Eastland Medical Systems LTD

6th March, 2007

The Manager,
The Company Announcements Office,
Australian Stock Exchange Limited,
Level 4, 20 Bridge Street,
Sydney. N.S.W. 2000.

By e-lodgement 7 pages

Dear Sir,

NOTICE OF EXTRAORDINARY GENERAL MEETING.

In terms of ASX Listing Rules, we enclosed the following documents which are being sent to the Company's shareholders today:

1. Notice of Extraordinary General Meeting of Eastland Medical Systems Ltd to be held on Wednesday 11th April, 2007 at 2.00pm (WST), Celtic Club Inc., 48 Ord Street, West Perth,
2. Proxy Form with instructions
3. Explanatory Memorandum.

Yours sincerely,

T.P. Strahan.
Company Secretary.

Unit 6
680 Murray Street
West Perth
Western Australia
6005

PO Box 898
West Perth
Western Australia
6872

[T] 61 8 9481 1844
[F] 61 8 9486 4998

ACN 090 987 250

NOTICE OF
EXTRAORDINARY GENERAL MEETING.

Eastland Medical Systems LTD

ABN. 35 090 987 250

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the Shareholders of *Eastland Medical Systems Ltd* ACN. 090 987 250 ("Company") will be held at the Celtic Club Inc, 48 Ord Street, West Perth WA on Wednesday 11th April, 2007 at 2.00p.m. (WST)

AGENDA

Ordinary Business

Resolution 1 – Ratification of Allotment of previous Issue of Shares.

Resolution 1.1 Allotment of 220,000 shares

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

"That pursuant to Listing Rule 7.4 of the Listing Rules of Australian Securities Exchange Limited, and for all other purposes, shareholders ratify the allotment and issue of 220,000 fully paid ordinary shares issued for cash at $0.0924 cents per share, to Chief Executive Officer Dermot Patterson ."

Voting Exclusion: The Company will disregard any votes cast on this resolution by the recipient of this allotment, Dermot Patterson and any associates of that person.

Resolution 1.2 – Allotment of 234,962 shares

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

"That pursuant to Listing Rule 7.4 of the Listing Rules of Australian Securities Exchange Limited, and for all other purposes, shareholders ratify the allotment and issue of 234,962 fully paid ordinary shares issued for cash at $0.133 cents per share, to Kellett Island Pty Ltd.

Voting Exclusion: The Company will disregard any votes cast on this resolution by the recipient of this allotment, Kellett Island Pty Ltd and any associates of that entity.

Resolution 1.3 – Allotment of 1,333,333 shares

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

"That pursuant to Listing Rule 7.4 of the Listing Rules of Australian Securities Exchange Limited, and for all other purposes, shareholders ratify the allotment and issue of 1,333,333 fully paid ordinary shares issued at $0.12 cents per share as an adjustment to the part settlement, to acquire 50% of the share capital of Ampack Medical Pty Ltd." (Refer to the Explanatory Memorandum attached)

Voting Exclusion: The Company will disregard any votes cast on this resolution by the recipient, Adriaan van der Giezen of this allotment, and any associates of that person.

Resolution 1.4 – Allotment of 20,000,000 shares

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

"That pursuant to Listing Rule 7.4 of the Listing Rules of Australian Securities Exchange Limited, and for all other purposes, shareholders ratify the allotment and issue of 20,000,000 fully paid ordinary shares issued at $0.10 cents per share to Acon Actienbank AG." (Refer to the Explanatory Memorandum attached)

Voting Exclusion: The Company will disregard any votes cast on this resolution by the recipients, Acon Actienbank AG of this allotment, and any associates of that entity.

Voting Exclusion Statement :
However, the entity need not disregard a vote if;

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

DETERMINATION OF VOTING ENTITLEMENTS

In accordance with regulation 7.11 of the Corporations Regulations 2001 [Cwlth] for the purposes of the meeting, persons holding shares at 2nd March, 2007 at 5.00 p.m. (WST) will be treated as shareholders. This means that if you are not the registered holder of a relevant share at that time you will not be entitled to attend and vote in respect to that share at the Extraordinary General Meeting.

Dated: this 1st day of March 2007.

By Order of the Board,

T Strahan

....

