RITRACT™
Your safety. Every day.

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22 November 2006

Manager Issuers
Australian Stock Exchange
Level 8, Exchange Plaza
2 The Esplanade
Perth WA 6000

Dear Sir,

Ritract Limited – Entitlement Issue Prospectus

Please find attached a Prospectus and Appendix 3B relating to the Ritract Limited Entitlement Issue.

Yours faithfully,

Guy Robertson
Company Secretary

RITRACT LIMITED
ABN 28 106 353 253

ENTITLEMENT ISSUE PROSPECTUS

For a pro rata non-renounceable entitlement issue of two (2) new Shares for every seven (7) Shares held by Shareholders registered at 5.00pm (EST) on 30 November 2006 at an issue price of 8 cents per Share to raise $2,094,036 (**Entitlement Issue**).

UNDERWRITER:

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The securities offered by this Prospectus should be considered as speculative.

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1. SUMMARY OF IMPORTANT DATES AND IMPORTANT NOTES

TIMETABLE AND IMPORTANT DATES

Lodgement of Prospectus with ASIC	21 November 2006
Notice sent to Shareholders	23 November 2006
Ex Date	24 November 2006
Record Date for determining Shareholder entitlements	30 November 2006
Prospectus despatched to Shareholders	1 December 2006
Closing Date of Offer	15 December 2006
Securities quoted on a deferred settlement basis	18 December 2006
Despatch date/Shares entered into shareholders security holdings	27 December 2006

* These dates are determined based upon the current expectations of the Directors and may be changed with 6 Business Days prior notice.

IMPORTANT NOTES

Shareholders should read this document in its entirety and, if in doubt, should consult their professional advisors.

This Prospectus is dated 21 November 2006 and a copy of this Prospectus was lodged with the ASIC on that date. The ASIC and ASX take no responsibility for the content of this Prospectus.

The expiry date of the Prospectus is 20 December 2007 (**Expiry Date**). No securities will be allotted or issued on the basis of this Prospectus after the Expiry Date.

Applications for Options offered pursuant to this Prospectus can only be submitted on an original Entitlement and Acceptance Form which accompanies this Prospectus.

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

No person is authorised to give information or to make any representation in connection with this Prospectus which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

ELECTRONIC PROSPECTUS

Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must be an Australian resident and must only access the Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company.

2. CORPORATE DIRECTORY

Directors

Mr Michael Boyd
Mr William Nicklin
Dr Andrew Walker
Mr Rupert Northcott
Mr Anthony Fitzgerald
Dr Bruce Ingram

Company Secretary

Mr Guy Robertson

Registered Office

Level 17
201 Miller Street
NORTH SYDNEY NSW 2060

Telephone (02) 8923 2512
Facsimile (02) 8923 2525

Underwriter

DJ Carmichael Pty Limited
Level 11, 77 St Georges Terrace
Perth WA 6000

Share Registry*

Advanced Share Registry Services
110 Stirling Highway
NEDLANDS WA 6009
Telephone (08) 9389 8033

Solicitors

Steinepreis Paganin
Lawyers and Consultants
Level 4, Next Building
16 Milligan Street
PERTH WA 6000

Auditor

HLB Mann Judd Chartered Accountants
15 Rheola Street
WEST PERTH WA 6005

This party is included for information purposes only. It has not been involved in the preparation of this Prospectus.

3. CHAIRMAN'S LETTER

Dear Shareholder

On behalf of the Board of Directors, I have pleasure in offering you the opportunity to participate in this pro rata non-renounceable entitlement issue to Shareholders of Ritract Limited (**Ritract** or **Company**) of two (2) new Shares for every seven (7) Shares held at the record date.

The Company has entered into an underwriting agreement with DJ Carmichael Pty Limited whereby DJ Carmichael Pty Limited will underwrite the Offer. I have entered into a sub-underwriting agreement with DJ Carmichael Pty Limited to sub-underwrite $1,000,000 of any shortfall under the Offer. The underwriting will ensure that Ritract raises the full $2,094,036 in new capital.

As advised in previous announcements to ASX, I have funded the company in the short term by means of an unsecured loan up to an amount of $1 million. As at the date of this Prospectus, I have advanced the Company approximately $750,000. It is anticipated that some of the funds raised through the Entitlement Issue will be used to repay this loan.

The balance of the funds raised under this Prospectus will allow Ritract to maintain strong momentum in bringing its full range of syringe sizes to market and allow the Company sufficient time to consider various strategic alternatives for the business going forward.

This year has marked strong progress for Ritract with the Company now strategically positioned to enter the true commercialisation phase. We remain confident our product design and range leads the auto retractable syringe sector in terms of product functionality and user friendliness.

The Ritract Safety Syringe is the only commercially available auto retractable safety syringe product that allows the end user to have control of the retraction process and to select and change standard luer lock needles. The unparalleled range of product sizes available (being 1, 3, 5 and 10ml) will enable hospitals around the world to adopt a comprehensive safety injection policy.

