NEURODISCOVERY LTD

ABN 89 113 824 141

NOTICE OF ANNUAL GENERAL MEETING

TIME: 10.30 am WST

DATE: Friday, 18 November 2005

PLACE: Level 1 King St Room
Rydges Hotel, cnr King & Hay St
Perth WA 6000

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on + 61 8 9226 4033.

CONTENTS

TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The Annual General Meeting of the Shareholders of NeuroDiscovery Ltd which this Notice of Meeting relates to will be held at 10.30 am (WST) on Friday, 18 November 2005 at:

Level 1 King St Room
Rydges Hotel, cnr Hay & King St
Perth WA 6000

YOUR VOTE IS IMPORTANT

The business of the Annual General Meeting affects your shareholding and your vote is important.

VOTING IN PERSON

To vote in person, attend the Annual General Meeting on the date and at the place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the proxy form enclosed and either:

(a) send the proxy form by post to NeuroDiscovery Ltd, Level 11, 225 St Georges Terrace, Perth, WA, 6000; or

(b) send the proxy form by facsimile to the Company on facsimile number + 61 8 9226 0333,

so that it is received not later than 10.30 am WST on 16 November 2005.

Proxy forms received later than this time will be invalid.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders of NeuroDiscovery Ltd will be held at Level 1 King St Room, Rydges Hotel, cnr Hay & King St Perth, Western Australia at 10.30 am WST on Friday, 18 November 2005.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the proxy form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at the close of business on 16 November 2005.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

AGENDA

Reports and Accounts

To receive the financial report of the Company for the year ended 30 June 2005, together with the directors' report and the auditor's report.

Resolution 1 – Adoption of Directors' Remuneration (Non-binding)

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

> *"That, for the purposes of Section 250R(2) of the Corporations Act and for all other purposes, the Company adopts the Directors' Remuneration as set out in the Annual Report for the year ended 30 June 2005".*

Short Explanation: The Corporations Act provides that a resolution that the Directors' remuneration be adopted must be put to vote at a listed company's annual general meeting. The vote on Resolution 1 is advisory only and does not bind the Directors or the Company.

Resolution 2 – Re-appointment of Auditor

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

> *"That, for the purposes of Section 327B of the Corporations Act and for all other purposes, Grant Thornton, having consented to act, be re-appointed as auditor of the Company."*

Resolution 3 – Re-election of Mr David McAuliffe

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

> *"That, Mr David McAuliffe, being a Director, retires in accordance with clause 13.2 of the Constitution and, being eligible, is hereby re-elected as a Director."*

Resolution 4 – Re-election of Mr John Hannaford

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

> *"That, Mr John Hannaford, being a Director, retires in accordance with clause 13.2 of the Constitution and, being eligible, is hereby re-elected as a Director."*

Resolution 5 – Re-election of Mr Anthony King

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

> *"That, Mr Anthony King, being a Director, retires in accordance with clause 13.2 of the Constitution and, being eligible, is hereby re-elected as a Director."*

Resolution 6 – Re-election of Dr Jonathan Mark Treherne

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

> *"That, Dr Jonathan Mark Treherne, being a Director, retires in accordance with clause 13.2 of the Constitution and, being eligible, is hereby re-elected as a Director."*

Resolution 7 – Re-election of Dr Alistair Dixon

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

> *"That, Dr Alistair Dixon, being a Director, retires in accordance with clause 13.2 of the Constitution and, being eligible, is hereby re-elected as a Director."*

Resolution 8 – Issue of Options to Dr Alistair Dixon

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

> *"That, subject to the passing of Resolution 7 and for the purposes of Listing Rule 10.11 of the ASX Listing Rules, Section 208 of the Corporations Act and for all other purposes, approval is given for the Company to allot and issue up to 500,000 Options to Dr Alistair Dixon (or his nominee) on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting."*

Voting Exclusion: The Company will disregard any votes cast on this resolution by Dr Dixon and any of his associates.

Resolution 9 – Issue of Options to Mr John Hannaford

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

> *"That, subject to the passing of Resolution 4 and for the purposes of Listing Rule 10.11 of the ASX Listing Rules, Section 208 of the Corporations Act and for all other purposes, approval is given for the Company to allot and issue up to 150,000 Options to John Hannaford (or his nominee) on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting."*

Voting Exclusion: The Company will disregard any votes cast on this resolution by Mr Hannaford and any of his associates.

