Company Announcement

Wednesday 25 January 2006

EGM, new company name to accompany refined company strategy

Melbourne, Australia

Epitan Limited today announced that it will hold an EGM on Thursday 23 February 2006 in Melbourne (full details attached). The purpose of the EGM is to seek shareholder approval for a number of resolutions as detailed below. In addition, the recently appointed CEO Dr Philippe Wolgen will be presenting a refined company strategy and clinical program for EPT1647.

The resolutions are as follows:

- Ratification of prior issues of shares
- Approval of proposed issue of shares to funds controlled by ACM
- Approval of proposed subscription of shares by Dr Roger Aston
- Approval of proposed subscription of shares by Mr Iain Kirkwood
- Approval of proposed issue of options to Dr Philippe Wolgen
- Approval of proposed change of Company name

Epitan is seeking approval by shareholders to change the company's name to **Clinuvel Pharmaceuticals Limited**. This name, once approved, will encompass both Epitan and the procurement and distribution business – EpiPharm. Management believes that the name Epitan does not fully cover the potential scope of its underlying asset EPT1647 and the range of activities of the company. A generic company name will more appropriately address the unmet clinical needs currently being investigated for EPT1647 and the pharmaceutical distribution company.

Dr Wolgen said: "Since my appointment as CEO in November 2005, I have thoroughly reviewed the clinical pathway to commercialisation for EPT1647 and have implemented a

Epitan Limited abn 88 089 644 119
Level 13, 1 Collins Street, Melbourne Victoria 3000 Australia **Telephone** +61 3 9660 4900 **Facsimile** +61 3 9660 4999 www.epitan.com

number of changes which will increase the chances for more timely approval of this drug. I look forward to sharing the refined company strategy with shareholders at the EGM."

For more information contact:
Davina Gunn, Investor Relations & Marketing, Epitan Limited, Tel: +61 3 9660 4900
investorrelations@epitan.com.au
Richard Allen, Oxygen Financial Public Relations, Tel: +61 3 9915 6341

-End-

Epitan Limited
ABN 88 089 644 119

All correspondence to:
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia
Enquiries (within Australia) 1300 850 505
(outside Australia) 61 3 9415 4000
Facsimile 61 3 9473 2555
www.computershare.com

000001
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EPT
MR JOHN SMITH 1
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Tuesday 24 January 2006

Dear Shareholder,

I have pleasure in enclosing a Notice of Meeting and accompanying Explanatory Statement which details the business of an Extraordinary General Meeting of Epitan Limited to be held at the offices of Minter Ellison, Level 23, 525 Collins Street, Melbourne at 10am on Thursday 23 February 2006.

As announced on 19 October 2005, the Company completed a placement to a number of institutional and private investors based in Australia and several European countries including the UK, Switzerland, Germany and Spain, raising funds of approximately, $6.9 million. Further, the Directors have now resolved to take advantage of the interest shown in the Company by one of its institutional investors, Absolute Capital Management (ACM) to implement a further capital raising which may provide the company with further working capital of up to $10 million over an 18 month period. Details of how the funds received to date, together with the funds proposed to be raised, have been or will be used are set out in the attached Explanatory Statement.

During the next 18 months, the Company will be focused on advancing the EPT1647 clinical trial program in Australia, Europe and USA. In addition the Company will look to expand the marketing, distribution and sales of the dermatology business in Australia and New Zealand.

The Company has called this EGM to attend to a number of important matters.

- Ratification of prior issues of shares
- Approval of proposed issue of shares to funds controlled by ACM
- Approval of proposed subscription of shares by Dr Roger Aston
- Approval of proposed subscription of shares by Mr Iain Kirkwood
- Approval of proposed issue of options to Dr Philippe Wolgen
- Approval of proposed change of Company name

The Company is seeking approval by Shareholders to change the Company's name to **Clinuvel Pharmaceuticals Limited**. This name, once approved, will encompass both Epitan and the procurement and distribution business – EpiPharm. Management believes that the name Epitan does not fully cover the potential scope of its underlying asset EPT1647 and the range of activities of the Company. A generic company name will more appropriately address the unmet clinical needs currently being investigated for EPT1647 and the distribution company.

The Resolutions are set out in the Notice of Meeting and further details in respect of each Resolution are included in the Explanatory Statement. For the reasons set out in the Explanatory Statement, your Directors unanimously recommend approval of the proposed Resolutions. If you cannot attend the EGM, you are strongly urged to complete the attached Proxy Form. The Proxy Form and the power of attorney or other authority (if any) under which it is signed (or a certified copy) must be received as soon as possible and in any event by no later than 10am on 21 February 2006.

The recently appointed CEO Dr Philippe Wolgen will be presenting a refined **company strategy** at this EGM. Your Directors look forward to your support for the Resolutions and attendance at the EGM.

Yours sincerely

Dr Roger Aston
Chairman

THIS IS AN IMPORTANT DOCUMENT

AND REQUIRES YOUR ATTENTION

If you are in any doubt as to how to deal with it, please consult your financial or other professional adviser.

EPITAN LIMITED
ACN 089 644 119

EXPLANATORY STATEMENT

and

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is given that an Extraordinary General Meeting of Epitan Limited will be held at the offices of Minter Ellison, Level 23, 525 Collins Street, Melbourne 3000 at 10am on 23 February 2006.

In this document you will find:

1. An Explanatory Statement containing an explanation of, and information about, the proposed Resolutions.
2. Notice of Meeting.
3. Proxy Form.

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EPITAN LIMITED
ACN 089 644 119

EXPLANATORY STATEMENT

IMPORTANT NOTICE

This Explanatory Statement is an explanation of, and contains information about the Resolutions proposed. It is given to the Company's Shareholders to help them determine how to vote on the Resolutions set out in the accompanying Notice of Meeting.

