

**SAFETY MEDICAL PRODUCTS LIMITED
(ACN 007 817 192)**

**NOTICE OF ANNUAL GENERAL MEETING
AND
EXPLANATORY STATEMENT**

**Annual General Meeting to be held at
Level 24, 44 St George's Terrace, Perth, Western Australia
on
30 March 2011 commencing at 11.30am (WST)**

This Notice of Annual 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 adviser without delay.

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NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders of Safety Medical Products Limited will be held at Level 24, 44 St George's Terrace, Perth Western Australia on 30 March 2011 commencing at 11.30am (WST).

ORDINARY BUSINESS

The business to be transacted at the Annual General Meeting is the consideration of Resolutions 1 to 4 (inclusive) as set out below.

Financial Statement and Reports: 2009/2010

To receive and consider the annual Financial Statement, together with the Directors' Report and Auditor's Report for the financial year ended 30 June 2010.

Remuneration Report

Resolution 1 – Approval of Remuneration Report: 2009/2010

To consider and, if thought fit, pass the following **advisory only resolution**:

"That the Remuneration Report as set out in the Directors' Report for the year ended 30 June 2010 be adopted."

Election of Directors

Resolution 2 – Re-election of Peter Christie

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

"That, for all purposes, Mr Peter Christie, who was appointed as a Director by the Board pursuant to Clause 19.4 of the Constitution, and being eligible, offers himself for re-election, is re-elected as a Director in accordance with Clause 19.3 of the Constitution."

Resolution 3 – Re-election of Simon Lill

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

"That, for all purposes, Mr Simon Lill, who was appointed as a Director by the Board pursuant to Clause 19.4 of the Constitution, and being eligible, offers himself for re-election, is re-elected as a Director in accordance with Clause 19.3 of the Constitution."

Resolution 4 – Re-election of Stephen Hewitt-Dutton

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

"That, for all purposes, Mr Stephen Hewitt-Dutton, who was appointed as a Director by the Board pursuant to Clause 19.4 of the Constitution, and being eligible, offers himself for re-election, is re-elected as a Director in accordance with Clause 19.3 of the Constitution."

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Explanatory Statement

The accompanying Explanatory Statement forms part of this Notice of Annual 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 Annual General Meeting and the Explanatory Statement.

Proxies

Please note that:

- (a) a Shareholder entitled to attend and vote at the Annual 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 two or more votes may appoint two 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 Annual General Meeting or handed in at the Annual General Meeting when registering as a corporate representative.

Proxy Forms (and any Power of Attorney under which it is signed) must be received by the Company by post at Safety Medical Products Limited, PO Box Z5183, Perth WA 6831 or facsimile at (+61 8) 9218 8875 not later 48 hours before the commencement of the meeting (i.e. no later than 11.30am (WST) on 28 March 2011). Any Proxy Form received after that time will not be valid for the scheduled meeting.

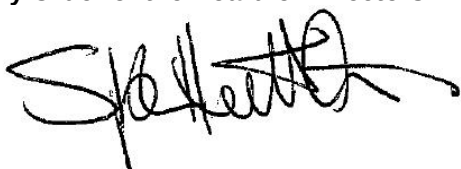
Voting Entitlements

In accordance with Regulations 7.11.37 and 7.11.38 of the Corporations Regulations 2001, the Board has determined that a person's entitlement to vote at the Annual General Meeting will be the entitlement of that person set out in the register of Shareholders as at 5.00pm (WST) on 28 March 2011. Accordingly, transactions registered after that time will be disregarded in determining Shareholder's entitlement to attend and vote at the Annual General Meeting.

Enquiries

Shareholders may contact the Company on (+61 8) 6211 5099 if they have any queries in respect of the matters set out in these documents.

By Order of the Board of Directors



Stephen Hewitt-Dutton
Company Secretary

Dated this 25th day of February 2011

SAFETY MEDICAL PRODUCTS LIMITED

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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 Annual 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 Notice of Annual General Meeting.

This Explanatory Statement should be read in conjunction with the Notice of Annual General Meeting. Capitalised terms in this Explanatory Statement are defined in the Glossary.

Annual Financial Report

The Corporations Act requires the reports of the Directors and of the Company's auditor and the annual financial report, including the financial statements, to be put before the Annual General Meeting and the Constitution provides for those reports and statements to be received and considered at the Annual General Meeting. Neither the Corporations Act nor the Constitution requires a vote of Shareholders at the Annual General Meeting on the reports or statements. However, Shareholders will be given an opportunity to raise questions on the reports and statements at the Annual General Meeting.

Approval of Remuneration Report (Resolution 1)

The remuneration reports of the Company for the financial year ended 30 June 2010 is included in the Directors' report in the Company's annual report for the financial year ended 30 June 2010. The remuneration report sets out the Company's remuneration arrangements for the executive and non-executive Directors and executive employees of the Company.

Section 249L(2) of the Corporations Act requires a company to inform shareholders that a resolution on the remuneration report will be put at the Annual General Meeting. Section 250R(2) of the Corporations Act requires a resolution that the remuneration report be adopted must be put to the vote. Resolution 4 seeks this approval.

However, in accordance with Section 250R(3) of the Corporations Act, Shareholders should note that Resolution 4 is an "advisory only" Resolution which does not bind the Directors or the Company.

Following consideration of the remuneration reports, the Chairman, in accordance with Section 250SA of the Corporations Act, must give Shareholders a reasonable opportunity to ask questions about, or make comments on, the remuneration report.

