 10.11. Shareholders should note that the issue of securities to the Mr Rajah and Ms Ayadurai will not be included in the 15% calculation for the purposes of Listing Rule 7.1.

Listing Rule 10.13 sets out a number of matters which must be included in a notice of meeting proposing an approval under Listing Rule 10.11. Those matters are dealt with below.

Chapter 6 of the Corporations Act

Chapter 6 of the Corporations Act regulates takeovers and large-scale acquisitions of certain companies. Section 606 of the Corporations Act prohibits a person from acquiring securities that would move their voting power in the company from below 20% to above 20%. Section 611 provides for a number of exceptions to this prohibition including obtaining shareholder consent.

If this resolution is approved Mr Rajah and Ms Ayadurai will hold more than 20% of the Company's share capital.

Information for shareholders

For the purposes of shareholder approval of the issue of the Shares under this resolution and requirements of Listing Rule 10.11 and sections 208 and 606 of the Corporations Act, the following additional information is provided:

1. the Shares will be issued to Siva Ananda Rajah who was a Director of the company ceasing 30 November 2006 and his spouse, Pathma Sivaguru Ayadurai;
2. the maximum number of Shares the Company may issue for this acquisition is 97,656,250;
3. currently Mr Rajah and Ms Ayadurai hold 1,146,851 shares following cancellation of 9,059,447 shares at the Annual General Meeting of the Company held on 30 November 2007;
4. If the Shares, the subject of this resolution are issued the total voting Shares held by Mr Rajah and Ms Ayadurai will be 98,803,101 and increasing their voting shares by up to 42.6% giving them control of up to 55.1% of the Company's voting shares;
5. the deemed issue price of the Shares is 12 cents;
6. the Company will issue the first tranche of 49,316,406 Shares as soon as practicable but no later than 1 month after the date of this General Meeting and will issue the second tranche of 48,339,844 Shares on or about 8 February 2008 but in any event no later than 1 month after the date of this General Meeting;
7. the Shares will be issued on the same terms as the Company's existing ordinary fully paid shares save that half of the Shares issued will be subject to voluntary restriction until 31 December 2010;
8. no funds will be raised pursuant to the Share issue, however, the Company will in consideration acquire 100% of the issued share capital of the ATOS Group;
9. Mr Rajah and Ms Ayadurai intend to direct Medec's policies to focus on core business of healthcare and wellness; and
10. Mr Rajah and Ms Ayadurai do not intend to alter the financial dividend policies of Medec.

Directors Recommendations

Each of the current Directors recommends that Shareholders vote in favour of the resolution.

Proposed Share Issue is Fair and Reasonable

The Independent Expert's Report ("IER") concludes that the proposed issue of Shares to Mr Rajah and Ms Ayadurai is fair and reasonable to non-associated Shareholders. Shareholders should consider the enclosed Independent Expert's Report in detail. The IER bases its conclusions upon terms of the transaction that differ, although not significantly, from the final terms agreed between the parties and detailed above.

In particular, Shareholders should note that the IER places values upon the ATOS Group of between \$7,752,000 and \$10,994,000 and values the consideration offered as between \$5,468,70 and \$6,933,594 while the parties have agreed between them (primarily for the purposes of issue price of the Shares) a deemed purchase price of \$11,718,750.

The other differences are as follows:

- The IER bases its conclusions upon terms of the transaction that differ, although not significantly, from the final terms agreed between the parties and detailed above. The differences are as follows:
- The IER assumes an agreed exchange rate for calculations of AUD\$1 = S\$1.32 but the final agreed terms of the transaction agree and exchange rate of AUD\$1 = S\$1.28. The effect of this is that the any failure by the Vendors to meet profit guarantees will mean that result in the forfeiture of approximately 1% fewer Shares;
- The IER assumes that the Mr Rajah and Ms Ayadurai currently hold 10,206,298 Shares and will, post transaction, hold 107,862,548 Shares. These figures were accurate pending the cancellation of 9,059,447 Shares held by them at the Company's recent AGM. Following that cancellation, the actual current shareholding is 1,146,851 Shares and post the transaction, will be 98,803,101 Shares;
- Consistent with the IER's assumptions about the current shareholdings, the IER assumes pre and post transaction percentage share controls of 12.5% and 60.25 respectively. In fact the pre and post transaction percentages are 1.4% and 55.1%.