Shareholders should read this Explanatory Statement in full because individual sections do not give a comprehensive review of the Resolutions and their subject matter. This Explanatory Statement forms part of the accompanying Notice of Meeting and should be read with the Notice of Meeting.

If you are in doubt about what to do in relation to the proposed Resolutions, you should consult your financial or other professional adviser.

This Explanatory Statement is dated Tuesday 24 January 2006.

DEFINITIONS

In this Explanatory Statement, the following terms have the meanings set out below:

$ or A$ means Australian dollars.

ASX means Australian Stock Exchange Limited.

Board means the Board of Directors, or where the relevant powers or authorities are delegated by the Board to a sub-committee of the Board, that sub-committee.

Company means Epitan Limited ACN 089 644 119.

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

Director means a director of the Company from time to time.

EPT1647 means the Company's leading drug candidate EPT1647, for which the Company holds exclusive worldwide rights in the field of use for melanogenesis.

FDA means Food and Drug Administration (United States).

Listing Rules means the official listing rules of ASX from time to time.

Meeting means the extraordinary general meeting of Shareholders to be convened in accordance with the Notice of Meeting to be held at the offices of Minter Ellison, Level 23, 525 Collins Street, Melbourne 3000 at 10am on Thursday 23 February 2006.

MHRA means Medicines and Healthcare Products Regulatory Agency (UK).

Milestone means a milestone referred to in section 2.2 of this Explanatory Statement.

Notice of Meeting means the Notice of Extraordinary General Meeting dated Tuesday 24 January 2006 referred to in, and which accompanies, this Explanatory Statement.

Option means an option to acquire a Share on the terms set out in the schedule.

Proxy Form means the proxy form attached to and forming part of the Notice of Meeting.

Resolution means a resolution referred to in the Notice of Meeting.

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

Shareholders means the holders of Shares.

TGA means Therapeutic Goods Association (Australia).

Voting Exclusion Statement means the statement required under Listing Rule 14.11 which advises that certain persons are prevented under the Listing Rules from voting on specific Resolutions contained in the Notice of Meeting.

1. RESOLUTION 1: RATIFICATION OF PRIOR ISSUES OF SHARES

1.1 Background

As announced to ASX during October and November 2005, the Company assisted by Mariner Corporate Finance successfully raised $6.9 million via a private placement to institutional and private investors based in Australia and several European countries, including the UK, Switzerland, Germany and Spain. A total of 20,621,211 Shares were placed at $0.33 per Share representing a 6.1% discount to the five-day volume weighted average Share price prior to the placement (the **Prior Issues**).

The Shares the subject of Prior Issues were issued in accordance with the Listing Rules, in particular Listing Rule 7.1 which allows the Company, in any 12 month period, to issue or agree to issue securities up to and equal in number to 15% of the Company's issued share capital, without Shareholder approval.

Pursuant to Listing Rule 7.4, the Company may subsequently obtain approval for prior issues of securities from Shareholders. In doing so, the Company then 'refreshes' its ability under Listing Rule 7.1 to issue up to 15% of its issued capital in any 12 month period.

Accordingly, the Company is seeking Shareholder ratification of the Prior Issues under Listing Rule 7.4.

1.2 Summary of Prior Issues

As set out above, a total of 20,621,211 Shares were placed at $0.33 per Share. The persons to whom the Prior Issues were made are set out at section 1.3 below.

1.3 Information required under Listing Rule 7.5

In order to obtain approval of Resolution 1 under Listing Rule 7.4, the Company is required to provide certain information in accordance with Listing Rule 7.5. This information is set out below.

Number of securities issued

The Prior Issues have resulted in the Company issuing 20,621,211 Shares.

Allottees

The details of the persons to whom the Prior Issues were made on **25 October 2005** are as follows:

Allottee	Number of Shares issued
Absolute Octane Fund Limited	3,030,030
Wennmann & Partner AG	3,000,000
Banque SCS Alliance SA	1,212,121
Adam Kravitz	303,030
Wilson Asset Management Capital Ltd	636,363
Wilson Asset Management Equity	272,727
Cadence Capital	424,242
The Myer Family Corporation Pty Ltd	3,030,303

Allottee	Number of Shares issued
Telstra Super Pty Ltd	303,030
Milne Asset Management	350,000
Gravcon Pty Ltd	60,606
ABN AMRO (Account No 2)	303,030
ABN AMRO (Account No 3)	757,576
Opis National Nominees	1,000,000
Dr John Pike	166,667
EL & C Baillieu Stockbroking Ltd	1,300,000
Larke Family Superannuation Fund	151,515
Moggs Creek Superannuation Fund	151,515
Luke Robinson	137,879
Total	**16,590,908**

The details of the persons to whom the Prior Issues were made on **8 November 2005** are as follows:

Allottee	Number of Shares issued
Navigator Investments Holding IV Limited	3,030,303
Australian IT Investments Ltd	1,000,000
Total	**4,030,303**

Terms of the securities

The Shares, the subject of the Prior Issues, are fully paid ordinary shares in the capital of the Company which ranked, from the date of issue, equally with all then existing issued Shares.

Use of the funds raised

The funds raised by the Prior Issues were and will be:

(a) used to fund further development of EPT1647 and advance the clinical program in Australia, Europe and USA;

(b) expand the marketing, distribution and sales of the EpiPharm business in Australia and New Zealand

(c) applied to general working capital requirements.

Voting Exclusion Statement

The Voting Exclusion Statement relating to Resolution 1 is included in the Notice of Meeting.

1.4 Effect of Shareholder Approval

If approved, Resolution 1 will ratify and approve the previous issues of a total of 20,621,211 Shares.