Re-election of Directors (Resolutions 2 to 4)

Resolutions 2 to 4 are ordinary resolutions.

Clause 19.3 of the Constitution requires that any Director appointed by the Board, either to fill a casual vacancy or as an addition to the Board, must retire at the next Annual General Meeting following his or her appointment, but is eligible for re-election at that Annual General Meeting.

Accordingly, as Mr Peter Christie, Mr Simon Lill and Mr Stephen Hewitt-Dutton have been appointed by the Board either to fill a casual vacancy or as an addition to the Board, they each now retire, but being eligible, offer themselves for election as a Director.

Details of the directors are as follows:

Mr Peter Christie – Chairman

Mr Christie graduated from Curtin University with a Bachelor of Business in 1983 and is a qualified Accountant and Tax Agent. He has 27 years of commercial experience and in that time has developed extensive business, hospitality and property interests. Mr Christie is also currently a non-executive director of Carnavale Resources Limited and Narhex Life Sciences Limited.

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Mr Simon Lill – Non Executive Director

Mr Lill is an Associate Director of Trident Capital. He has a BSc (Pharmacol.) and a Masters of Business Administration, both from The University of Western Australia. He has a background of over 25 years of stockbroking, capital raising, management, business development and analysis for a range of small and start-up companies, both in the manufacturing and resources industries. Mr Lill is also currently a non-executive director Narhex Life Sciences Limited.

Mr Stephen Hewitt-Dutton - Non Executive Director & Company Secretary

Mr Hewitt-Dutton has over 20 years of experience in corporate finance, accounting and company secretarial matters. He is an Associate Director of Trident Capital and holds a Bachelor of Business from Curtin University, is an affiliate of the Institute of Chartered Accountants and a Senior Associate of FinSIA.

Before joining Trident Capital, Mr. Hewitt-Dutton was an Associate Director of Carmichael Corporate where he assisted clients by providing equity market, IPO and M&A advice and assistance. He has also held Financial Controller and Company Secretary positions for both public and private companies for in excess of 15 years.

Glossary

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

Annexure	Annexure to this Explanatory Statement.
AGM	means Annual General Meeting.
Associate	means a party so described by section 10 – 17 of the Corporations Act.
ASX	ASX Limited (ACN 098 624 691).
WST	Western Standard Time.
Board	Board of Directors.
Chairman	means Mr Peter Christie.
Constitution	Constitution of the Company.
Company	Safety Medical Products Limited (ACN 007 817 192).
Corporations Act	Corporations Act 2001 (Cth).
Director	Director of the Company.
Explanatory Statement	the Explanatory Statement accompanying the Notice of Annual General Meeting.
Listing Rules	means the listing rules of ASX.
Meeting	means this Annual General Meeting.
Notice of Annual General Meeting	the Notice of Annual General Meeting accompanying the Explanatory Statement.
Official List	means the official list of ASX.
Related Party	means a party so defined by section 288 of the Corporations Act
Share/s	ordinary fully paid shares in the capital of the Company.
Shareholder	means a shareholder of the Company.

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PROXY FORM

The Directors
Safety Medical Products Limited
(ACN 007 817 192)

Shareholder Details

Name:

Address:

Contact Telephone No:

Contact Name (if different from above):

Appointment of Proxy

I/We being a shareholder/s of Safety Medical Products 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 Annual General Meeting of the Company to be held at Level 24, 44 St George's Terrace, Perth, Western Australia on 30 March 2011 at 11.30am (WST) 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". By marking this box, you acknowledge that the Chairman of the meeting may exercise your proxy on those resolutions (for which you have not given a direction) even if he/she has an interest in the outcome of the resolution and that votes cast by him/her, other than as proxy holder, will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote on any of these resolutions, the Chairman of the meeting will not cast your votes on the resolutions (for which you have not given a direction) on a show of hands or on a poll. The Chairman of the meeting intends to vote undirected proxies in favour of each resolution.

OR

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 Safety Medical Products 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; or

(b) if you have appointed 2 proxies under this proxy form.

If you do not name a proxy or your 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 and to vote in accordance with the following directions at the Annual General Meeting of the Company to be held at Level 24, 44 St George's Terrace, Perth, Western Australia on 30 March 2011 at 11.30am (WST) and at any adjournment of that meeting.

Voting directions to your proxy - Please mark only one of the boxes with an "X" for each resolution to indicate your directions.

Ordinary Business

- | | For | Against | Abstain |
|---|--------------------------|--------------------------|--------------------------|
| Resolution 1. Approval of Remuneration Report: 2009/2010 | ☐ | ☐ | ☐ |
| Resolution 2. Re-election of Mr Peter Christie as a Director | ☐ | ☐ | ☐ |
| Resolution 3. Re-election of Mr Simon Lill as a Director | ☐ | ☐ | ☐ |
| Resolution 4. Re-election of Mr Stephen Hewitt-Dutton as a Director | ☐ | ☐ | ☐ |

If you mark the "Abstain" box with an "x" for a particular 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 instructions 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

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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. 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. A proxy need not be a shareholder of the Company.

3 Votes on Resolutions

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each Resolution. 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 any Resolution by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given 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 a 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 Corporate 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 by the Company by post at Safety Medical Products Limited, PO Box Z5183, Perth WA 6831 or facsimile at (+61 8) 9218 8875 not later 48 hours before the commencement of the meeting (i.e. no later than 11.30am (WST) on 28 March 2011). Any Proxy Form received after that time will not be valid for the scheduled meeting.