RESOLUTION 2: ISSUE OF SHARES TO UNITED AUTO CO PTE LTD

Background Information

On 23 November 2007, the Company signed a convertible loan agreement with United Auto Co Pte Ltd ("United") to obtain a borrowing facility for up to \$500,000 with terms that include the right for United to convert any part the loan and interest outstanding under that agreement to ordinary shares in the Company. The terms of that agreement are described in detail below.

Convertible Loan Agreement

The important terms of the convertible loan agreement are:

- The loan agreement is subject to the approval of the shareholders of the Company.
- United grants a facility to the Company for the Company to borrow from United up to \$500,000, in tranches of at least \$50,000 per draw down, over the period of 18 months following the execution of the loan agreement.
- The Company will procure its subsidiary, Body Contours Pte Ltd, to grant to United a fixed and floating charge over the assets and undertaking of Body Contours Pte Ltd to secure any money owing under the loan agreement.
- The Company will pay a fee of \$5000 to United and will pay interest to United on the amounts drawn down at the rate that is 3% above the rate charged by Westpac Bank for its overdrafts.
- The Company may only use the funds for working capital.
- Funds drawn down under the loan are repayable within 36 months following advance, or earlier in the case of default or a major capital raising by the Company.
- United may, at its election and at any time within 18 months of execution of the loan agreement, convert any part of its loan to ordinary securities in the Company. Only advances requested and made within 3 months of the approval of shareholders, may be converted. The conversion rate will be at the weighted average market price of the Company's shares on the ASX over the 5 trading days preceding the day on which United's election is made.
- The right to conversion is subject to the terms and conditions appearing as an annexure to this explanatory statement.

Listing Rule 7.1

Listing Rule 7.1 broadly provides, subject to certain exceptions, that shareholder approval is required for any issue of securities where the securities proposed to be issued represent more than 15% of the Company's ordinary fully paid shares currently on issue.

Listing Rule 7.3 sets out a number of matters that must be included in a notice of meeting proposing an approval under Listing Rule 7.1. Those matters are dealt with below.

Information for shareholders

This information has been included so that, pursuant to Listing Rule 7.1, shareholders may approve the proposed issue of Shares to United Auto Co Pte Ltd at varying prices depending on the date of drawdown.

For the purposes of shareholder approval of the issue of the Shares under this resolution and requirements of Listing Rule 7.3, the following information is provided to Shareholders:

1. The maximum number of Shares that the Company will issue will depend on the following 3 factors:
 - a. The amount of money that the Company draws down from United under the convertible loan agreement which will be a maximum of \$500,000;
 - b. The proportion, if any, of the loans advanced by United that United elects to convert to Shares;
 - c. The market conditions during the 5 days preceding any notice by United to convert loan to Shares.
2. The number of Shares to be issued will be equal to the amount of the loan advanced (as a sum of draw-downs not repaid) that United Auto Co Pte Ltd elects to convert, divided by the weighted average market price of the Company's shares on the ASX during the 5 trading days preceding notice of that election. For example, based on the market prices preceding this notice of meeting, the maximum number of shares that might be issued would be 9,433,622 (based on a loan amount of \$500,000 and a market price of 5.3 cents.)
3. the issue price of the securities may be at varying prices depending on the date of drawdown and the market conditions as discussed above:
4. the Shares will be issued to United or the express nominee(s) of United;
5. the Shares will be issued on the same terms and rank equally in all respects as the Company's existing ordinary fully paid Shares;
6. the funds raised pursuant to the Share issue will be used for working capital; and
7. the Company will issue shares during the 18 months following advances by United but the only advances that will give rise to convertible loans will be those occurring not later than 3 months following the date of this general meeting or at such other time as modified by the ASX waiver or amendment to the listing rules.

Shareholders approval is being sought for the issue of the maximum number of Shares contemplated by the agreement between the Company and United, on the assumption that the maximum loan will be drawn down within 3 months of this meeting and that United will elect to convert all of the loan to Shares. It is possible that the number of Shares that will be issued might be significantly less.