1.5 Advantages of ratifying the Prior Issues

The Directors believe that the following advantages will accrue if Shareholders approve Resolution 1:

- the Company will refresh its ability to issue securities under Listing Rule 7.1. This will enable the Company to move quickly to undertake corporate actions such as:
  - securing necessary funding as the need or opportunity arises;
  - reducing cash outlays by issuing securities in lieu of consultants and other fees;
  - issuing incentive options to staff;
  - making acquisitions through the issue of securities rather than cash; and
  - the Company will not incur the administrative costs which would be associated with holding a meeting of Shareholders every time the Company wanted or needed to issue securities in the period before the 15% limit refreshed itself through the passage of time.

1.6 Disadvantages of ratifying the Prior Issues

The Directors believe that the following disadvantages may accrue if Shareholders approve Resolution 1:

- refreshing the Company's ability to issue further securities up to and equal in number to 15% of the Company's issued capital may result in future dilution to Shareholders without their approval in the period before the 15% limit refreshed itself through the passage of time; and
- without the Company having to obtain Shareholder approval for further issues of securities, Shareholders will not have the control over the Company's security issue process to the extent granted to them by the Listing Rules in the period before the 15% limit refreshed itself through the passage of time.

2. RESOLUTION 2 – APPROVAL OF ISSUE OF SECURITIES

2.1 Background

As announced to ASX on 9 January 2006 an agreement has been reached with Absolute Capital Management (**ACM**) under which the Company (subject to obtaining Shareholder approval if required by law and otherwise in compliance with the Listing Rules), has offered to issue further securities to ACM or funds managed by ACM in order to provide the company with further working capital of up to $10 million over the 18 months from the date of entry into the agreement.

2.2 Summary of proposed issue

As set out above, the maximum funds which may be raised under the agreement with ACM (**Agreement**) is $10 million. The key terms of the Agreement are set out below:

Achievement of Milestones

Under the terms of the Agreement, the Company may make an offer to ACM to subscribe for Shares within 30 business days of achievement of a Milestone. The Milestones are as follows:

I Announcement of the appointment of Philippe Wolgen as Chief Executive Officer of the Company and Hank Agersborg as Chief Scientific Officer of the Company.

II Expiry of the relevant statutory period without the FDA objecting to the Company's Investigation New Drug filing, enabling it to conduct a trial in the United States of EPT1647.

III Approval from a recognised regulatory authority (e.g. TGA/FDA/MHRA) in Australia, United States or Europe for the conduct of a Phase III trial of EPT1647.

IV Execution of an agreement with a corporate partner in the United States or Europe with an aggregated value to the Company of not less than $15 million.

V Admission to trading on the AIM market of the London Stock Exchange plc.

Milestone I was satisfied by the Company on 28 November 2005. The remaining Milestones II to V are not in any particular chronological order.

At any time during the term of the Agreement, the Company may resolve that any one or more of the Milestones set out above are either no longer appropriate or no longer achievable prior to the expiry of the Agreement. Accordingly, if the Board so resolves, the Company reserves the right to move forward with its development by identifying one or more replacement Milestones. If agreed with ACM, the relevant Milestones will be replaced with the new agreed Milestones.

Term

The Agreement expires on the earlier of:

(a) the date 18 months after the date of the Agreement, whether or not all or any Milestones have been achieved; and

(b) if all Milestones have been achieved, the date 31 business days after the achievement of the last Milestone, unless an offer to subscribe for Shares under the Agreement has been issued in respect of that last Milestone, in which case the business day after the closing date of that offer.

Share price

The price per Share offered to ACM is:

0.91 x ACP

where ACP equals the average of the closing price on ASX of the Shares for the 30 days up to and including the fifth day after the announcement on ASX of the achievement of the relevant Milestone.

The total subscription amount payable by ACM upon achievement by the Company of each Milestone is as follows:

Milestone *	Total Subscription Amount (in $)
I	1,000,000
II	3,000,000
III	2,000,000
IV	3,000,000
V	1,000,000
Total	**10,000,000**

* In the event a Milestone is changed as described above, the subscription amount in respect of that Milestone may also be changed

Other

Under the terms of the Agreement, if ACM is unable to subscribe for all of the Shares offered to it by the Company (on the basis that such subscription would cause it to be in breach of section 606 of the Corporations Act), that number of Shares which ACM must subscribe for shall be reduced to the extent required to allow it to comply with section 606 of the Corporations Act (a provision which prohibits a person acquiring shares in a company if such acquisition would result in that person's voting power in the company increasing to more than 20%). In those circumstances, the Company may request ACM provide a loan for the amount of subscription monies which would otherwise have been applied to subscription for Shares.

Subject to agreement as to the other terms of the loan, the term of such loan is 18 months, subject to early repayment at the Company's discretion. Interest is payable quarterly in either cash or Shares. To the extent interest is paid in cash, the applicable interest rate is 5% per annum. To the extent interest is paid in Shares, the applicable interest rate is 10% per annum. Repayment of the loan amount may be by way of cash or Shares. If interest or principal is paid or repaid in Shares, the Shares will be issued at the same price as the subscription price which otherwise would have applied to ACM's subscription for the Shares.

Further, if any time during the term of the Agreement, the Company makes, or announces, any placement of Shares at a price which is lower than the issue price of the previous tranche of Shares issued to ACM, the Company must issue to ACM such number of additional Shares for nil consideration, such that those additional Shares when aggregated with the last tranche of Shares issued to ACM, results in ACM holding the number of Shares it would have received had it subscribed the funds under the previous tranche at the lower issue price.

2.3 Shareholder approval

Under Listing Rule 7.1, the prior approval of Shareholders is required to an issue of securities if the securities will, when aggregated with securities issued by the Company during the previous 12 months, exceed 15% of the number of securities on issue at the commencement of that 12 month period.