In the US, we achieved FDA 510K clearance which allows the Ritract syringe range to be marketed and sold in the United States.

Highlights of our operational progress over the past year have included:

- Completion of product range with 3, 5 and 10 ml syringes. First delivery of the range of 3, 5 and 10ml products will be in December 2006.
- US FDA 510k compliance, clearance to market in US achieved 3Q06.
- Negotiation of sales test with B. Braun to progress US market commercialisation.
- Granting of US patent for syringe, also Australia, South Africa, Canada.
- Successful completion of ISO 13485 audit with recommendation for Certification. Seek CE Mark approval Q107.
- Building solid foundations to support future growth of the Company.

Each of these events is an important milestone in the growth and development of Ritract and reflects the successful progress in implementing our business strategy.

The Board of Directors takes this opportunity to thank all Shareholders for your support to date of Ritract and looks forward to your continued support in the future.

Yours faithfully

Michael Boyd
Chairman

4. DETAILS OF THE OFFER

4.1 Offer

By this Prospectus, the Company offers for subscription up to approximately 26,175,452 new Shares pursuant to a pro-rata non-renounceable entitlement issue to Shareholders of two (2) new Shares for every seven (7) Shares held on the Record Date at an issue price of $0.08 per Share.

Based on the capital structure of the Company (and assuming no existing Options are exercised prior to the Record Date), the maximum number of Shares to be issued pursuant to the Offer is approximately 26,175,452. The Offer will raise up to approximately $2,094,036. The purpose of the Offer and the use of funds raised are set out in Section 5 of this Prospectus.

The Company currently has 59,736,005 2006 Options on issue. Holders of these Options will not be entitled to participate in the Offer. However, those Option Holders will be entitled to exercise their Options prior to the Record Date in order to participate in the Shareholder Offer.

4.2 How to Accept the Offer

Your acceptance of the Offer must be made on the Entitlement and Acceptance Form accompanying this Prospectus. Your acceptance must not exceed your Entitlement as shown on that form. If it does, your acceptance will be deemed to be for the maximum Entitlement.

You may participate in the Offer as follows:

(a) if you wish to accept your Entitlement in full:

  (i) complete the Entitlement and Acceptance Form, filling in the details in the spaces provided; and

  (ii) attach your cheque for the amount indicated on that relevant Entitlement and Acceptance Form; or

(b) if you only wish to accept part of your Entitlement:

  (i) fill in the number of Shares you wish to accept in the space provided on the Entitlement and Acceptance Form; and

  (ii) attach your cheque for the appropriate application monies (at $0.08 per Share); or

(c) if you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

All cheques must be drawn on an Australian bank or bank draft made payable in Australian currency to "Ritract Limited – Entitlement Offer Account" and crossed "Not Negotiable".

Your completed Entitlement and Acceptance Form and cheque must reach the Company's share registry no later than 5pm EST on the Closing Date.

The Offer is non-renounceable. Accordingly, a Shareholder may not sell or transfer all or part of their Entitlement.

4.3 Minimum Subscription

The minimum subscription in respect of the Offer is $2,094,036.

No Shares will be allotted or issued until the minimum subscription has been received. If the minimum subscription is not achieved within 4 months after the date of issue of this Prospectus, the Company will either repay the Application monies to the Applicants or issue a supplementary prospectus or replacement prospectus and allow Applicants one month to withdraw their Application and be repaid their Application monies.

4.4 Underwriting

The Offer is fully underwritten by DJ Carmichael Pty Limited. Refer to Section 8.2 of this Prospectus for further details of the terms of the underwriting.

4.5 Shortfall

The Company reserves the right, within three (3) months of the Closing Date, to issue the Shortfall at the discretion of the Directors (in consultation with the Underwriter).

For this purpose, the Prospectus also includes an offer of Shares the subject of the Shortfall, which offer will remain open for up to three (3) months from the Closing Date.

Please do not complete a Shortfall Application Form unless directed to do so by the Underwriter.

4.6 Australian Stock Exchange Listing

Application for official quotation by ASX of the Shares offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus. If approval is not obtained from ASX before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant official quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Shares now offered for subscription.

4.7 Allotment of Shares

Shares issued pursuant to the Offer will be allotted as soon as practicable after the Closing Date. The Company will allot the Shares on the basis of a Shareholder's Entitlement. Where the number of Shares issued is less than the number applied for, or where no allotment is made, surplus application monies will be refunded without any interest to the applicant as soon as practicable after the Closing Date.

Pending the allotment and issue of the Shares or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

4.8 Overseas Shareholders

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. No action has been taken to register or qualify these Shares the subject of this Prospectus or otherwise permit a public offering of the Shares the subject of this Prospectus in any jurisdiction outside Australia.

