

Occupational & Medical Innovations Limited

A.B.N. 11 091 192 871



Unit 1, 12 Booran Drive
SLACKS CREEK QLD 4127

PO Box 2150
LOGAN CITY BC QLD 4114

Ph: 07 3451 7000 Fax: 07 3209 4765

1 November 2005

Australian Stock Exchange Limited
Company Announcements Office

ANNOUNCEMENT TO ASX RE A SECURITIES PURCHASE PLAN (SPP).

Occupational & Medical Innovations Ltd ("OMI" or the "Company") is offering shareholders who are registered at the close of business today (1 November 2005), the opportunity to purchase up to 2,500 fully paid ordinary shares at a price of \$1.08. This price represents a discount of approximately 20% from the weighted average market price for the five trading days in the period 25 October to 31 October 2005 inclusive.

The Company had, at 30 September 2005, available funds of \$1.957 million. The Board has received a cash forecast that indicates that at the present burn rate (assuming commercial production of the syringe commences in March 2006) these funds are sufficient for the company to continue to operate for another six (6) months i.e. April 2006.

However this cash forecast makes no allowance for the following important items:

- Syringe receivables (trade debtors) for both the USA and Australian markets
- Marketing, legal and other costs associated with the introduction of the syringe into the USA market in particular, and
- Additional potential staffing costs should the syringe be successfully introduced to the USA market.

Given these facts the Board resolved to raise additional capital.

The Board has been approached by professional investors who are willing to take a placement of shares in the Company. However the Board decided that prior to any further share placement occurring, existing shareholders of OMI should be given the opportunity to acquire shares at a discount to the prevailing market price. Consequently the Board resolved to implement a SPP.

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It is important for shareholders to note that the Board may, at its discretion, place an amount of shares equivalent to those not accepted under the SPP with professional investors. This will be done, at the Board's discretion, as a separate placement after the SPP is completed.

The current Board has adopted a conservative approach to timing issues relating to the production and marketing of the syringe. However, with the recent receipt of the 71,000 syringes in Australia, the Board is gaining confidence in the ability of our manufacturer to provide commercial quantities of syringes in a timely manner.

Whilst the Company is making good progress on getting the syringe to market shareholders need to be aware that there will always be a higher degree of risk associated with any investment in a research and development company (such as OMI) than in a Company with established goods and/or services. To assist shareholders with their decision an updated market report has been prepared and is attached.

The Directors advise that they will be taking-up their entitlement under the SPP.

Details of the SPP, which will be mailed to shareholders on 7 November 2005, are contained in Appendix 3B (refer attachment A). Also attached is the letter that will be mailed to shareholders in relation to the Offer and a pro-forma application form.

Yours faithfully

Occupational & Medical Innovations Limited

Ian Fraser
Chairman



MARKET UPDATE

1 November 2005

1. OMI RETRACTABLE SYRINGE

Production.

On 4 July 2005 a market update was issued that set out a forecast production schedule for the 1mm, 3mm, 5mm and 10mm syringes i.e.

- 30 August 2005 70,000 1mm
- 30 September 2005 1,000 each of 3mm, 5mm and 10mm and
- 31 October 2005 30,000 each of 3mm, 5mm and 10mm.

There has been minor slippage in this schedule.

On 15 September 2005, shareholders were advised of the on schedule receipt of 71,000 syringes from the first significant production run of the OMI 1mm retractable safety syringe.

On 21 October 2005, the Company advised shareholders of delays in the shipment schedules for the 3mm, 5mm and 10mm syringes – a copy of that notice is attached to this update. These delays are minor and are not expected to adversely impact the timing of the Australian and USA distribution plans.

Distribution.

The syringe update announcement of 21 October 2005 referred to above also contained an update of our progress in completing a new non-exclusive distribution agreement for the USA. Samples of the 1mm syringe have also been given to our exclusive Australian distributor. Feedback from that distributor has been positive.

2. OMI SAFETY SCALPEL

USA

We are still having difficulties with our USA distributor of scalpels. We believe that we have met the quality standards required of us but our distributor is still rejecting an unacceptable amount of product. Discussions are continuing and whilst sales to this client are continuing at present (orders on hand exceed US\$140,000) they are now unlikely to reach our budgeted levels for this financial year. This sales shortfall will not adversely impact the 2005/2006 result due to the fact that we are spending so much time (and money) on meeting their requests that present (and past) sales are (have been) largely unprofitable.

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ASIA

Conversely, the OMI Disposable Safety Scalpel has been receiving wide praise in South East Asia where our potential distributor, Terumo (Thailand) Co Ltd, has purchased stock from us for market testing. We previously advised that a distribution agreement had been sent to Terumo – this agreement is now back with our lawyers to incorporate agreed adjustments. It is likely that this agreement will be finalised within the next month.