2.4 Information required under Listing Rule 7.3

Listing Rule 7.3 requires the following information about Resolution 2 to be given to Shareholders:

Maximum number of securities to be issued or formula for calculating the number of securities the entity is to issue

The maximum number of Shares to be issued will depend upon the issue price. The issue price is not presently known. The formula to determine the number of Shares to be issued is set out below, where the number of Shares (**NS**) will be:

NS = TSA/IP

where:

TSA = Total Subscription Amount for the relevant tranche of Shares; and

IP = the issue price per Share for the relevant tranche of Shares (as specified under the heading 'issue price of securities' below).

Date by which the entity will issue the securities

The issue of the Shares is subject to the achievement by the Company of the Milestones. Upon achievement of a Milestone, the Company will offer ACM the opportunity to subscribe for the Shares within 30 business days of achievement of a Milestone. The issue of the Shares will occur within five business days of receipt by the Company of the formal acceptance of the offer by ACM.

With the exception of Milestone I which has already been achieved by the Company, the Company is unable to determine the date on which it will achieve the Milestones and therefore be required to issue the Shares under the terms of the Agreement. To that end, the Company has received a waiver from the ASX in relation to Listing Rule 7.3.2 which would ordinarily require the date of issue of the Shares to ACM to be no more than three months after the date of Shareholder approval.

Shareholders should note that as set out in section 2.2 above, Milestone I has already been achieved by the Company. As such, upon receipt of Shareholder approval to Resolution 2, the Company will issue the following Shares to ACM (as soon as possible and, in any event no later than one month after the date of the Meeting):

$1,000,000 / 0.3128 = 3,196,931 Shares

Issue price of the securities

The issue price (**IP**) per Share will be as follows:

IP = 0.91 x ACP

where ACP equals the average of the closing price on ASX of the Shares for the 30 days up to and including the fifth day after the announcement on ASX of the achievement of the relevant milestone.

As set out above, since Milestone I has been achieved by the Company, it is possible to determine the issue price of the Shares to be issued in relation to that Milestone. The issue price per Share for that tranche of Shares will be:

0.91 x 0.3438 = $0.3128

Name of allottees (if known) or the basis upon which allottees will be identified or selected

The allottee(s) are funds under the control of Absolute Capital Management.

Terms of the securities

The Shares to be issued are fully paid ordinary shares which will rank equally with all other existing Shares from the date of issue.

Intended use of the funds raised

The funds raised pursuant to the issue of the Shares will be used to raise additional working capital to assist in the funding of the Company and to meet recurring operating costs during 2006 and 2007. In particular, it is intended that funds raised will be used to:

- further develop EPT1647 and advance the clinical program in Australia, Europe and USA;
- seek approval from a recognised regulatory authority (e.g. TGA/FDA/MHRA) in Australia, United States or Europe for the conduct of a Phase III trial of EPT1647;
- negotiate an agreement with a corporate partner in the United States or Europe with an aggregated value to the Company of not less than $15 million; and
- facilitate admission to trading on the AIM market of the London Stock Exchange plc.

Voting exclusion statement

A voting exclusion statement relating to Resolution 2 is included in the Notice of Meeting.

2.5 Advantages of approving the proposed issue of Shares

The Directors believe that Shareholder approval of Resolution 2 will result in the Company being able to refresh its ability to issue securities under Listing Rule 7.1 and take full advantage of the interest shown in the Company by one of its institutional investors. The Directors believe that the funds raised by the proposed issue of Shares will place the Company in a solid financial position to progress its active trial program and to seek a listing on the AIM market of the London Stock Exchange, thereby potentially attracting further European investors.

Most importantly, if Shareholders do not approve Resolution 2, the agreement with ACM may not proceed or, alternatively, any issues of Shares to ACM may require the Company to seek prior Shareholder approval, which will result in the Company incurring additional administrative costs and may restrict the Company's ability to raise funds from ACM.

2.6 Disadvantages of approving the proposed issue of Shares

See the disadvantages of ratifying the issues listed under Resolution 1 above.

3. RESOLUTIONS 3 AND 4 – APPROVAL OF PROPOSED SUBSCRIPTION OF SHARES BY DR ROGER ASTON AND MR IAIN KIRKWOOD

3.1 Summary of proposed issue

The Company proposes to issue:

(a) 75,757 Shares at $0.33 per Share to Dr Roger Aston, a non-executive Director; and

(b) 303,030 Shares at $0.33 per Share to Mr Iain Kirkwood, the former managing director of the Company.

3.2 Shareholder approval

Under Listing Rule 10.11, the Company must obtain the approval of Shareholders by ordinary resolution before it can issue securities to a related party or a person whose relationship with the Company or a related party is, in ASX's opinion, such that Shareholder approval should be obtained. Dr Roger Aston, being a current non-executive Director, is a related party of the Company. Mr Iain Kirkwood, having resigned from his position as managing director on 28 November 2005, has been a director of the Company in the previous six months and is therefore also a related party of the Company for the purposes of Listing Rule 10.11. The proposed issue of Shares to each of Dr Aston and Mr Kirkwood therefore requires Shareholder approval under Listing Rule 10.11.

Shareholders should note that the issue of Shares is not under any form of employee incentive scheme. Also, Shareholder approval under Listing Rule 10.11 will obviate the need for approval of the issue of the Shares under Listing Rule 7.1.

3.3 Information required under Listing Rule 10.13

Listing Rule 10.13 requires the following information about the Resolution to be given to Shareholders:

Issuee/statement of relationship between Issuee and Company

The Shares will be issued to Dr Roger Aston, a non-executive Director and Mr Iain Kirkwood, the former managing director of the Company.

Number of securities to be issued

75,757 Shares will be issued to Dr Roger Aston and 303,030 Shares will be issued to Mr Iain Kirkwood.

Date of issue

The Shares will be issued as soon as possible after the conclusion of the Meeting, and in any event, no later than one month after the date of the Meeting.