It is the responsibility of applicants outside Australia to obtain all necessary approvals for the allotment and issue of the Shares pursuant to this Prospectus. The return of a completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation and warranty by the Applicant that all relevant approvals have been obtained.

4.9 Taxation Implications

The Directors do not consider that it is appropriate to give Applicants advice regarding the taxation consequences of applying for Shares under this Prospectus, as it is not possible to provide a comprehensive summary of the possible taxation consequences. The Company, its advisers and officers, do not accept any responsibility or liability for any taxation consequences to Applicants. Potential Applicants should, therefore, consult their own professional tax adviser in connection with the taxation implications of the Shares offered pursuant to this Prospectus.

4.10 Clearing House Electronic Sub-Register System (CHESS) and Issuer Sponsorship

The Company will not be issuing share certificates. The Company will apply to ASX to participate in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Shares allotted to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

4.11 Privacy Act

If you complete an application for Shares, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (Cth) (as amended), the Corporations Act and certain rules such as the ASTC Settlement Rules. You should note that if you do not provide the information required on the application for Shares, the Company may not be able to accept or process your application.

4.12 Enquiries

Any questions concerning the Offer should be directed to the Company Secretary, Guy Robertson, on (02) 8923 2512.

5. PURPOSE AND EFFECT OF THE OFFER

5.1 Purpose of the Offer

The purpose of the Offer is to raise approximately $2,094,036. The proceeds of the Offer are planned to be used in accordance with the table set out below:

Proceeds of the Offer	$
Working capital[1]	1,205,824
Repayment of Director Loan	750,000
Expenses of the Offer[2]	138,212
Total	**2,094,036**

Notes:

1. Working capital is required to fund the day to day business operations which includes finalising the 3ml, 5ml and 10ml syringe projects and the completion of the 1ml syringe project that is presently on hold.
2. Refer to Section 8.6 of this Prospectus for further details relating to the expenses of the Offer.

5.2 Effect of the Offer and Pro Forma Consolidated Balance Sheet

The principal effect of the Offer will be to:

(a) increase the cash reserves by approximately $1,205,824 immediately after completion of the Offer after deducting the estimated expenses of the Issue and repayment of the loan to Michael Boyd; and

(b) increase the number of Shares on issue from 91,614,082 Shares as at the date of this Prospectus to 117,789,534 Shares on the basis that the Offer is fully subscribed.

5.3 Consolidated Balance Sheet

The audited Consolidated Balance Sheet as at 30 June 2006 and the unaudited Pro Forma Consolidated Balance Sheet as at 30 June 2006 shown on the following page have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position. They have been prepared on the assumption that all Shares pursuant to the Offer in this Prospectus are issued.

The statements have been prepared to provide Shareholders with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	30-Jun-06 Audited $	Proforma 30-Jun-06 Unaudited $
Current Assets		
Cash assets	415,695	1,621,519
Receivables	10,445	10,445
Other	35,653	35,653
Total Current Assets	**461,793**	**1,667,617**
Non-Current Assets		
Property, plant and equipment	279,842	279,842
Intangible assets	2,838,778	2,838,778
Total Non-Current Assets	**3,118,620**	**3,118,620**
Total Assets	**3,580,413**	**4,786,237**
Current Liabilities		
Payables	516,617	516,617
Total Current Liabilities	**516,617**	**516,617**
Total Liabilities	**516,617**	**516,617**
Net Assets	**3,063,796**	**4,269,620**
Equity		
Contributed equity	14,114,445	16,070,269
Option reserve	385,269	385,269
Accumulated losses	(11,435,918)	(12,185,918)
Total Equity	**3,063,796**	**4,269,620**

5.4 Effect on Capital Structure

A comparative table of changes in the capital structure of the Company as a consequence of the Offer is set out below, assuming that the Offer is fully subscribed.

Shares

	Number
Shares currently on issue	91,614,082
Shares offered pursuant to the Offer	26,175,452
Total Shares on issue after completion of the Offer	**117,789,534**

Options

	Number
Options currently on issue[1]	59,736,005

Notes:

1. These options are listed options (ASX Code: RTLO) exercisable at $0.75 on or before 31 December 2006.

No Options will be issued under the Offer.

Performance Shares

The Company currently has 11,300,000 Class C Performance Shares on issue as at the date of this Prospectus. Holders of Class C Performance Shares will not be entitled to participate in the Offer.

6. RIGHTS AND LIABILITIES ATTACHING TO THE SHARES

6.1 Rights Attaching to Shares upon Conversion

The rights attaching to Shares in the Company are set out in the Constitution of the Company, a copy of which is available for inspection during normal business hours at the registered business office of the Company.

General Meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with Section 249D of the Corporations Act and the Constitution of the Company.

Voting Rights

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or classes of Shareholders:

(a) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;

(b) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and

(c) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have a fraction of a vote equivalent to the proportion which the amount paid up bears to the total issue price for the share.