DATED: 28 September 2005

BY ORDER OF THE BOARD

NARELLE LLOYD
COMPANY SECRETARY
NEURODISCOVERY LTD

Voting Exclusion Note:

Where a voting exclusion applies, 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 or it is cast by the person 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.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at Level 1 King St Room, Rydges Hotel, cnr Hay & King St, Perth, Western Australia on Friday, 18 November 2005 at 10.30 am (WST).

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the resolutions in the Notice of Meeting.

1. RESOLUTION 1 – DIRECTORS' REMUNERATION (NON-BINDING RESOLUTION)

In accordance with Section 250R(2) of the Corporations Act, the Company must put a resolution that the Directors' Remuneration as set out in the Directors' Report be adopted to vote at the Annual General Meeting. The vote on Resolution 1 is advisory only and does not bind the Directors or the Company.

A reasonable opportunity will be provided for discussion of the Directors' Remuneration at the Annual General Meeting.

2. RESOLUTION 2 – RE-APPOINTMENT OF AUDITOR

Section 327A of the Corporations Act provides that the directors of a public company must appoint an auditor of the company within 1 month after the day on which a company is registered as a company unless the company at a general meeting has appointed an auditor. An auditor appointed under Section 327A holds office until the company's first annual general meeting. Section 327B provides that a public company must appoint an auditor of the company at its first annual general meeting.

The Directors appointed Grant Thornton as the auditor of the Company in accordance with Section 327A. Resolution 2 seeks Shareholder approval for the re-appointment of Grant Thornton.

Grant Thornton has been nominated by a Shareholder and has consented to act in accordance with the Corporations Act. A copy of the notice of nomination of Grant Thornton accompanies this Notice of Meeting.

3. RESOLUTIONS 3 TO 7 – RE-ELECTION OF DIRECTORS

Clause 13.2 of the Constitution provides that all the Directors shall retire from office at the Company's first annual general meeting after incorporation. A retiring Director is eligible for re-election.

In accordance with the Constitution, Mr David McAuliffe, Mr John Hannaford, Mr Anthony King, Dr Jonathan Mark Treherne and Dr Alistair Dixon retire and see re-election.

Details regarding each of the Directors are set out in 2005 Annual Report.

4. RESOLUTION 8 – ISSUE OF OPTIONS TO EXECUTIVE DIRECTOR - DR ALISTAIR DIXON

Resolution 8 seeks Shareholder approval for the issue of up to 500,000 Options to Dr Alistair Dixon (or his nominee).

The ASX Listing Rules and the Corporations Act set out a number of regulatory requirements which must be satisfied. These are summarised below.

ASX Listing Rule 10.11

ASX Listing Rule 10.11 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of securities (including an option) to a related party of the company.

If Resolution 8 is passed, Options will be issued to Dr Dixon, who is a related party of the Company. Accordingly, approval for the issue of Options is required pursuant to ASX Listing Rule 10.11.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Options to Dr Dixon as approval is being obtained under ASX Listing Rule 10.11. Shareholders should note that the issue of Options to Dr Dixon will not be included in the 15% calculation for the purposes of ASX Listing Rule 7.1.

ASX Listing Rule 10.13 sets out a number of matters which must be included in a notice of meeting proposing an approval under ASX Listing Rule 10.11. For the purposes of ASX Listing Rule 10.13, the following information is provided in relation to Resolution 8:

(a) the maximum number of Options to be issued by the Company is 500,000 to Dr Dixon;

(b) the Options will be issued for no consideration;

(c) the Options will be issued not later than one month after the date of the Annual General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated that allotment will occur on one date;

(d) no funds will be raised from the issue of the Options as the purpose of the issue is to give Dr Dixon an incentive to provide dedicated and ongoing commitment to the Company; and

(e) the Options will be issued on the terms and conditions set out in Annexure "A".

Section 208 of the Corporations Act

Under Chapter 2E of the Corporations Act, a public company cannot give a "financial benefit" to a "related party" unless one of the exceptions to the section apply or shareholders have in general meeting approved the giving of that financial benefit to the related party.

In the current circumstances, the issue of the Options to Dr Dixon constitutes a "financial benefit" as defined in the Corporations Act. Further, Dr Dixon is a "related party" of the Company as defined under the Corporations Act. Accordingly, the proposed issue of Options to Dr Dixon will constitute the provision of a financial benefit to a related party of the Company.