RESOLUTION 3: CHANGE OF COMPANY NAME

This resolution seeks shareholders approval to change the name of the Company to Atos Wellness Ltd. The Directors consider that the proposed change of name aligns the Company with the name of what will be, if Resolution 1 is carried, the Company's major undertaking.

Section 157 of the Corporations Act 2001 requires that in order for a company to change its name, the Company must pass a special resolution at a general meeting of shareholders. A special resolution requires 75% of all votes cast on the resolution to be cast in favour of the resolution before it can be passed.

GLOSSARY

In this Explanatory Statement, the following terms have the following meanings unless the context otherwise requires:

“\$” or “AUD\$” means Australian Dollars;

“S\$” means Singapore Dollars;

“Associate” has the meaning given in the Corporations Act;

“ASX” means ASX Limited (ACN 008 624 691);

“Board” means the Company’s board of Directors;

“Company” means Medec Limited (ACN 100 531 191);

“Corporations Act” means the *Corporations Act 2001* (Cth);

“Directors” means directors of the Company;

“Explanatory Statement” means the information attached to the Notice of General Meeting, which provides information to shareholders about the resolutions contained in the Notice of General Meeting;

“Listing Rules” means Listing Rules of the ASX;

“Notice of General Meeting” means the notice of meeting which accompanies this Explanatory Statement;

“Share” means ordinary fully paid shares issued in the capital of the Company;

“Shareholder” means a holder of an interest in the Company; and

“WSST” means Western Standard SummerTime.

Enclosure – Independent Expert’s Report.

TERMS AND CONDITIONS OF RIGHT TO CONVERT LOANS

- The right to conversion will only apply to advances by the Lender to the Company made within 3 months of the approval of shareholders of the Company;
- The right to conversion will come into existence upon the advance by the Lender to the Company;
- No monies will be payable for the right to conversion;
- The Company will issue the Lender with a certificate for the right to conversion;
- The right to conversion will expire upon conversion, repayment of the loan or otherwise at the expiration of 18 months following the execution of the convertible loan agreement (“the expiry date”);
- The right of conversion is a right in favour of the Lender to subscribe for one fully paid ordinary share in the capital of the Company for each portion of the applicable advances that represents the weighted average market price of the Company’s shares on the ASX over the 5 trading days preceding the day on which the Lender gives notice of its election to convert (“the conversion price”);
- The Lender may exercise its right to convert at any time prior to the expiry date;
- Shares allotted to the Lender on exercise of the right to convert will be issued at the conversion price;
- The exercise of the right to conversion immediately releases the applicable debt obligation of the Company to the Lender;
- The right of conversion is exercisable only by the delivery to the registered office of the Company of a notice in writing stating the intention of the Lender to exercise the right to

conversion over all or a specified portion of the Company's applicable loan balance and nominating the proposed allottees;

- The Company will allot the resultant shares to the Lender or the Lender's nominee(s) and deliver the holding statement within ten business days of the exercise of the right to conversion;
- The right to conversion is not transferable;
- Shares issued pursuant to the right to conversion will rank, from the date of allotment, equally with existing ordinary shares in the Company in all respects;
- The Company will, in accordance with the ASX Listing Rules, apply to list for quotation, shares allotted pursuant to the exercise of the right to conversion;
- In the event of any re-organisation of the issued capital of the Company (including consolidation, subdivisions, reduction or return) the rights to conversion will be changed to the extent necessary to comply with the ASX Listing Rules applying to a re-organisation of capital at the time of the re-organisation'
- The rights to conversion do not give any right to participate in dividends, bonus issues or entitlement issues until shares are allotted pursuant to the exercise of the right to conversion. There is no right to change of the exercise price of the right to conversion if the Company completes a bonus or entitlements issue.

**MEDEC LIMITED
ACN 100 531 191**

PROXY FORM

Shareholder Details

Name:

Address:

Contact Telephone No:

Contact Name (if different from above):

Appointment of Proxy

I/We being a shareholder/s of Medec Limited and entitled to attend and vote hereby appoint the following proxy/proxies to attend and act on my/our behalf and to vote in accordance with my/our following directions at the General Meeting of Medec Limited to be held at Seminar Room, Medec Limited, 22 Letchworth Centre Avenue, Salter Point, Western Australia on 11 January 2008 at 11:00 am (WSST) and at any adjournment of that meeting.

