6 February 2006

Company Announcements Office
Australian Stock Exchange Ltd
Sydney 2000

RE: Notice of intention to sell less than Marketable Parcels of Share in the Company (ASX: MDM)

As part of the Company's most recent share capital reconstruction programme, and with consideration of Listing Rule 15.13 and in terms of Clause 26 of its Constitution, a 'Notice of intention to sell' has been given to all shareholders with less than a marketable parcel of shares held as at the close of trading on 1 February 2006.

The 'Notice of intention to sell', as attached, has been sent to those relevant shareholders.

Yours faithfully

Dr Allan Shell
Managing Director

Medical Monitors Limited
Suite 407 Office Tower
Westfield Eastgardens
Eastgardens NSW 2036 Australia
Tel 02 9344 8100 Fax 02 9344 8200

MONITORS MEDICAL

1st February 2006

Dear Shareholder

Notice of intention to sell less than Marketable Parcels of Share in the Company

Our share registry records, maintained by Computershare Investor Services Pty Ltd (Computershare), shows that the number of Medical Monitors Limited shares held in your name is less than a 'marketable parcel'. A marketable parcel is defined by the Australian Stock Exchange (ASX) as a parcel of securities with a market value of not less than $500 - being less than 22,000 MDM shares (pre-reconstruction) and equivalent to 4,400 (post-reconstruction), as at the date of this notice.

However, in consideration of the recent reconstruction process, the Directors have deemed that as at the date of this Notice of intention a 'marketable parcel' will be a parcel of 4,000 shares or more held by the shareholder (post-reconstruction).

You will understand and appreciate that the Company incurs considerable costs to administer shareholdings, provide Annual Reports, Notices of Meeting, and other information to its Shareholders. In the case of many small holdings these expenses often outweigh the value of the shares.

In order to reduce these costs, the Company gives notice, in terms of Clause 26 of its Constitution and in consideration of Listing Rule 15.13, that if your shareholding in the Company is less than a shareholding of $500 in value, as at the close of ASX trading on the effective date being Friday 10th March, 2006, it is intended that your shares be sold.

If you do not wish for your shares to be sold, you need to advise the Company in writing on the form attached before that date. Please send your advice directly to Computershare, GPO Box D182, Perth, Western Australia 6840, so that your notice is received on or before Friday, 10th March, 2006.

The Company intends to offer your shares for sale on the ASX, at 80% of the '5 day average price' immediately before 10th March, 2006, together with the shares held by all other shareholders holding less than the deemed marketable parcel of 4,000 shares or a shareholding of less than $500 (whichever is the lesser), who have not given notice that they wish to retain their shareholding and have been in receipt of this letter and retention form.

Monies received from sale of non-marketable parcels will be paid to shareholders within fourteen days of the Company receiving proceeds of the sale. The Company will bear all costs of the sale of the shareholdings.

If you have any questions regarding this letter or your shareholding, please contact your adviser, or Computershare Investor Services Pty Ltd on 1300 557 010, or myself at our office.

Yours faithfully

Dr Allan Shell
Managing Director

Medical Monitors Limited
Suite 407 Office Tower
Westfield Eastgardens
Eastgardens NSW 2036 Australia
Tel 02 9344 8100 Fax 02 9344 8200