Dividend Rights

The Directors may from time to time declare and pay or credit a dividend in accordance with the Corporations Act. Subject to any special right as to dividends attaching to a share, all dividends will be declared and paid according to the proportion which the amount paid in respect of any Shares held by a Shareholder is to the total amount payable in respect of those Shares (but any amount paid during the period in respect of which a dividend is declared only entitles the Shareholder to an apportioned amount of that dividend as from the date of payment). The Directors may from time to time pay or credit to the Shareholders such interim dividends as they may determine. No dividends shall be payable except out of profits. A determination by the Directors as to the profits of the Company shall be conclusive. No dividend shall carry interest as against the Company.

The Directors may from time to time grant to Shareholders or any class of shareholders the right to elect to reinvest cash dividends paid by the Company by subscribing for Shares in the Company on such terms and conditions as the Directors think fit. The Directors may, at their discretion, resolve in respect of any dividend which it is proposed to pay or to declare on any Shares of the Company, that holders of such Shares may elect to forgo their right to the whole or part of the proposed dividend and to receive instead an issue of Shares credited as fully paid to the extent and on the terms and conditions of the

Constitution. The Directors may set aside out of the profits of the Company such amounts as they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Winding-Up

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders. The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any Shares or other securities in respect of which there is any liability.

Transfer of Shares

Generally, Shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the Listing Rules.

Future Increase in Capital

The allotment and issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

Variation of Rights

Under Section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

7. RISK FACTORS

7.1 Introduction

Set out below is a list of some of the risk factors which should be considered before subscribing for Options under this Prospectus. Some of these risk factors can be mitigated by the use of safeguards and appropriate systems and actions, but many are outside the control of the Company and cannot be mitigated. The Directors are of the view that the Options offered under this Prospectus should be considered speculative because of the nature of the Company's business and the Company's history. This list is not exhaustive and potential Applicants should examine the contents of this Prospectus and consult their professional advisers before deciding whether to apply for Options.

7.2 Economic Risks

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and future production activities, as well as on its ability to fund those activities.

7.3 Market conditions

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equity stocks. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

7.4 Future Capital Requirements

The Company's activities will require substantial expenditures. There can be no guarantee that the funds raised through the Offer will be sufficient to successfully achieve all the objectives of the Company's overall business strategy. If the Company is unable to use debt or equity to fund expansion after the substantial exhaustion of the net proceeds of the Offer there can be no assurances that the Company will have sufficient capital resources for that purpose, or other purposes, or that it will be able to obtain additional resources on terms acceptable to the Company or at all. Any additional equity financing may be dilutive to Shareholders and any debt financing if available may involve restrictive covenants, which limit the Company's operations and business strategy. The Company's failure to raise capital if and when needed could delay or suspend the Company's business strategy and could have a material adverse effect on the Company's activities.

7.5 Reliance on Key Personnel and Need to Attract Qualified Staff

The Company is dependent on its management and technical personnel, the loss of whose services could materially and adversely affect the Company and impede the achievements of its business objectives.

The Company's ability to sell its products and services and maintain its research and development program will depend in part upon its ability to attract and retain suitably qualified management and technical personnel over time.

There can be no assurance that the Company will be able to attract or retain sufficiently qualified personnel on a timely basis or retain its key management personnel.

7.6 Uncertainty of Future Profitability

The Company's ability to operate profitably in the future will depend on its ability to achieve sufficient revenue from existing and new customers. This will depend on the ultimate demand for its products and services by customers which cannot be guaranteed.

Other factors that will determine the Company's profitability are its ability to manage its costs, to execute its development and growth strategies, economic conditions in the markets the Company operates in, competitive factors and regulatory developments. Accordingly, the extent of future profits is uncertain. Moreover, the level of such profitability cannot be predicted.

7.7 Industry Risks

The Company's current and future potential competitors include companies with substantially greater resources than it. There is no assurance that competitors will not succeed in developing products or services that are more effective or economic than the current products and services or any of those being developed by the Company or which would render the products obsolete and/or otherwise uncompetitive. In addition, the Company may not be able to compete successfully against current or future competitors where aggressive pricing policies are employed to capture market share. Such competition could result in price reductions, reduced gross margins and loss of market share, any of which could materially adversely affect the Company's future business, operating results and financial position.

7.8 Alternative Technologies

The industry in which the Company operates presents continuing opportunities for the development of new technologies. The development and commercialisation of new technologies that are more cost efficient than those of the Company or offer greater variety in services than the Company, could place the Company at a competitive disadvantage.

7.9 Protection of Intellectual Property

The Company's success will depend, in part, on its ability to maintain trade secret protection and operate without infringing the proprietary rights of third parties or having third parties circumvent the Company's rights. No guarantee can be given that such protection will be successfully and validly maintained by the Company. While the Company believes that it has taken appropriate steps to protect its proprietary technology, it must rely on the limited protection afforded by a combination of trademark laws, trade secrets, confidentiality procedures and contractual provisions to manage proprietary rights. The law may not adequately protect these rights in all places where the Company does business, or enable the same rights to be defended sufficiently to avoid adverse material impact on operations.