Trevor Strahan

Company Secretary

A member is entitled to attend and vote, or to appoint a proxy to attend and vote in his/her stead. That person need not be a member of the company, but should be a natural person over the age of 18 years. Forms must be lodged at the registered office not less than 48 hours before the timing of the meeting.

Form of Proxy

Extraordinary General Meeting

Eastland Medical Systems LTD

ABN 35 090 987 250

I/We

....of...,

being a member/s of Eastland Medical Systems Ltd, and entitled to attend and vote hereby appoint:

.... of .... or in his/her absence,

☐ The Chairman of the Meeting (mark with an 'X')

the Chairman of the Meeting, as my/our proxy to vote on my/our behalf at the Extraordinary General Meeting of the Company to be held at 2.00 pm (WST) on Wednesday 11th April, 2007 or at any adjournment of that meeting.

Individual /Security holder 1 Director	Security holder 2 Director/Secretary	
		this day of 2007

Please sign here

Ordinary Business:		**For**	**Against**	**Abstain**
Resolution 1.	**Ratify allotment of previous Issue of Shares.**			
Resolution 1.1	Ratify the Allotment of 220,000 ordinary shares to Dermot Patterson.	☐	☐	☐
Resolution 1.2	Ratify the allotment of 234,962 ordinary shares to Kellett Island Pty Ltd.	☐	☐	☐
Resolution 1.3	Ratify the allotment of 1,333,333 ordinary shares to Adriaan van der Giezen	☐	☐	☐
Resolution 1.4	Ratify the Allotment of 20,000,000 ordinary shares to Acon Actienbank AG.	☐	☐	☐

Appointing a second Proxy.

I/We wish to appoint a second proxy

☐ Mark with an 'X' if you wish to appoint a second proxy AND ☐ % OR ☐ State the percentage of your voting rights of the number of securities for this Proxy Form

Level 2,680 Murray Street, West Perth, Western Australia, 6005 **Telephone: (61 8) 9481 1844**

Post Office Box 898, West Perth, Western Australia 6872 **Facsimile: (61 8) 9486 4998**

Instructions to complete this Proxy Form

1	**Your Name and Address** This is your name and address as it appears on the share register of Eastland Medical Systems Ltd. If this information is incorrect, please mark the box and make the correction on the form. Security holders sponsored by a broker should advise their broker of any changes. **Please note, you cannot change ownership of your shares using this form.**
2	**Appointment of a Proxy** If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. 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 person. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy and vote on your behalf. A proxy may be an individual or a corporation, but need not be a security holder of Eastland Medical Systems Ltd.
3	**Votes on Items of Business** You may direct your proxy how to vote by placing a mark in one of the three boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy will vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.
4	**Appointment of a Second Proxy** If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the share registry of Eastland Medical Systems Ltd or you may copy this form. When more than one proxy is appointed, neither proxy is entitled to vote on a show of hands. To appoint a second proxy you must: (a) indicate that you wish to appoint a second proxy by marking the form. (b) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities applicable to that form. If the appointment does not specify the percentage or number of the shareholders' voting rights each proxy may exercise half the votes (c) return both forms together in the same envelope.
5	**Signing Instructions and Authorised Signature(s)** You must sign this form as follows in the spaces provided:

	Joint Holding :	where the holding is in more than one name all of the holders must sign
	Power of Attorney:	if signed under a Power of Attorney, this document must have already been lodged with the registry, or alternatively, attach a certified photocopy of the Power of Attorney to this Proxy Form when you return it.
	Companies:	a Director can sign jointly with another Director or a Company Secretary. A sole Director who is also a sole Company Secretary can also sign. A sole Director of a corporation without a Company Secretary can sign, pursuant to s127 of the Corporations Act 2001. Please indicate the office held by signing in the appropriate space.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the share registry or Eastland Medical Systems Ltd administration.