Issue price and terms of issue

The issue price is $0.33 per Share.

Use of funds

The funds raised pursuant to the issue of the Shares will be applied to the Company's working capital requirements.

Voting exclusion statement

A voting exclusion statement relating to Resolutions 3 and 4 is included in the Notice of Meeting.

3.4 Effect of Shareholder approval

If Resolutions 3 and 4 are approved, the Board will be authorised to issue up to a total of 378,787 Shares.

3.5 Advantages of approving the proposed issue of Shares

The Directors believe that the offer of Shares to Dr Roger Aston and Mr Iain Kirkwood provide each of them with the opportunity to participate in the success of the Company and an incentive to ensure that wealth is created in the Company for the benefit of all Shareholders. Shareholders should note that Mr Iain Kirkwood was the managing director of the Company at the time the Shares were offered to him.

3.6 Disadvantages of approving the proposed issue of Shares

Aside from any dilution of shareholdings, which may occur upon issue of the Shares, the Directors (with the exception of Dr Roger Aston who abstained from voting and making a recommendation on the matter of issues of Shares relating to him) do not believe that there are any disadvantages to Shareholders that arise from the approval of the issue of Shares, which are the subject of Resolutions 3 and 4.

4. RESOLUTIONS 5 – APPROVAL OF PROPOSED ISSUE OF OPTIONS TO DR PHILIPPE WOLGEN

4.1 Summary of proposed issue

The Company proposes to issue 1,500,000 Options to Dr Philippe Wolgen, as part of his remuneration package as Managing Director of the Company.

The terms of issue of the Options are set out in detail in the schedule to this Explanatory Statement.

4.2 Shareholder approval

Under Listing Rule 10.11, the Company must obtain the approval of Shareholders by ordinary resolution before it can issue securities to a related party or a person whose relationship with the Company or a related party is, in ASX's opinion, such that Shareholder approval should be obtained. Dr Philippe Wolgen, being Managing Director, is a related party of the Company. The proposed issue of Options to Dr Wolgen therefore requires Shareholder approval under Listing Rule 10.11.

Shareholders should note that the issue of Options is not under any form of employee incentive scheme. Also, Shareholder approval under Listing Rule 10.11 will obviate the need for approval of the issue of the Options under Listing Rule 7.1.

4.3 Information required under Listing Rule 10.13

Listing Rule 10.13 requires the following information about the Resolution to be given to Shareholders:

Issuee/statement of relationship between Issuee and Company

The Shares will be issued to Dr Philippe Wolgen, Managing Director of the Company.

Number of securities to be issued

1,500,000 Options.

Date of issue

The Options will be issued as soon as possible after the conclusion of the Meeting, and in any event, no later than one month after the date of the Meeting.

Issue price and terms of issue

The Options have no issue price, but have an exercise price of $0.50 per Option, and are otherwise issued on the terms set out in the schedule to this Explanatory Statement.

Use of funds

No funds will be raised pursuant to the issue of the Options. Any funds raised on the exercise of the Options will be applied as the Company believes appropriate at that time in light of the Company's circumstances at that time.

Voting exclusion statement

A voting exclusion statement relating to Resolutions 5 is included in the Notice of Meeting.

4.4 Effect of Shareholder approval

If Resolution 5 is approved, the Board will be authorised to issue 1,500,000 Options to Dr Philippe Wolgen.

4.5 Advantages of approving the proposed issue of Options

The Directors believe that the offer of Options to Dr Philippe Wolgen provides him with the opportunity to participate in the success of the Company and an incentive to ensure that wealth is created in the Company for the benefit of all Shareholders.

If the Resolution is not approved, Dr Wolgen may resign his post as Managing Director of the Company and the Company would have to seek another Managing Director. The Company would incur costs arising from such a search and there is no guarantee that a replacement would not seek a similar grant of options over Shares as part of their remuneration package.

4.6 Disadvantages of approving the proposed issue of Options

Aside from any dilution of shareholdings, which may occur upon exercise of the Options, the Directors (with the exception of Dr Philippe Wolgen who abstained from voting and making a recommendation on the matter of issues of Options relating to him) believe there are no disadvantages to Shareholders which arise from the approval of the issue of Options, which are the subject of Resolution 5.

5. RESOLUTION 6 – CHANGE OF COMPANY NAME

5.1 Background

The Company is seeking approval by Shareholders to change the Company's name to Clinuvel Pharmaceuticals Limited. This name, once approved, will encompass both Epitan and the procurement and distribution business – EpiPharm. Management believes that the name Epitan does not fully cover the potential scope of its underlying asset EPT1647 and the range of activities of the Company. A generic Company name will more appropriately address the unmet clinical needs currently being investigated for EPT1647 and the distribution company.

5.2 Approval

As a result of the Company's review, it has been decided that the Company change its name to **'Clinuvel Pharmaceuticals Limited'**, and the Company seeks the approval of Shareholders for this name change in accordance with section 157 of the Corporation Act.

5.3 Advantages of approving the proposed name change

The Directors believe that the proposed name change will positively reflect the Company's focus going forward and will reduce the potential confusion which currently exists regarding the medical applications for the Company's primary drug candidate.

5.4 Disadvantages of approving the proposed name change

The Directors believe that the following disadvantages may accrue if the resolution is passed:

- some costs will be incurred in rebranding Company material; and
- it may take some time for the new name to be recognised in the market.

6. VOTING

You are urged to consider carefully all of this material, determine how you wish to vote and cast your vote accordingly.

Please refer to the Voting Exclusion Statement in the Notice of Meeting.

7. RECOMMENDATION

7.1 Your Directors (excluding Dr Roger Aston who abstains from making a recommendation in relation to Resolution 3 and Dr Philippe Wolgen who abstains from making a recommendation in relation to Resolution 5) recommend approval of each Resolution and recommend that eligible Shareholders vote in favour of each Resolution.