It is the view of the Directors that the exceptions under the Corporations Act to the provision of a financial benefit to a related party may not apply in the current circumstances. The Directors have determined to seek Shareholder approval under Section 208 of the Corporations Act to permit the issue of the Options.

Sections 217 to 227 of the Corporations Act

Pursuant to Sections 217 to 227 of the Corporations Act, the Company provides the following information to Shareholders in respect of the proposed financial benefit to be given to Dr Dixon:

(a) the related party to whom the financial benefit will be given is Dr Dixon;

(b) the maximum number of Options (being the nature of the financial benefit to be provided) to be issued is 500,000;

(c) the Directors (other than Dr Dixon), who do not have a material personal interest in the outcome of Resolution 8, recommend that Shareholders vote in favour of Resolution 8 as they are of the view that the issue of Options to Dr Dixon is appropriate to provide him with an incentive to maximise returns to Shareholders. The Directors (other than Dr Dixon) considered Dr Dixon's experience, the current market price of the Shares and current market practice when determining the number and exercise price of the Options to be issued to Dr Dixon. Dr Dixon declined to make a recommendation in relation to Resolution 8 due to the fact that he has a material personal interest in its outcome;

(d) Dr Dixon currently receives a salary of £42,000 (equivalent to approximately $100,000) per annum from NeuroSolutions and director's fees of $30,000 per annum from the Company (inclusive of superannuation);

(e) Dr Dixon currently has an interest in 398,250 Shares and 132,750 Performance Shares;

(f) if Shareholders approve the issue of Options to Dr Dixon, and all of the Options are exercised, the effect will be to dilute the shareholding of existing Shareholders by approximately 1.35% on an undiluted basis and based on the number of Shares on issue as at the date of this Notice. The market price for Shares during the term of the Options would normally determine whether or not Dr Dixon exercises the Options. If, at the time any of the Options are exercised, the Shares are trading on ASX at a price that is higher than the exercise price of the Options, there may be a perceived cost to the Company. The highest, lowest and last trading price of Shares on ASX during the period from the commencement of Official Quotation to the date of this notice are as set out below:

	Date	**Price**
Highest	15 August 2005	$0.22
Lowest	16 September 2005	$0.16
Latest available	27 September 2005	$0.185

(g) the ASIC in reviewing documents lodged under section 218 relating to the giving of a financial benefit to a related party of a public company requires explanatory information regarding the value of the options proposed to be granted. The value of the Options has been calculated using the Black & Scholes pricing model and is set out at Annexure "B"; and

(h) additional information in relation to Resolution 8 is set out throughout this Explanatory Statement. Shareholders should therefore read the Notice and Explanatory Statement in its entirety before making a decision as to how to vote on Resolution 8.

Terms and Conditions of Options

Subject to shareholder approval, the Options will be granted on the terms and conditions set out in Annexure "A" to this Explanatory Statement.

Valuation of Options

An estimate of the value of the Options is set out in Annexure "B" to this Explanatory Statement.

5. RESOLUTION 9 – ISSUE OF OPTIONS TO NON-EXECUTIVE DIRECTOR – MR JOHN HANNAFORD

Resolution 9 seeks Shareholder approval for the issue of up to 150,000 Options to Mr John Hannaford (or his nominee).

The ASX Listing Rules and the Corporations Act set out a number of regulatory requirements which must be satisfied. These are summarised below.

ASX Listing Rule 10.11

ASX Listing Rule 10.11 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of securities (including an option) to a related party of the company.

If Resolution 9 is passed, Options will be issued to Mr Hannaford, who is a related party of the Company. Accordingly, approval for the issue of Options is required pursuant to ASX Listing Rule 10.11.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Options to Mr Hannaford as approval is being obtained under ASX Listing Rule 10.11. Shareholders should note that the issue of Options to Mr Hannaford will not be included in the 15% calculation for the purposes of ASX Listing Rule 7.1.