Lodgement of 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 2.00 pm 9 April, 2007 being 48 hours before the commencement of the meeting. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Documents may be lodged using the reply paid envelope or:
by posting, or

By facsimile to Eastland Medical Systems Ltd share registry at the addresses opposite:

Eastland Medical Systems Ltd share registry:
Advanced Share Registry Services
PO Box 1156
Nedlands. W.A. 6909 Australia

Facsimile 61 8 9389 7871

EASTLAND MEDICAL SYSTEMS LTD
ABN. 35 090 987 250

EXPLANATORY MEMORANDUM TO SHAREHOLDERS TO ACCOMPANY NOTICE OF EXTRAORDINARY GENERAL MEETING

The purpose of this Explanatory Memorandum (which is included in and forms part of the Notice of Extraordinary General Meting dated 1st March 2007) has been prepared for the information of shareholders in relation to the business to be conducted at the Company's 2007 Extraordinary General Meeting to be held on Wednesday 11th April, 2007.
The Explanatory Memorandum provides shareholders with information that is reasonably required by shareholders to decide how to vote upon the resolutions. The Directors recommend that shareholders read this document before determining their vote on these resolutions. If you have any questions regarding the matters set out in this Explanatory Memorandum or the preceding notice, please contact the Company, your financial advisor, stockbroker or solicitor.

Ordinary Business.

Resolution 1: Ratification of Allotment of Previous Issue of Securities.

Resolution 1.1 On 17 October 2006 the Company issued 220,000 ordinary shares in the Company at $0.0924 cents per share, being a 10% discount to the volume weighted average market price for the preceding 5 days trading on the ASX. This issue was to Mr. Dermot Patterson the Company's Chief Executive Officer for cash. Mr. Patterson was appointed to the Board on 1 December 2006.

Resolution 1.2 On 3 November 2006 the Company issued 234,962 ordinary shares in the Company at $0.133 cents per share as consideration to Kellett Island Pty Ltd for services associated with the acquisition of Westcoast Surgical & Medical Supplies in August 2006.

Resolution 1.3 On 3 November 2006 the Company issued 1,333,333 ordinary shares in the Company at $0.12 cents per share being an adjustment to the part of the purchase consideration to acquire 50% Shareholding of Ampack Medical Pty Ltd. The Ampack contract allowed for an adjustment to the share settlement price 90 days after settlement to reflect the average weighted market prices for the 5 days trading to 1 November 2006.

Resolution 1.4 On the 30 November 2006, the Company entered into an International Placement Agreement with ACON Actienbank AG for a private placement of up to 20,000,000 ordinary shares at $0.10 cents per share. During the period 30th November to 22nd December 2006 the Company completed 4 tranches for the issued 20,000,000 ordinary shares at $0.10 cents raising $2 million.

All of these shares have the same terms and conditions and will rank equally with existing shares on issue.

Note: ASX Listing Rule 7.1 states that prior approval of shareholders is required for an issue of securities if the securities when aggregated with the securities issued by a company during the previous 12 months, exceed 15% of the number of securities on issue at the commencement of that 12 month period. The Company is permitted to issue up to 15% of its securities within any 12 month period without shareholder approval.
ASX Listing Rule 7.4 states that an issue by a company of securities made without approval under Rule 7.1 is treated as having been made with such approval if the issue did not breach Rule 7.1 and the company's members subsequently approve the issue.
This resolution seeks shareholder approval for, and ratification of the issue of securities as stated above.

NB. ***All of the above allotments have been made within the 15% ceiling permitted under Listing Rule 7.1. This will provide the Company greater flexibility in managing future share issues, by reinstating the 15% threshold of its total ordinary shares in any twelve month period."***

Voting Exclusion:
The Company will disregard any votes cast on each separate resolution by that director where by:

- any Director of the Company, and
- any associates of any one or more of the Directors of the Company.

However, the Company need not disregard a vote if:

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

Definitions.

In this Explanatory Memorandum the following terms have these meanings:

ASX	means the stock exchange operated by Australian Securities Exchange Limited
Board	means the Board of Directors of the Company
Company	means Eastland Medical Systems Ltd (ABN 35 090 987 250)
Director	means a Director of the Company
Explanatory Memorandum	means this memorandum
Listing Rules	means the listing rules of the Australian Securities Exchange Limited
Meeting	means the Meeting convened by this notice
Notice	means the notice of Extraordinary General Meeting accompanying this Explanatory Memorandum
Resolution	means a Resolution set out in Notice of Meeting
Shareholder	means a Shareholder in the Company