It is difficult for your directors to estimate the level of sales that might be achieved for the scalpel in the Thailand, Cambodian, Laotian, Vietnam and Myanmar markets but we are led to believe that they could be significant.

AUSTRALIA

Sales in Australia are small but growing on a month by month basis.

3. OMI SAFETY VALVE

Discussions with a potential USA manufacturer/distributor were further advanced at a meeting held in the USA on September 26, 2005. A draft licensing agreement (exclusive) covering North, Central and South America was received from this potential client last week. We are continuing to negotiate terms and conditions. As previously advised this potential client is planning to merge OMI technology with other patented technology into what appears to be an exciting product. The challenge for OMI is to extract reasonable value out of this potential deal.

4. OMI SAFETY CATHETER.

Discussions are continuing with the USA based client who asked OMI to develop this product. It is likely that any deal struck with this client will be an exclusive licensing arrangement for North America. If successful OMI will look at marketing this product in other markets by sourcing product from this client's manufacturer.

A handwritten signature in black ink, appearing to read 'Ian Fraser', is written in a cursive style.

Ian Fraser
Chairman

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21 October 2005

The Announcements Officer
Australian Stock Exchange Limited

CONTINUOUS DISCLOSURE - SYRINGE UPADTE

On 15 September 2005, the company advised that "100,000 1mm syringes will shortly be sent (from China) to a prospective distributor in the USA for their evaluation and possible market trials".

The company now wishes to advise that this shipment has been deferred. Whilst our Chinese manufacturer is prepared (and ready) to manufacture this product, and our potential distributor is ready to accept the product, the company has (after legal advice) taken a commercial decision to delay any significant shipments until we are able to fully investigate the most appropriate corporate structure for importing (and selling) syringes in the USA. This investigation should be completed by end November 2005.

In the interim, sufficient syringes have been sent (from Australia) to the potential USA distributor to allow them to commence the process for FDA approval. The delay of this shipment will not adversely impact the timing of the sale of the OMI Retractable Safety Syringe in the USA market.

The Company also wishes to advise that the previously announced timetable for the receipt of the trial shipments of the 3mm, 5mm and 10mm syringes has been slightly delayed. OMI testing of the initial trial shipments of the 3mm syringe resulted in us requesting a minor modification. This modification has now been incorporated into the syringe design and our Chinese manufacturer has advised that 10,000 3mm syringes will be shipped from China (to Australia) at the end of October with a further 20,000 (of differing needle gauges) following during November. The 5mm and 10mm syringe trials will be shipped in December 2005.

Ian Fraser
Chairman

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

OCCUPATIONAL & MEDICAL INNOVATIONS LIMITED

ABN

11 091 192 871

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|--|
| 1 | +Class of +securities issued or to be issued | ORDINARY FULL PAID SHARES |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 6,415,000 (ASSUMING TOTAL ACCEPTANCE FROM 2,566 SHAREHOLDERS TO TAKE UP 2,500 SHARES EACH) |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | AS PER ACCOMPANYING ANNOUNCEMENT – OFFER TO EACH SHAREHOLDER TO PURCHASE 2,500 SHARES AT ISSUE PRICE OF \$1.08 |

+ See chapter 19 for defined terms.

4	Do the ⁺ securities rank equally in all respects from the date of allotment with an existing ⁺ class of quoted ⁺ securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	YES	
5	Issue price or consideration	\$1.08	
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	WORKING CAPITAL FOR ONGOING OPERATIONS INCLUDING COSTS ASSOCIATED WITH BRINGING PRODUCT TO MARKET AS OUTLINED IN ACCOMPANYING ANNOUNCEMENT TO ASX DATE 1 NOVEMBER 2005	
7	Dates of entering ⁺ securities into uncertificated holdings or despatch of certificates	TO BE ADVISED	
8	Number and ⁺ class of all ⁺ securities quoted on ASX (including the securities in clause 2 if applicable)	Number 36,770,626	⁺ Class ORDINARY

	Number	*Class
9	Number and *class of all *securities not quoted on ASX (including the securities in clause 2 if applicable)	N/A
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	NO DIVIDEND IS CONTEMPLATED IN THE NEAR FUTURE

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	N/A
12	Is the issue renounceable or non-renounceable?	N/A
13	Ratio in which the *securities will be offered	N/A
14	*Class of *securities to which the offer relates	N/A
15	*Record date to determine entitlements	N/A
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has *security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	N/A
19	Closing date for receipt of acceptances or renunciations	N/A

+ See chapter 19 for defined terms.