ASX Listing Rule 10.13 sets out a number of matters which must be included in a notice of meeting proposing an approval under ASX Listing Rule 10.11. For the purposes of ASX Listing Rule 10.13, the following information is provided in relation to Resolution 9:

(a) the maximum number of Options to be issued by the Company is 150,000 to Mr Hannaford;

(b) the Options will be issued for no consideration;

(c) the Options will be issued not later than one month after the date of the Annual General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated that allotment will occur on one date;

(d) no funds will be raised from the issue of the Options as the purpose of the issue is to give Mr Hannaford an incentive to provide dedicated and ongoing commitment to the Company. The Company acknowledges that the issue of Options to Non-executive Directors is contrary to recommendation 9.3 of the ASX Principles of Good Corporate Governance and Best Practice Recommendations. However, the Board (other than Mr Hannaford) considers the grant of the Options pursuant to Resolution 9 to be reasonable given the Company's size and stage of development and the necessity to retain the highest calibre of professionals to the role, whilst preserving the Company's cash reserves; and

(e) the Options will be issued on the terms and conditions set out in Annexure "A".

Section 208 of the Corporations Act

Under Chapter 2E of the Corporations Act, a public company cannot give a "financial benefit" to a "related party" unless one of the exceptions to the section apply or shareholders have in general meeting approved the giving of that financial benefit to the related party.

In the current circumstances, the issue of the Options to Mr Hannaford constitutes a "financial benefit" as defined in the Corporations Act. Further, Mr Hannaford is a "related party" of the Company as defined under the Corporations Act. Accordingly, the proposed issue of Options to Mr Hannaford will constitute the provision of a financial benefit to a related party of the Company.

It is the view of the Directors that the exceptions under the Corporations Act to the provision of a financial benefit to a related party may not apply in the current circumstances. The Directors have determined to seek Shareholder approval under Section 208 of the Corporations Act to permit the issue of the Options.

Sections 217 to 227 of the Corporations Act

Pursuant to Sections 217 to 227 of the Corporations Act, the Company provides the following information to Shareholders in respect of the proposed financial benefit to be given to Mr Hannaford:

(a) the related party to whom the financial benefit will be given is Mr Hannaford;

(b) the maximum number of Options (being the nature of the financial benefit to be provided) to be issued is 150,000;

(c) the Directors (other than Mr Hannaford), who do not have a material personal interest in the outcome of Resolution 9, recommend that Shareholders vote in favour of Resolution 9 as they are of the view that the issue of Options to Mr Hannaford is appropriate to provide him with an incentive to maximise returns to Shareholders. The Directors (other than Mr Hannaford) considered Mr Hannaford's experience, the current market price of the Shares and current market practice when determining the number and exercise price of the Options to be issued to Mr Hannaford. Mr Hannaford declined to make a recommendation in relation to Resolution 9 due to the fact that he has a material personal interest in its outcome;

(d) Mr Hannaford currently receives director's fees of $30,000 per annum from the Company (inclusive of superannuation);

(e) Mr Hannaford currently has an interest in 80,000 Shares;

(f) if Shareholders approve the issue of Options to Mr Hannaford, and all of the Options are exercised, the effect will be to dilute the shareholding of existing Shareholders by approximately 0.41% on an undiluted basis and based on the number of Shares on issue as at the date of this Notice. The market price for Shares during the term of the Options would normally determine whether or not Mr Hannaford exercises the Options. If, at the time any of the Options are exercised, the Shares are trading on ASX at a price that is higher than the exercise price of the Options, there may be a perceived cost to the Company. The highest, lowest and last trading price of Shares on ASX during the period from the commencement of Official Quotation to the date of this notice are as set out below:

	Date	**Price**
Highest	15 August 2005	$0.22
Lowest	16 September 2005	$0.16
Latest available	27 September 2005	$0.185

(g) the ASIC in reviewing documents lodged under section 218 relating to the giving of a financial benefit to a related party of a public company requires explanatory information regarding the value of the options proposed to be granted. The value of the Options has been calculated using the Black & Scholes pricing model and is set out at Annexure "B"; and

(h) additional information in relation to Resolution 9 is set out throughout this Explanatory Statement. Shareholders should therefore read the Notice and Explanatory Statement in its entirety before making a decision as to how to vote on Resolution 9.

Terms and Conditions of Options

Subject to shareholder approval, the Options will be granted on the terms and conditions set out in Annexure "A" to this Explanatory Statement.

Valuation of Options

An estimate of the value of the Options is set out in Annexure "B" to this Explanatory Statement.

Scrutineer

A representative of NeuroDiscoverys' external auditor, Grant Thornton, will act as a scrutineer for any polls that may be required at the meeting.