7.2 If Shareholders cannot attend the Meeting they are urged to complete the attached Proxy Form. The Proxy Form and the power of attorney or other authority (if any) under which it is signed (or a certified copy) must be received by 10am on 21 February 2006, being not later than 48 hours before the time for holding the meeting.

8. QUERIES

If you have any queries about the Meeting, the Resolutions to be put to the Meeting or the proposals being considered, please contact Davina Gunn, Manager Investor Relations & Marketing, at Epitan Limited on (03) 9660 4900.

DATED Tuesday 24 January 2006

SCHEDULE

TERMS AND CONDITIONS OF ISSUE OF OPTIONS – PHILIPPE WOLGEN

1. Entitlement

Each option (**Option**) entitles Philippe Wolgen (the **Executive**) to subscribe for and be issued one (subject to adjustment in accordance with these terms) fully paid ordinary share (**Share**) in Epitan Limited ABN 88 089 644 119 (**Company**) on the terms and conditions set out below.

2. Issue Price

No amount is payable on issue of the Options.

3. Exercise Price

The exercise price (**Exercise Price**) of each Option is A$0.50 and is payable immediately on exercise.

4. Option Period

Subject to clause 5, each Option is exercisable during the period commencing on the date the Company grants the Option (**Issue Date**) and concluding at 5.00pm (AEST) on 31 March 2010 (**Expiry Time**).

5. Restrictions on exercise

(a) Subject to clause (b) and (c), the following restrictions on exercise of the Options will apply:

(i) no Options may be exercised on or before the first anniversary of the Issue Date;

(ii) no more than 50% of the Options may be exercised on or before the date 18 months after the Issue Date;

(iii) no more than 75% of the Options may be exercised on or before the second anniversary of the Issue Date; and

(iv) no restrictions on the exercise of the Options will apply after the second anniversary of the Issue Date.

(b) If:

(i) a takeover offer or a takeover announcement is made in respect of the Shares; and

(ii) the takeover offer or offer pursuant to the announcement (as the case may be) is accepted by the holders of not less than 50% in number of the Shares,

the Executive will immediately be entitled to exercise all Options held by him, within a period notified by the Company.

(c) If an offer for the Shares is made to the members of the Company under a scheme or arrangement which has been approved in accordance with the *Corporations Act 2001*, the Executive will be entitled to exercise all Options held by him, within a period notified by the Company.

(d) If the Company terminates the Executive's employment at any time without cause under clause 10.2(a) of the Executive's employment agreement with the Company (ie by giving the Executive not less than twelve months' written notice or by paying the Executive an amount of not less than twelve months' remuneration in lieu of part or the whole of that period of notice), and regardless of whether the Executive remains a director of the Company, the minimum number of Options which vest in the Executive will be the number that would have vested had the Executive remained employed by the Company for the full notice period and the Executive will be entitled to exercise that number of Options regardless of the actual date that the Executive ceases to carry out some or all of the Duties or attend for work.

(e) In the event of liquidation of the Company, all unvested or vested but unexercised Options will lapse.

(f) Subject to clause 5(g), if the Executive ceases for any reason to be both a director and employee of the Company or any of its subsidiaries, all Options not then immediately capable of exercise will lapse.

(g) The board of directors of the Company (**Board**) may, at its sole discretion, waive the condition set out in clause 5(f). If so, then subject to clauses 5(a) to 5(e) (inclusive), which will continue to be applicable, the Executive will be entitled to exercise the Options notwithstanding that he/she may have ceased to be an employee of the Company.

6. Transferability

Except for transfers which do not effect a change in beneficial ownership (such as transfers to superannuation funds or trusts associated with and controlled by the Executive), the Options are non-transferable and may not be sold, assigned, transferred or otherwise dealt with in any way, without the prior written consent of the Board, at its absolute discretion.

If the Options are transferred in accordance with this clause 6, the Company may impose any conditions on the transferee, including a condition that the transferee agree to be bound by such terms and conditions, that the Company in its sole discretion determines to be appropriate.

7. Certificate

The Company must give the Executive a certificate or holding statement stating:

(a) the number of Options issued to the Executive;

(b) the exercise price of the Options; and

(c) the date of issue of the Options.

8. Participation rights, bonus issues, rights issues and reorganisations

8.1 Participation

The Executive is not entitled to participate in any new issue to existing shareholders of securities in the Company unless they have exercised their Options before the record date for determining entitlements to the new issue of securities and participate as a result of holding shares.

8.2 Notice of new issue

The Company must give the Executive, in accordance with the Listing Rules of the Australian Stock Exchange Limited (**ASX**), notice of:

(a) the proposed terms of the issue or offer proposed under clause 8.1; and

(b) the right to exercise their Options under clause 8.1.

8.3 Bonus issues

If the Company makes a bonus issue of shares or other securities to shareholders (except an issue in lieu of dividends or by way of dividend reinvestment) and no share has been issued in respect of the Option before the record date for determining entitlements to the issue, then the number of underlying shares over which the Option is exercisable is increased by the number of shares which the Executive would have received if the Executive had exercised the Option before the record date for determining entitlements to the issue.

8.4 Pro rata issues

If the Company makes a pro rata issue of shares (except a bonus issue) to existing shareholders (except an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) and no share has been issued in respect of the Option before the record date for determining entitlements to the issue, the Exercise Price of each Option is reduced in accordance with the ASX Listing Rules.

8.5 Reorganisation

If there is a reorganisation (including consolidation, sub-division, reduction or return) of the share capital of the Company, then the rights of the Executive (including the number of Options to which the Executive is entitled and/or the Exercise Price) must be changed to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

8.6 Calculations and adjustments

Any calculations or adjustments which are required to be made under clause 8 will be made by the Board and will, in the absence of error, be final and conclusive and binding on the Company and the Executive.