The Chairman of the meeting (mark with an "X")

IMPORTANT:

If the Chairman of the meeting is your proxy, or if appointed your proxy by default and you do **not** wish to direct him/her how to vote on any of these resolutions, you must mark this box with an "X". The Chairman of the meeting intends to vote undirected proxies in favour of the resolutions.

By marking this box, you acknowledge that the Chairman of the meeting may exercise your proxy on the resolutions (for which you have not given a direction) even if he/she has an interest in the outcome of any resolution and that votes cast by him/her (other than as proxy holder) will be disregarded because of that interest.

OR

If you do not mark this box, and you have not directed your proxy how to vote on the resolution, the Chairman of the meeting will not cast your votes on the resolution (for which you have not given a direction) on a show of hands or on a poll.

If the person you are appointing as your proxy is someone other than the Chairman of the meeting: Write the name of that person in the box below.

 %

You must specify the % of your votes that you authorise your proxy to exercise if:

If you hold 2 or more Shares in Medec Limited you may appoint a second proxy: Write the name of your second proxy in the box below.

- (a) you have only appointed 1 proxy and do not want him/her to exercise all of your votes;
- (b) if you have appointed 2 proxies under this proxy form.

 %

If you do not name your proxy or named proxy fails to attend the meeting, the Chairman of the meeting will be appointed as your proxy to attend and act on your behalf to vote in accordance with the following directions at the General Meeting of Medec Limited to be held at the address and time shown on this Proxy Form.

Voting directions to your proxy

please mark only one of the boxes with an "X" for the resolution to indicate your direction

Ordinary Business

		FOR	AGAINST	ABSTAIN
Resolution 1	Acquisition of ATOS and Issue of Shares to Ananda Rajah and Pathma Ayadurai	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Agreement to issue shares pursuant to convertible loan from United Auto Co Pte Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Special Business

Resolution 3:	Change of Company Name to Atos Wellness Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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If you mark the "Abstain" box with an "X" for the resolution, you are directing your proxy not to vote on your behalf on a show of hands or on a poll.

PLEASE SIGN HERE

This section *must* be signed in accordance with the instruction overleaf to enable your directions to be implemented

Individual or Shareholder 1

**Sole Director and
Sole Company Secretary**

Shareholder 2

Director

Shareholder 3

**Director/Company
Secretary**

How to complete this Proxy Form

1. Your Name and Address

Please print your name and address as it appears on your holding statement and the Company's share register. If Shares are jointly held, please ensure the name and address of each joint shareholder is indicated. Shareholders should advise the Company of any changes. Shareholders sponsored by a broker should advise their broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

2. Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box at the beginning of this proxy form. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that persons or persons in the relevant box at the beginning of this proxy form. If you leave that section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the Company.

3. Votes on Resolution

You may direct your proxy how to vote by placing a mark in the box opposite the Resolution in the list above. All your shareholding will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on the Resolution by inserting percentage or number of shares you wish to vote in the appropriate box. If you do not mark the box on the Resolution, your proxy may vote as he or she chooses. If you mark more than one box on a Resolution your vote on that Resolution will be invalid.

4. Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on poll. If you wish to appoint a second proxy please write the name of that person.

To appoint a second proxy you must state (in the appropriate box) the percentage of your voting rights which are the subject of the relevant proxy. If the Proxy Form does not specify a percentage, each proxy may exercise half your votes. Fractions of votes will be disregarded.

5. Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

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

Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the company's share registry. If you have not previously lodged this document for notation, 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 indicate the office held by signing in the appropriate place.

If a representative of the corporation is to attend the meeting a "Certificate of Appointment of Corporation Representative" should be produced prior to admission.

6. Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at the address given below not later than 48 hours before the commencement of the meeting. ie. no later than 11:00am (WSST) on 9 January 2008. Any Proxy Form received after that time will not be valid for the scheduled meeting.

This Proxy Form may be mailed or delivered to the Company's registered office at 22 Letchworth Centre Avenue or sent by facsimile to the registered office on +(61 8) 9450 7422.