Questions and Comments by Shareholders at the Meeting

In accordance with the Corporations Act 2001, a reasonable opportunity will be given to shareholders – as a whole – to ask questions or make comments on the management of NeuroDiscovery at the meeting.

Similarly, a reasonable opportunity will be given to shareholders – as a whole – to ask questions to NeuroDiscoverys' external auditor Grant Thornton, relevant to:

(a) the conduct of the audit;

(b) the preparation and contents of the audit report;

(c) the accounting policies adopted by NeuroDiscovery in relation to the preparation of the financial statements; and

(d) the independence of the auditor in relation to the conduct of the audit.

Shareholders may also submit a written question to Grant Thornton if the question is relevant to the content of Grant Thornton's audit report or the conduct of its audit of NeuroDiscoverys' financial report for the year ended 30 June 2005.

Relevant written questions for Grant Thornton must be received no later than 5.00pm (WST) on Wednesday, 16 November 2005. A list of those relevant questions will be made available to Shareholders attending the meeting. Grant Thornton will either answer questions at the meeting or table written answers to them at the meeting. If written answers are tabled at the meeting, they will be announced on ASX no later than the start of the meeting.

Please send any written questions for Grant Thornton:

(a) by post to NeuroDiscovery Ltd, Level 11, 225 St Georges Terrace, Perth, WA, 6000; or

(b) by facsimile to the Company on facsimile number + 61 8 9226 0333.

ANNEXURE "A"

Terms and Conditions of Directors' Options

The material terms and conditions of the Options to be issued pursuant to resolutions 8 and 9 are as follows:

(a) each Option entitles the holder, when exercised, to one Share;

(b) subject to paragraph (f), the Options are exercisable at any time prior to 5.00pm (WST) on 30 November 2009 (**Expiry Date**);

(c) the Option exercise price is $0.20 per Option;

(d) it is not currently intended that the Company will apply for quotation of the Options on ASX;

(e) the Options shall not be transferred or assigned;

(f) 50% of the Options to be issued are exercisable upon completion of one year of continuous service commencing from the date of issue. The balance of the Options issued are exercisable upon the completion of two years of continuous service commencing from the date of issue;

(g) all Shares issued upon exercise of the Options will rank pari passu in all respects with the Company's then issued Shares. The Company will apply for Official Quotation of all Shares issued upon exercise of the Options;

(h) there are no participating rights or entitlements inherent in the Options and the option holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of the proposed issue notice of the new issue will be given to the option holder at least seven (7) Business Days before the record date. This will give the option holder the opportunity to exercise the Options prior to the date for determining entitlements to participate in any such issue; and

(i) in the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company prior to the Expiry Date, all rights of the option holder will be varied in accordance with the Listing Rules.

ANNEXURE "B"

Estimate of the Value of Options

An estimate of the value of the Options that are proposed to be issued pursuant to resolutions 8 and 9 has been calculated as set out below:

	Name of related party	Number of options	Estimated Valued $
Resolution 8	Dr Alistair Dixon	500,000	4,972
Resolution 9	Mr John Hannaford	150,000	1,492

The Options have been valued using the Black & Scholes pricing model and based upon the following assumptions:

(a) the Options expire on 30 November 2009 and are exercisable at $0.20 each;

(b) a price per Share of $0.188 (being the weighted average price per Share since Official Quotation on 15 August 2005);

(c) a weekly implied volatility factor for the Company's Shares of 88%;

(d) an interest rate of 5.25% based on the domestic 5 year bond yield as at 26 September 2005; and

(e) the valuation date for the Options is 26 September 2005.

GLOSSARY

2005 Annual Report means the Company's annual report for the year ended 30 June 2005, which was sent to Shareholders with this Notice of Meeting and can be downloaded from the Company's website at www.neurodiscoveryltd.com.

ASX means Australian Stock Exchange Limited.

ASX Listing Rules or **Listing Rules** means the Listing Rules of ASX.

Board means the Board of Directors.

Company or **NeuroDiscovery** means NeuroDiscovery Ltd (ABN 89 113 824 141).

Constitution means the constitution of the Company.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a director of the Company.

Directors' Remuneration means that section of the Directors' Report setting out the Directors' remuneration on page 16 of the 2005 Annual Report.

NeuroSolutions means NeuroSolutions Ltd (the Company's wholly owned subsidiary that is registered in England and Wales with registration number 4199343).

