PREMIER BIONICS
LIMITED

NOTICE OF ANNUAL GENERAL MEETING

Incorporating **Explanatory Memorandum** and **Proxy Form**

to be held on
Tuesday, 18 November 2003 at 9.00 am

at

Suite 2, 1233 High Street, Armadale, Victoria, 3143

This is an important document. It should be read in its entirety. If you are in doubt as to the course you should follow, consult your financial or other professional adviser.

PREMIER BIONICS LIMITED ABN 67 099 084 143
NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY given for the Annual General Meeting (**AGM**) of Premier Bionics Limited (**Company**) to be held at Suite 2, 1233 High Street, Armadale, Victoria, 3143 on Tuesday, 18 November 2003 at 9.00 am.

The Explanatory Memorandum and Proxy Form accompanying this Notice of Annual General Meeting are hereby incorporated in and comprise part of this Notice of Annual General Meeting.

Business

FINANCIAL REPORTS

To receive and consider the annual financial report of the Company and of the economic entity for the year ended 30 June 2003 and the reports by directors and auditors thereon.

To consider, and if thought fit, to pass, with or without amendment, the following ordinary resolutions:

1. RE-ELECTION OF MARTIN SOUST

"That, Martin Soust, who retires in accordance with the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a Director."

2. RE-ELECTION OF PETER MARKS

"That, Peter Marks, who retires in accordance with the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a Director."

GENERAL

To transact any business which may be lawfully brought forward.

BY ORDER OF THE BOARD

Phillip Hains
Company Secretary
16 October 2003

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PROXY FORM

Sharehol der's Name

Please write you name(s) above

Appointment of Proxy

I/We appoint as 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 or Chairman sees fit) at the Annual General Meeting (**Meeting**) of the Company to be held at Suite 2, 1233 High Street, Armadale, Victoria, 3143 on Tuesday, 18 November 2003 at 9.00 am (and at any adjournment thereof).

☐ If the Chairman of the Meeting is to be your proxy and you have not directed your proxy how to vote on the items below, please mark 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 any of these items 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 these items and your votes will not be counted in computing the required majority if a poll is called on these items. The Chairman of the Meeting intends to vote undirected proxies in favour of these items.

________________ or *the Chairman of the meeting*

Name of person you are appointing (if not the meeting Chairman)

	For	Against	Abstain
1. Re-election of Martin Soust			
2. Re-election of Peter Marks			

* 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.

Appointing a Second Proxy

________________ Or ________________ %

The number of shares applicable to this proxy form — The percentage of your voting rights

Contact Telephone Num ber

Area Code — Telephone Number

Signature(s)

Shareholder 1	Shareholder 2	Shareholder 3
Director	Director/Secretary	Sole Director and Secretary

Company Seal (if required)

Proxies may be lodged by fax on (03) 9824 8161, mail to or delivery to the office of the Company at Suite 2, 1233 High Street, Armadale, Victoria, 3143. To be valid, a proxy form must be received by the registered office of the Company not less than 48 hours before the time appointed for the General Meeting. For assistan ce in completing this form, please refer to the accompanying instructions.

This is an important document. It should be read in its entirety. If you are in doubt as to the course you should follow, consult your financial or other professional adviser.

INSTRUCTIONS FOR COMPLETION OF THE PROXY FORM

Shareholder's Name

This is the name of the shareholder as it appears on the Company's share register. For the purposes of this Meeting, shares will be taken to be held by those persons who are the registered holders thereof 48 hours before the time appointed for the commencement of this Meeting.

Appointment of Proxy

A shareholder entitled to attend and vote at the Meeting is entitled to appoint not more than two other persons (whether shareholders or not) as proxy or proxies to attend in the shareholder's place at the Meeting. The proxy has the same right as the shareholder to speak and vote at the Meeting. If you leave this section blank, the Chairman of the meeting will be your proxy to vote your shares even if you attend the meeting (unless you revoke your proxy before the meeting).

Vote on Resolutions

You may direct your proxy how to vote by placing a mark in one of the boxes opposite the resolution/s you wish to direct your proxy to vote on. If you do so, all your shares will be voted in accordance with your direction. You can split your vote on any resolution/s by inserting the number/s of shares you wish to vote in the appropriate box/es. Please ensure you clearly mark the box in black or blue ink by placing a mark or the number of shares you are voting.