20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of *security holders	N/A
25	If the issue is contingent on *security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do *security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do *security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A

+ See chapter 19 for defined terms.

32 How do ⁺security holders dispose of their entitlements (except by sale through a broker)? N/A

33 ⁺Despatch date N/A

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) ☒ Securities described in Part 1
☐

(b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders

36 ☐ If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional ⁺securities

⁺ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38	Number of securities for which +quotation is sought	N/A	
39	Class of +securities for which quotation is sought	N/A	
40	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	N/A	
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another security, clearly identify that other security)	N/A	
42	Number and +class of all +securities quoted on ASX (<i>including</i> the securities in clause 38)	Number	+Class
		N/A	

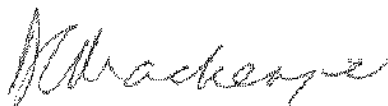
+ See chapter 19 for defined terms.

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



D C Mackenzie
Director

1 November 2005

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+ See chapter 19 for defined terms.

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7 November 2005

Dear Shareholder,

On behalf of the Board of Directors of Occupational & Medical Innovations Limited (OMI), I am pleased to invite you to participate in the OMI 2005 Share Purchase Plan (SPP).

The SPP provides qualifying shareholders with the opportunity to subscribe for up to \$2,700 worth of new fully paid ordinary share in OMI at a discount to the market price.

The terms and conditions of the SPP are set out in the attached documents and any shareholder who applies for shares under the SPP will be bound by those terms and conditions.

Some of the important conditions are: -

- You can only apply for 1,000, 2,000 or 2,500 shares.
- The issue price will be \$1.08 - a discount of approximately 20% over the weighted average market price for the five trading days 25 October to 31 October inclusive.
- Your application and payment must be received at Computershare Investor Services Pty Limited in the reply paid envelope (Level 19, 307 Queen Street, Brisbane QLD 4000), no later than 5pm 2 December 2005.

Participation in the SPP is entirely at your discretion. The right to participate in the SPP is non-renounceable, which means you cannot transfer your right to purchase shares under the SPP to anyone else.

Should shareholders decline to take their full entitlements under this SPP, the directors may, once the SPP is finalised, make a placement of shares to professional investors. This placement will be limited in number to the shortfall (if any) of shares taken up in the SPP.

The funds raised by the SPP, and the subsequent share placement (if any), will be primarily used by The Company as working capital to facilitate commercial production and sale of the

Occupational & Medical Innovations Limited

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OMI retractable safety syringe in both the Australian and USA markets. Baring unforeseen events, the directors believe that this will be the last time that shareholders will be required to provide the Company with additional equity.

A copy of the Market Update issued on 1 November 2005 (with the ASX notice of the SPP) is attached to help you make your decision

No director or company officer of OMI can assist you with your decision to accept (or reject) the SPP offer. If you have questions regarding investment advice, please contact your financial advisor or stockbroker.

Should you have any administrative questions about the SPP, please contact the OMI Company Secretary, Don Mackenzie, by email at accounts@omiltd.com or by calling (07) 3451-7000.

Yours sincerely

OCCUPATIONAL & MEDICAL INNOVATIONS LIMITED



Ian Fraser
Chairman

OCCUPATIONAL & MEDICAL INNOVATIONS LIMITED

ABN 11 091 192 871

SHARE PURCHASE PLAN APPLICATION FORM

DRAFT

SHAREHOLDER NAME:

SHAREHOLDER NUMBER:

RECORD DATE: CLOSE OF BUSINESS 1 NOVEMBER 2005

CLOSING DATE: 2 DECEMBER 2005

PURCHASE PRICE: \$1.08

I/We, the shareholder(s) shown above, being registered as ordinary shareholders(s) in Occupational & Medical Innovations Limited ("OMI") as at the record date of this offer, hereby apply for the number of new shares as indicated below at the issue price of \$1.08 per share issued upon the terms of the Terms and Conditions of the "OMI Share Purchase Plan 2005".

You can apply for shares for any of the following values —

- 1,000 shares for \$1,080
- 2,000 shares for \$2,160
- 2,500 shares for \$2,700

Please tick the appropriate box to indicate the number of shares you wish to take up.