Official Quotation means official quotation of the Company's securities on ASX.

Option means an option to acquire a Share on the terms and conditions set out in Annexure "A" of the Explanatory Statement.

Performance Shares means a performance share in the capital of the Company issued on the terms and conditions set out on pages 38 to 40 of the 2005 Annual Report.

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

Shareholder means a shareholder of the Company.

WST means Western Standard Time.

PROXY FORM

APPOINTMENT OF PROXY
NEURODISCOVERY LTD
ABN 89 113 824 141

I/We

being a shareholder of NeuroDiscovery Ltd entitled to attend and vote at the Annual General Meeting, hereby

Appoint

Name of proxy

or failing the person so named or, if no person is named, the Chairman of the Annual General Meeting or the Chairman's nominee, to vote in accordance with the following directions or, if no directions have been given, as the proxy sees fit at the Annual General Meeting to be held at 10.30am (WST) on Friday, 18 November 2005 at Level 1 King St Room, Rydges Hotel, cnr Hay & King St, Perth, Western Australia and at any adjournment thereof. If no directions are given, the Chairman will vote in favour of all of the resolutions.

Voting on Business of the Annual General Meeting

		FOR	AGAINST	ABSTAIN
Resolution 1	Adoption of Directors' Remuneration	☐	☐	☐
Resolution 2	Re-appointment of Auditor	☐	☐	☐
Resolution 3	Re-election of Mr David McAuliffe	☐	☐	☐
Resolution 4	Re-election of Mr John Hannaford	☐	☐	☐
Resolution 5	Re-election of Mr Anthony King	☐	☐	☐
Resolution 6	Re-election of Dr Jonathan Mark Treherne	☐	☐	☐
Resolution 7	Re-election of Dr Alistair Dixon	☐	☐	☐
Resolution 8	Issue of Options to Dr Alistair Dixon	☐	☐	☐
Resolution 9	Issue of Options to Mr John Hannaford	☐	☐	☐

If you do **not** wish to direct your proxy how to vote, please place a mark in this box ☐

By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as proxy holder will be disregarded because of the interest. The Chairman will vote in favour of all of the resolutions if no directions are given.

YOU MUST EITHER MARK THE BOXES DIRECTING YOUR PROXY HOW TO VOTE OR MARK THE BOX INDICATING THAT YOU DO NOT WISH TO DIRECT YOUR PROXY HOW TO VOTE, OTHERWISE THIS APPOINTMENT OF PROXY FORM WILL BE DISREGARDED.

If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your shares are not to be counted in computing the required majority on a poll.

Signed this day of 2005

By:

Individuals and joint holders	**Companies (affix common seal if appropriate)**
Signature	Director
Signature	Director/Company Secretary
Signature	Sole Director and Sole Company Secretary

NEURODISCOVERY LTD
ABN 89 113 824 141

Instructions for Completing 'Appointment of Proxy' Form

1. A shareholder entitled to attend and vote at a meeting is entitled to appoint not more than two proxies to attend and vote on their behalf. Where more than one proxy is appointed, such proxy must be allocated a proportion of the shareholder's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes.

2. A duly appointed proxy need not be a shareholder of the Company. In the case of joint holders, all must sign.

3. Corporate shareholders should comply with the execution requirements set out on the proxy form or otherwise with the provisions of Section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:

   - Directors of the company;
   - a Director and a Company secretary of the company; or
   - for a proprietary company that has a sole Director who is also the sole Company secretary – that Director.

   For the Company to rely on the assumptions set out in Section 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with Section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole Director and sole company secretary of the company must state that next to his or her signature.

4. Completion of a proxy form will not prevent individual shareholders from attending the meeting in person if they wish. Where a shareholder completes and lodges a valid proxy form and attends the meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the meeting.

5. Where a proxy form or form of appointment of corporate representative is lodged and is executed under power of attorney, the power of attorney must be lodged in like manner as this proxy.

6. To vote by proxy, please complete and sign the proxy form enclosed and either:

   (a) send the proxy form by post to NeuroDiscovery Ltd, PO Box 374, Claremont, WA, 6910; or

   (b) send the proxy form by facsimile to the Company on facsimile number +61 8 9226 0333,

   so that it is received not later than 10.30 am (WST) on 16 November 2005.

   Proxy forms received later than this time will be invalid.