Appointing a Second Proxy

If a shareholder appoints two proxies, unless each proxy is appointed to represent a specified proportion of the shareholder's voting rights, each proxy may exercise half the votes of the appointor.

Contact Telephone

This will help us if there are any problems with your proxy form.

Signature(s)

Each shareholder must sign this form. If your shares are held in joint names, all shareholders must sign in the boxes. If you are signing as an Attorney, then the Power of Attorney must have been noted by the Company or be duly stamped and accompany this form. Only duly authorised officer/s can sign on behalf of a company. Please sign in the boxes provided which state the office held by the signatory.

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PREMIER BIONICS
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EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the information of members of Premier Bionics Limited (**Company**) in connection with the business to be conducted at the Annual General Meeting of members to be held at Suite 2, 1233 High Street, Armadale, Victoria, 3143 on Tuesday, 18 November 2003 at 9.00 am.

This Explanatory Memorandum should be read in conjunction with the accompanying Notice of General Meeting.

Resolution 1 - Re-Election of Martin Soust

Dr Martin Soust

BSc (Hons) MBA PhD

Executive Director and

Chief Executive Officer

Dr Soust, aged 43, has had a career in medical research and small/medium sized enterprise management. He obtained his BSc (Hons) at the University of Melbourne and his PhD with Monash University's Centre for Early Human Development at the Monash Medical Centre. His PhD was a major investigation into the physiology of respiratory muscles in newborns. During his research career Martin worked on a range of projects including neuroanatomical investigations, respiratory physiology studies and cardiovascular studies with several co-investigators at the University of Melbourne, Monash University and Monash Medical Centre. After a successful period in medical research Martin embarked upon a management career. He completed his MBA (at Monash University) whilst he held management roles in small and medium sized enterprises and spent several years managing national associations.

In 1999 Dr Soust started a management consulting practice specialising in providing management consulting services to organisations operating in the biomedical sciences. His firm assisted in the process of starting new ventures for Universities and research groups through the commercialisation of intellectual property and know-how. He has provided extensive services to the Monash Institute of Reproduction and Development, particularly in helping establish two new companies (one being Pulmosonix Pty Ltd). He has also undertaken investigations into potential markets for new therapeutic agents, developed research protocols and provided interim management services for start-up companies. He has extensive experience in commercial negotiations, research and development planning, and technical and commercial management of biomedical projects.

Dr Soust was appointed Director of Premier Bionics Limited on 18 March 2002. Dr Soust is also a Director of Select Vaccines Ltd.

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Resolution 2 – Re-Election of Peter Marks

Mr Peter Marks

BEc LLB Grad. Dip. Comm. Law MBA

Executive Chairman

Mr Marks, aged 47, has extensive experience in the areas of corporate finance advice and venture capital investment, having specialised in capital raisings (for listed and unlisted companies), underwriting and initial public offerings since 1983 in London and Australia. He obtained a Bachelor of Economics, Bachelor of Laws and Graduate Diploma in Commercial Law from Monash University and completed his MBA at The Scottish School of Business (University of Edinburgh). He has served as an Associate Director of McIntosh Securities (now Merrill Lynch Australia) as well as occupying senior corporate finance positions both at Baring Securities Ltd and Burdett Buckeridge & Young Ltd in their Melbourne offices. Between 1985 and 1991, Mr Marks was responsible for advising on a substantial number of listed and unlisted company issues ranging from corporate and company structure, valuations, business strategies, acquisitions and international opportunities. In 1992, Mr Marks was appointed Head of the Melbourne Companies Department at the Australian Stock Exchange.

Between 1995 and 1998, Mr Marks was Managing Director of a boutique corporate advisory and venture capital firm working with a wide range of small to medium sized companies, raising new capital for them either by way of private placement or listing on the Australian Stock Exchange. Mr Marks was also a founding director of Momentum Funds Management Pty Ltd, one of the first venture capital funds to be licensed under the Federal Government's Innovation Investment Fund program, a new venture capital program established in 1997.

From 1998 to early 2001 Mr Marks was employed at KPMG Corporate Finance Ltd (Australia) and during this time became a Director and responsible for heading up the equity capital markets group in Melbourne. In this role, Mr Marks helped develop the team's capabilities in the equity markets area and was responsible for generating several IPO projects as well as assisting with the funding for a range of private equity transactions. Mr Marks is currently a Director of Select Vaccines Ltd and Peregrine Corporate Ltd.

Mr Marks was appointed Director of Premier Bionics Limited on 18 December 2001.