7.10 Reliance on Third Parties

The Company relies upon third parties for several elements of its business, in particular certain key suppliers of information technology based products and services. The Company's success will depend on the ability of those suppliers to provide these products in an efficient and timely manner.

7.11 Investment Speculative

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the securities offered under this Prospectus.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Options pursuant to this Prospectus.

8. ADDITIONAL INFORMATION

8.1 Continuous Disclosure Obligations

The Company is a "disclosing entity" (as defined in Section 111AC of the Corporations Act) for the purposes of Section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

This Prospectus is a "transaction specific prospectus". In general terms "transaction specific prospectuses" are only required to contain information in relation to the effect of the issue of securities on the Company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 12 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

(a) it is subject to regular reporting and disclosure obligations;

(b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in Section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and

(c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:

    (i) the financial statements of the Company for the financial year ended 30 June 2006 being the last financial statements for a financial year, of the Company lodged with the ASIC before the issue of this Prospectus;

    (ii) any half year financial statements of the Company lodged with ASIC since the lodgement of the last financial statements for the year ended 30 June 2006 lodged with ASIC before the issue of this Prospectus; and

(iii) any documents used to notify ASX of information relating to the Company in the period from lodgement of the financial statements referred to in paragraph (i) above until the issue of the Prospectus in accordance with the Listing Rules as referred to in Section 674(1) of the Corporations Act.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

The Company has lodged the following announcements with ASX since the lodgement of the 2006 audited financial statements:

Date	**Description of Announcement**
07/11/2006	Amendment to AGM Notice
07/11/2006	Reinstatement to Official Quotation
30/10/2006	Annual Report & Notice of Annual General Meeting

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

8.2 Material Contracts

The following are summaries of the significant terms of the material agreements which relate to the business of the Company.

Underwriting Agreement

By an agreement between DJ Carmichael Pty Limited (**DJ Carmichael**) and the Company, DJ Carmichael has agreed to fully underwrite the Offer (**Underwriting Agreement**).

Pursuant to the Underwriting Agreement, the Company has agreed to pay DJ Carmichael an underwriting fee of 5% of the total funds raised under the Offer and a prospectus management fee of $15,000.

The obligation of DJ Carmichael to underwrite the Offer is subject to certain standard events of termination. DJ Carmichael may terminate its obligations under the Underwriting Agreement if:

(a) the Company is in breach of any provision of the Underwriting Agreement (whether or not the same is expressed to be a condition) and such failure is not remedied to the satisfaction of DJ Carmichael (acting reasonably) prior to the issue of the Shortfall Notice;

(b) any of the representations, warranties or undertakings given on the Company's part in the Underwriting Agreement cease to be, or are found not to have been, true and correct in all material respects;

(c) there is a misstatement or inaccuracy in, or omission from, the Prospectus, or any statement in this Prospectus (including, but not limited to, any representation with respect to any future matter) is or becomes misleading or deceptive in a material respect;

(d) there is a material adverse change in the financial position or prospects of the Company;

(e) the Company withdraws this Prospectus;

(f) the occurrence of an event as defined in Section 652C of the Corporations Act in relation to the Company, as though the Company were a target company other than any allotment or issue of securities, and any grant of security contemplated in this Prospectus;

(g) an application is made by ASIC for an order under section 1324B of the Corporations Act in relation to this Prospectus and that application has not been dismissed or withdrawn;

(h) this Prospectus does not comply with Section 713, 711 or any other relevant provision of the Corporations Act;

(i) there is a refusal or omission to lodge a supplementary or replacement prospectus in relation to this Prospectus which, in the reasonable opinion of DJ Carmichael, is required to be lodged in accordance with Part 6D.2 of the Corporations Act;

(j) any supplementary prospectus is lodged with ASIC in relation to this Prospectus which:

    (i) in the reasonable opinion of DJ Carmichael may have a material adverse effect on the Offer; or

    (ii) is lodged without the prior written approval of DJ Carmichael;

(k) any party withdraws its written consent to the inclusion of statements made by it in this Prospectus pursuant to Section 716 of the Corporations Act;

(l) a stop order or interim stop order or notice of intention to hold a hearing being issued by ASIC in relation to this Prospectus or any supplementary prospectus relating thereto, in accordance with Section 739 of the Corporations Act;

(m) a resolution is passed or an order made by a court of competent jurisdiction for the winding up of the Company;

(n) a receiver or receiver and manager or administrator or other controller is appointed to all or any part of the assets or undertaking of the Company;

(o) the Company enters into any scheme of arrangement with its creditors or any class of them or indicates its intention, or endeavours to do so;

(p) the Company suspends payment of its debts or is unable to pay its debts within the meaning of Section 95A of the Corporations Act;