8.7 Notice of change

The Company must within a reasonable period give to the Executive notice of any change under clause 8 to the Exercise Price of any Options held by the Executive or the number of shares for which the Executive is entitled to subscribe on exercise of an Option.

9. Method of exercise of Options

9.1 Method and payment

To exercise Options, the Executive must give the Company:

(a) a written exercise notice (in the form approved by the Board from time to time) (**Exercise Notice**) specifying the number of Options being exercised and shares to be issued (**Option Shares**);

(b) payment of the Exercise Price for the Option Shares the subject of the Exercise Notice by way of bank cheque or by other means of payment approved by the Company; and

(c) the certificate for the Options.

9.2 Exercise all or some Options

(a) The Executive may only exercise Options in multiples of 10,000 unless the Executive exercises all Options held by the Executive.

(b) Options will be deemed to have been exercised on the date the Exercise Notice is delivered to the Company.

9.3 Option certificates

If the Executive exercises less than the total number of Options registered in the Executive's name:

(a) the Executive must surrender their Option certificate (if any); and

(b) the Company must cancel the Option certificate (if any) and issue the Executive a new Option certificate stating the remaining number of Options held by the Executive.

9.4 Issue of Option Shares

Within 10 days after receiving an Exercise Notice and payment by the Executive of the Exercise Price, the Company must issue the Executive the Option Shares.

10. Ranking of shares issued on exercise of Options

Subject to the Company's constitution, all Option Shares rank in all respects (including rights relating to dividends) pari passu with the existing ordinary shares of the Company at the date of issue of the Option Shares.

11. Quotation

The Company will not apply to ASX for official quotation of the Options but will apply to ASX for quotation of the Option Shares, as soon as practicable after the date of issue of the Option Shares.

12. Governing law

These terms and the rights and obligations of the Executive are governed by the laws of Victoria, Australia. The Executive irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Victoria, Australia.

EPITAN LIMITED
ACN 089 644 119

NOTICE OF EXTRAORDINARY GENERAL MEETING

An extraordinary general meeting of the members of Epitan Limited (**Company**) will be held:

- on Thursday 23 February 2006;
- at 10am;
- at Minter Ellison, Level 23, 525 Collins Street, Melbourne 3000.

BUSINESS:

To consider and if thought fit pass the following Resolutions as ordinary resolutions:

1. Resolution 1 – Ratification of prior issues of shares

That for the purpose of Listing Rule 7.4 of the Listing Rules of Australian Stock Exchange Limited, the issue of 20,621,211 fully paid ordinary shares in the capital of the Company to the persons and on the terms set out further in the Explanatory Statement dated 24 January 2006 which accompanies and forms part of this Notice of General Meeting, be ratified.

2. Resolution 2 – Approval of proposed issue of shares to funds controlled by Absolute Capital Management

That, for the purpose of Listing Rule 7.1 of the Listing Rules of Australian Stock Exchange Limited, the issue of up to that number of fully paid ordinary shares in the capital of the Company to funds controlled by Absolute Capital Management (at an issue price and otherwise on the terms outlined in, the Explanatory Statement dated 24 January 2006 which accompanies and forms part of this Notice of General Meeting), as will result in the Company raising a gross amount of $10 million, be approved.

3. Resolution 3 – Approval of proposed subscription of shares by Dr Roger Aston

That, for the purpose of Listing Rule 10.11 of the Listing Rules of Australian Stock Exchange Limited, the issue of 75,757 fully paid ordinary shares at $0.33 per share to Dr Roger Aston, on the terms set out further in the Explanatory Statement dated 24 January 2006 which accompanies and forms part of this Notice of General Meeting, be approved.

4. Resolution 4 – Approval of proposed subscription of shares by Mr Iain Kirkwood

That, for the purpose of Listing Rule 10.11 of the Listing Rules of Australian Stock Exchange Limited, the issue of 303,030 fully paid ordinary shares at $0.33 per share to Mr Iain Kirkwood, on the terms set out further in the Explanatory Statement dated 24 January 2006 which accompanies and forms part of this Notice of General Meeting, be approved.

5. Resolution 5 – Approval of proposed issue of options to Dr Philippe Wolgen

That, for the purpose of Listing Rule 10.11 of the Listing Rules of Australian Stock Exchange Limited, the issue of 1,500,000 options over fully paid ordinary shares, exercisable at $0.50 per share to Dr Philippe Wolgen, and otherwise on the terms and conditions set out further in the Explanatory Statement dated 24 January 2006 which accompanies and forms part of this Notice of General Meeting, be approved.

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

6. Resolution 6 – Approval of proposed change of Company name

That, in accordance with section 157 of the Corporations Act, the change of the Company name to 'Clinuvel Pharmaceuticals Limited', be approved.

7. VOTING EXCLUSION STATEMENT

Resolution 1:

Pursuant to Listing Rules 7.5.6 and 14.11, the Company will disregard any votes cast on Resolution 1 by:

(a) any person who participated in the issues of securities the subject of Resolution 1; and

(b) any associate of each such person.

Resolution 2:

Pursuant to Listing Rules 7.3.8 and 14.11, the Company will disregard any votes cast on Resolution 2 by:

(a) Absolute Capital Management; and

(b) any associate of Absolute Capital Management.

Resolution 3:

Pursuant to Listing Rules 10.10.1 and 14.11, the Company will disregard any votes cast on Resolution 3 by:

(a) Dr Roger Aston; and

(b) any associate of Dr Roger Aston.

Resolution 4:

Pursuant to Listing Rules 10.10.1 and 14.11, the Company will disregard any votes cast on Resolution 4 by:

(a) Mr Iain Kirkwood; and

(b) any associate of Mr Iain Kirkwood.