1,000 shares at \$1.08 for a total cost of \$1,080

2,000 shares at \$1.08 for a total cost of \$2,160

2,500 shares at \$1.08 for a total cost of \$2,700

Tick for acceptance
☐

ENTER DETAILS OF CHEQUE – PLEASE COMPLETE IN BLOCK LETTERS

Name of Drawer	Chq No	BSB	Account	Amount

Telephone Number where we may contact you in Brisbane hours

1. If you intend to participate in this Offer, please read the Terms and Conditions of the Offer.
2. Please complete the requested details on the application form.
3. Please note that all amounts in the Offer and Application Form are shown in Australian dollars.
4. Write your cheque for the exact amount for the shares you wish to acquire. Please note all cheques are to made payable to "Occupational & Medical Innovations Limited".
5. Please send the completed Application Form with your cheque to Computershare Investor Services in the reply paid envelope or deliver to Computershare Level 19, 307 Queen Street Brisbane Qld 4001.
6. Please make sure your Application Form and cheque reach Computershare by no later than 5pm (Brisbane time) on 2 December 2005. Late applications will not be accepted.
7. By applying for these shares, you are certifying that you have not applied for any other shares under this Offer and that the aggregate cost of shares applied for and/or subscribed for by you does not exceed \$5,000 in the twelve months period prior to the allotment under this Offer.

OCCUPATIONAL & MEDICAL INNOVATIONS LIMITED

ABN 11 091 192 871

SHARE PURCHASE PLAN

Pursuant to the Occupational & Medical Innovations Limited Share Purchase Plan 2005 ("2005 Plan"), OMI offers eligible shareholders the opportunity to acquire either 1,000, 2,000 or 2,500 fully paid ordinary shares in OMI at \$1.08 per fully paid share.

Eligible shareholders may choose one of the following levels of acceptance -

- 1,000 shares for \$1,080
- 2,000 shares for \$2,160
- 2,500 shares for \$2,700

Please read the Terms and Conditions relating to the Offer carefully. You will be bound by the Terms and Conditions when you apply for the shares under this Offer.

TERMS AND CONDITIONS

1. Opening and Closing date of the Offer

This Offer opens on 2 November 2005 and closes on 2 December 2005. The 2005 Plan does not constitute an Offer in any place in which, or to any person whom, it would be unlawful to make such an Offer.

2. Eligibility

You are eligible to apply for Shares if you are registered as a holder of fully paid shares in OMI at the close of business on the Record Date (1 November 2005). The Offer to each eligible shareholder is made on the same terms and conditions. The Offer is non-reounceable (ie you may not transfer the rights to subscribe for the Shares to anyone else).

3. Issue Price

The issue price of Shares under the Offer is \$1.08. The issue price of Shares under the Plan is at a 20% discount on the average market price. The average market price is calculated over the last 5 days of trading ending 31 October 2005.

Before deciding to accept the offer, you should check the then current price of the OMI shares from a financial newspaper, ASX, or your stockbroker.

4. Rights attaching to Shares

The Shares will be issued on the same terms as the other ordinary shares in OMI quoted on the Australian Stock Exchange Limited (ASX). OMI will apply for the Shares allotted under the Plan to be quoted on the ASX.

5. Offer Detail

If you are an eligible shareholder, you can apply for:

- 1,000 Shares at a total cost of \$1,080
- 2,000 Shares at a total cost of \$2,160
- 2,500 Shares at a total cost of \$2,700

6. Cost of Participation

Under this Offer, you will not pay any brokerage, commission or other transactions costs. The total cost to you will be the issue price of the Shares you elect to acquire.

7. Allotment of Shares

The Shares will be allotted on 15 December 2005, or as soon thereafter as possible.

8. Maximum Number of Shares

Under the rules of the ASX, no more than 6,415,000 Shares may be issued under the Plan.

9. Payment of Shares

Payment for the Shares must be by cheque payable to Occupational & Medical Innovations Limited. If you do not pay the correct amount, OMI has the right to return your Application form and cheque and no Shares will be allotted to you.

10. Certification

By applying for these Shares, you are certifying that you have not applied for any other Shares under this offer and that the aggregate cost of Shares applied for and/or subscribed for by you does not exceed \$5,000 in the twelve months prior to allotment under this Offer.

11. Change of Offer

OMI may change or terminate the Plan at any time. If OMI does this it will advise the ASX and give notice to eligible shareholders. Failure by OMI to give notice to, or non-receipt of notice to, an eligible shareholder will not invalidate the change or termination. OMI reserves the right to issue a lesser number of Shares at its discretion for any reason.

12. No Interest

No interest will be paid on money returned to a person making an application.

13. Risk Factors

The price of the OMI shares may rise or fall between the Date of this Offer and when Shares are issued to you under the Plan. This may mean that the price you pay for Shares under the Plan may be greater or less than the market price at the time the Shares are issued to you. **In deciding whether or not to apply for Shares, or the extent to which you may wish to participate, you should obtain your own personal financial and taxation advice.**

OMI reserves the right to waive strict compliance with any provision of these Terms and Conditions may be exercised by the Directors of OMI or by any person to whom they delegate the authority.