(q) ASIC commences, or the company or DJ Carmichael becomes aware of, the intention to commence an investigation under the Australian Securities and Investments Commission Act 1989 into all or any part of the Company;

(r) a provisional liquidator is appointed to the Company;

(s) an inspector is appointed pursuant to the Corporations Act to investigate all or any part of the affairs of the Company;

(t) the Company or an officer of the Company is charged with or convicted of an offence in relation to the Company's constituent documents or any law relating to companies or securities or ASX Listing Rules;

(u) if without the prior consent of DJ Carmichael, which consent will not be unreasonably withheld, a material contract is terminated (whether by breach or otherwise), rescinded, altered or amended or any such contract is found to be void, voidable, or unenforceable;

(v) the Company alters or announces an intention to alter its capital structure or its Constitution without the prior consent of DJ Carmichael, which shall not be unreasonably withheld;

(w) ASX refuses, does not grant, on terms acceptable to DJ Carmichael, or withdraws approval for the granting of Official Quotation for the Options comprising the Offer or ASX makes a statement to that effect to the Company, DJ Carmichael or any other person;

(x) ASX withdraws approval for the Company to be listed on the Official List or ASX makes a statement to that effect to the Company, DJ Carmichael or any other person;

(y) the S&P/ASX All Ordinaries 200 Index of ASX falls below 4,500;

(z) the S&P/ASX 200 Healthcare Index falls below 5,500;

(aa) the adoption of or announcement by or on the authority of the United States of America or Australian Governments of the following:

    (i) any change in fiscal or monetary or taxation policy which would materially and adversely affect companies generally or the Company in particular or investment in stocks and Options generally including but not limited to any change which is likely to materially affect interest rates; or

    (ii) any law or prospective law or other measure having the effect or restraining capital issues, corporate profits or foreign investment; or

(bb) there is an outbreak of hostility (whether war has been declared or not) involving any one of Australia, the United Kingdom, the Unites States of America, the Commonwealth of Independent States (excluding hostilities within the Commonwealth of Independent States), the Peoples Republic of China, Indonesia (excluding hostilities in East Timor during the presence of the United Nations peace keeping in East Timor), Malaysia or Japan.

The Underwriting Agreement also contains a number of representations and warranties from the Company to the Underwriter that are considered standard for an agreement of this type.

8.3 Directors' Interests

Other than as set out below or elsewhere in this Prospectus, no Director nor any firm in which such a Director is a partner, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

(a) the formation or promotion of the Company;

(b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer of securities pursuant to this Prospectus; or

(c) the Offer of securities pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any Director or to any firm in which any such Director is a partner, either to induce him to become, or to qualify him as, a Director or otherwise for services rendered by him or by the firm in connection with the formation or promotion of the Company or Offer of securities pursuant to this Prospectus.

Directors' interests in securities of the Company at the date of this Prospectus are:

Name	Shares	2006 Options	Performance Shares
Andrew Walker	100,000	310,000	150,000
Rupert Northcott	926,043	410,000	500,000
Michael Boyd	3,016,502	2,000,000	500,000
Anthony Fitzgerald	180,000	80,000	Nil
Bruce Ingram	5,230,998	3,093,000	Nil
Bill Nicklin	Nil	Nil	Nil

Notes:

1. Michael Boyd has agreed to sub-underwrite the Offer up to an amount of $1,000,000 or 12,500,000 Shares. Michael Boyd will not receive any fees for acting as a sub-underwriter of the Offer.

The Constitution of the Company provides that the non-executive Directors may be paid for their services as Directors, a sum not exceeding such fixed sum per annum as may be determined by the Company in general meeting, to be divided among the Directors and in default of agreement then in equal shares.

In the last two (2) years the Company paid $122,388 for the year ended 30 June 2005 and $128,075 for the year ended 30 June 2006. For the period from 1

July 2006 to the date of this Prospectus $38,150 has been paid or is payable by the Company by way of remuneration for services provided by all directors (executive, non-executive and alternate), companies associated with those directors or their associates in their capacity as directors, employees, consultants or advisers (and including superannuation payments). Directors, companies associated with the directors or their associates are also reimbursed for all reasonable expenses properly incurred in the course of conducting their duties which include, but are not in any way limited to, out of pocket expenses, travelling expenses, disbursements made on behalf of the Company and other miscellaneous expenses.

The Company has entered into a consultancy agreement with Healthtec Growth Partners Pty Ltd. Mr Anthony Fitzgerald is a consultant to Healthtec Growth Partners Pty Ltd and is paid a fee for his services.

8.4 Interests and Consents of Experts and Advisers

Other than as set out below or elsewhere in this Prospectus, no expert, underwriter, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, nor any firm in which any of those persons is or was a partner, nor any company with which any of those persons is or was associated, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

(a) the formation or promotion of the Company; or

(b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer of securities pursuant to this Prospectus; or

(c) the Offer of securities pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any expert, underwriter, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of this Prospectus, or to any firm in which any of those persons is or was a partner, or to any company with which any of those persons is or was associated, for services rendered by that person, or by the firm or the company, in connection with the formation or promotion of the Company or the Offer of securities pursuant to this Prospectus.