Resolution 5:

Pursuant to Listing Rules 10.10.1 and 14.11, the Company will disregard any votes cast on Resolution 5 by:

(a) Dr Philippe Wolgen; and

(b) any associate of Dr Philippe Wolgen.

However, in the case of Resolutions 1 to 5 (inclusive), the Company need not disregard a vote if it 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
- 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.

DETERMINATION OF VOTING ENTITLEMENTS

The Company has determined, in accordance with regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), that the Shares quoted on Australian Stock Exchange Limited at 4.00pm Melbourne time, on 21 February 2006 are taken, for the purposes of this Extraordinary General Meeting to be held by the persons who held them at that time. Accordingly, only those persons are entitled to attend and vote (if not otherwise excluded) at the Extraordinary General Meeting.

PROXIES:

1. A member entitled to attend and vote at the meeting has the right to appoint:

    (a) one proxy if the member is only entitled to one vote; and

    (b) one or two proxies if the member is entitled to more than one vote.

2. A member who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two proxies and the appointment does not specify the proportion or number of the member's votes, each proxy may exercise one half of the member's votes.

3. A proxy need not be a member of the Company.

4. The member or his or her attorney must sign the Proxy Form. Proxies given by corporations must be signed either under seal or under the hand of a duly authorised officer or attorney.

5. To be valid, the form appointing the proxy and the power of attorney or other authority (if any) under which it is signed (or a certified copy) must be received as soon as possible and in any event no later than 10am on 21 February 2006. Proxies may be lodged by facsimile or mail to the following offices or facsimile numbers:

    Epitan Limited
    Level 13
    1 Collins Street
    Melbourne VIC 3000
    Facsimile number: (03) 9660 4999

    OR

    Computershare Investor Services Pty Limited
    GPO Box 242
    Melbourne Victoria 3001
    Facsimile number: (03) 9473 2555

6. A Proxy Form accompanies this Notice of General Meeting.

DATED Tuesday 24 January 2006

BY ORDER OF THE BOARD

Dr Philippe Wolgen
Managing Director

Proxy Form

All correspondence to:
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia
Enquiries (within Australia) 1300 850 505
(outside Australia) 61 3 9415 4000
Facsimile 61 3 9473 2555
www.computershare.com

Epitan Limited

ABN 88 089 644 119

Mark this box with an 'X' if you have made any changes to your address details (see reverse)

000001 000 EPT
MR JOHN SMITH 1
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Securityholder Reference Number (SRN)

I 1234567890 IND

Appointment of Proxy

I/We being a member/s of EpiTan Limited and entitled to attend and vote hereby appoint

the Chairman of the Meeting (mark with an 'X') **OR**

If you are not appointing the Chairman of the Meeting as your proxy please write here the full name of the individual or body corporate (excluding the registered Securityholder) you are appointing as your proxy.

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 Extraordinary General Meeting of EpiTan Limited to be held at Minter Ellison, Level 23, 525 Collins Street, Melbourne on Thursday 23rd February 2006 at 10.00 am and at any adjournment of that meeting.

IMPORTANT: FOR ITEM 3 BELOW

If the Chairman of the Meeting is your nominated proxy, or may be appointed by default, and you have not directed your proxy how to vote on Item 3 below, please place a mark in this box. By marking this box you acknowledge that the Chairman of the Meeting may exercise your proxy even if he has an interest in the outcome of that Item and that votes cast by him, other than as proxy holder, would be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on Item 3 and your votes will not be counted in computing the required majority if a poll is called on this Item. The Chairman of the Meeting intends to vote undirected proxies in favour of Item 3.

Voting directions to your proxy - please mark X to indicate your directions

		For	Against	Abstain*
Item 1	Ratification of prior issues of securities			
Item 2	Approval of proposed issue of shares to funds controlled by Absolute Capital Management			
Item 3	Approval of proposed issue of shares to Dr Roger Aston			
Item 4	Approval of proposed issue of shares to Mr Iain Kirkwood			
Item 5	Approval of proposed issue of options to Dr Philippe Wolgen			
Item 6	Change of company name			

In addition to the intention advised above, the Chairman of the Meeting intends to vote undirected proxies in favour of each of the other items of business.

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

PLEASE SIGN HERE

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

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director/Company Secretary

In addition to signing the Proxy form in the above box(es) please provide the information below in case we need to contact you.

Contact Name ____ Contact Daytime Telephone ____ Date / /

EPT 19PR

How to complete the Proxy Form

1 Your Address

This is your address as it appears on the company's share register. If this information is incorrect, please mark the box and make the correction on the form. Securityholders sponsored by a broker (in which case your reference number overleaf will commence with an 'x') should advise your 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. If the individual or body corporate you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the full name of that individual or body corporate in the space provided. If you leave this 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 securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

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 may 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

You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's share registry or you may copy this form.

To appoint a second proxy you must:

(a) 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 appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.

(b) return both forms together in the same envelope.

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 securityholders should sign.
Power of Attorney:	to sign under Power of Attorney, you must have already lodged this document with the 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 a corporate Securityholder or proxy 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 company's share registry or at **www.computershare.com**.

Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below no later than 48 hours before the commencement of the meeting at 10.00 am on Thursday 23rd February 2006. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Documents may be lodged:

IN PERSON	Registered Office - Level 13, 1 Collins Street, MELBOURNE VIC 3000 Share Registry - Computershare Investor Services Pty Limited, Yarra Falls, 452 Johnston Street, Abbotsford VIC 3067
BY MAIL	Registered Office - Level 13, 1 Collins Street, MELBOURNE VIC 3000 Share Registry - Computershare Investor Services Pty Limited, GPO Box 242, Melbourne VIC 3001
BY FAX	61 3 9473 2555