Pursuant to Section 716 of the Corporations Act, DJ Carmichael Pty Limited has given and has not withdrawn its consent to being named as Underwriter to the Offer in the Corporate Directory of this Prospectus in the form and context in which it is named. DJ Carmichael Pty Limited has not caused or authorised the issue of this Prospectus, does not make or purport to make any statement in this Prospectus and takes no responsibility for any part of this Prospectus.

DJ Carmichael Pty Limited will be paid an underwriting fee of approximately $104,702 in respect of this Offer and a management fee of $15,000.

Pursuant to Section 716 of the Corporations Act, HLB Mann Judd Chartered Accountants has given and has not withdrawn its consent to being named as Auditor of the Company in the Corporate Directory of this Prospectus and the use of the audited Consolidated Balance Sheet as at 30 June 2006 in Section **Error! Reference source not found.** of this Prospectus in the form and context in which it is named. HLB Mann Judd Chartered Accountants has not caused or authorised the issue of this Prospectus, does not make or purport to make any statement in this Prospectus and takes no responsibility for any part of this Prospectus.

Pursuant to Section 716 of the Corporations Act, Steinepreis Paganin has given, and has not withdrawn its consent to being named as Solicitors to the Company in the Corporate Directory of this Prospectus in the form and context in which it is named. Steinepreis Paganin has not caused or authorised the issue of this Prospectus, does not make or purport to make any statement in this Prospectus and takes no responsibility for any part of this Prospectus.

Steinepreis Paganin act as solicitors to the Company. Steinepreis Paganin will be paid approximately $10,000 for services in relation to this Prospectus.

8.5 Legal Proceedings

There is no litigation, arbitration or proceedings pending against or involving the Company as at the date of this Prospectus.

8.6 Estimated Expenses of Offer

In the event that the Offer is fully subscribed, the estimated expenses of the Offer are as follows:

	$
ASIC fees	2,010
Underwriting Fees	104,702
Legal expenses	10,000
Advisory expenses	15,000
Printing and other expenses	6,500
Total	**138,212**

8.7 Market Price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest and lowest market sale prices of the Company's Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

Highest: 20 cents on 22 September 2006

Lowest: 8.2 cents on 21 November 2006

The latest available closing sale price of the Company's Shares on ASX prior to the lodgement of this Prospectus with the ASIC was 8.4 cents on 21 November 2006.

8.8 Electronic Prospectus

Pursuant to Class Order 00/044, the ASIC has exempted compliance with certain provisions of the Corporations Act 2001 to allow distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with the ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Entitlement and Acceptance Form. If you have not, please phone the Company on (02) 8923 2512 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both.

The Company reserves the right not to accept an Entitlement and Acceptance Form from a person if it has reason to believe that when that person was given access to the electronic Entitlement and Acceptance Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

9. AUTHORITY OF DIRECTORS

9.1 Directors' Consent

Each of the Directors of Ritract Limited has consented to the lodgement of this Prospectus with the ASIC in accordance with Section 720 of the Corporations Act.

Dated the 21st day of November 2006

Signed for and on behalf of
RITRACT LIMITED
by William Nicklin

10. DEFINITIONS

Applicant means a Shareholder or Underwriter or other party instructed by the Underwriter who applies for Shares pursuant to the Offer.

ASIC means the Australian Securities and Investments Commission.

ASTC Settlement Rules means the settlement rules of the securities clearing house which operates CHESS.

ASX means the Australian Stock Exchange Limited (ACN 008 624 691).

Board means the board of Directors unless the context indicates otherwise.

Business Day means a day on which trading takes place on the stock market of ASX.

Closing Date means the closing date of the Offer, being 5pm (WST) on (*) 2006 (unless extended).

Company or **Ritract** means Ritract Limited (ABN 28 106 353 253).

Constitution means the Company's Constitution as at the date of this Prospectus.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the directors of the Company at the date of this Prospectus.

DJ Carmichael means DJ Carmichael Pty Limited (ABN 26 003 058 857), being the underwriter of the Offer.

Dollar or "**$**" means Australian dollars.

Entitlement means the entitlement of a Shareholder who is eligible to participate in the Offer.

Entitlement and Acceptance Form means the entitlement and acceptance form either attached to or accompanying this Prospectus.

EST means Eastern Daylight Saving Time.

Issue means the issue of Shares offered by this Prospectus.

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

Offer means the offer pursuant to the Prospectus of two new Shares for every seven Shares held by a Shareholder on the Record Date.

Offer Period means the period commencing on the Opening Date and ending on the Closing Date.

Official List means the official list of ASX.

Option means an option to acquire a Share.

Prospectus means this prospectus.

Quotation and **Official Quotation** means official quotation on ASX.

Record Date means 5pm (EST) on 30 November 2006.

Related Corporation has the meaning given to that term in the Corporations Act.

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

Shareholder means a shareholder of the Company.

Shortfall means those Shares under the Offer not applied for by Shareholders under their Entitlement.

Shortfall Application Form means the shortfall application form attached to or accompanying this Prospectus for completion only by those parties directed to do so by the Underwriter.

Underwriter means DJ Carmichael Pty Limited (ABN 26 003 058 857).

ONLY COMPLETE THIS SHORTFALL APPLICATION FORM IF YOU ARE DIRECTED TO DO SO BY THE UNDERWRITER OR THE COMPANY.

SHORTFALL APPLICATION FORM

RITRACT LIMITED

ABN 28 106 353 253

UNDERWRITER: DJ Carmichael Pty Limited
Level 11, 77 St Georges Terrace
Perth WA 6000

APPLICANT'S DETAILS:

Full name (PLEASE PRINT)

Title, Given Name(s) & Surname or Company Name

Joint Applicant #2 or <designated account>

Joint Applicant #3 or <designated account>

Postal Address (PLEASE PRINT)

Street Number Street

Suburb/Town State Post Code

ABN, Tax File Number or Exemption Applicant #2 Applicant #3

CHESS HIN or Existing SRN (where applicable)

Number of Shares applied for	Application Money enclosed at 8 cents per Share
	A$................................

I/We whose full name(s) and address appear above hereby apply for the number of Shares shown above (to be allocated to me/us by the Company in respect of this Application) under the Prospectus on the terms set out in the Prospectus.

Cheque Details:

PLEASE ENTER CHEQUE DETAILS THANKYOU	Drawer	Bank	BSB or Branch	Amount

My/Our contact numbers in the case of inquiry are:

Telephone ( ) .... Fax ( ) ....

NOTE: Cheques should be made payable to "RiTract Limited – Entitlement Offer Account", crossed "NOT NEGOTIABLE" and forwarded to DJ Carmichael Pty Ltd, Level 11, 77 St Georges Terrace, Perth, WA, 6000 to arrive no later than **5.00 pm WST on that date which is 3 months after the Closing Date (or such other date as directed by the Company).**

Declaration

This Shortfall Application Form does not need to be signed. By lodging this Shortfall Application Form and a cheque for the application money this Applicant hereby:

(1) applies for the number of Shares specified in the Shortfall Application Form or such lesser number as may be allocated by the Directors;
(2) agrees to be bound by the constitution of the Company; and
(3) authorises the Directors to complete or amend this Shortfall Application Form where necessary to correct any errors or omissions.

INSTRUCTIONS TO APPLICANTS

Please post or deliver the completed Shortfall Application Form together with a cheque to the share registry of the Company. If an Applicant has any questions on how to complete this Shortfall Application Form, please telephone the Share Registry on **(08) 9389 8033**. The Form must be received by the Registry no later than **5.00 pm on the date which is 3 months after the Closing Date (or such earlier date as directed by the Company).**

A. Application for Shares

The Shortfall Application Form must only be completed in accordance with instructions included in the Prospectus.

B. Name of Applicant

Write the Applicant's FULL NAME. This must be either an individual's name or the name of a company. Please refer to the bottom of this page for the correct form of registrable title. Applications using the incorrect form of registrable title may be rejected.

C. Name of Joint Applicants or Account Designation

If JOINT APPLICANTS are applying, up to three joint Applicants may register. If applicable, please provide details of the Account Designation in brackets. Please refer to the bottom of this page for instructions on the correct form of registrable title.

D. Address

Enter the Applicant's postal address for all correspondence. If the postal address is not within Australia, please specify Country after City/Town.

E. Contact Details

Please provide a contact name and daytime telephone number so that the Company can contact the Applicant if there is an irregularity regarding the Shortfall Application Form.

F. CHESS HIN or existing SRN Details

The Company participates in CHESS. If the Applicant is already a participant in this system, the Applicant may complete this section with their existing CHESS HIN. If the applicant is an existing shareholder with an Issuer Sponsored account, the SRN for this existing account may be used. Otherwise leave the section blank and the Applicant will receive a new Issuer Sponsored account and statement.

G. Cheque Details

Make cheques payable to "RiTract Limited – Entitlement Offer Account" in Australian currency and cross them **"Not Negotiable".** Cheques must be drawn on an Australian Bank. The amount of the cheque should agree with the amount shown on the Shortfall Application Form.

H. Declaration

By completing the Shortfall Application Form, the Applicant will be taken to have made to the Company the declarations and statements therein. The Shortfall Application Form does not need to be signed.

If a Shortfall Application Form is not completed correctly, or if the accompanying payment is for the wrong amount, it may still be accepted. Any decision of the Directors as to whether to accept a Shortfall Application Form, and how to construe, amend or complete it, shall be final. A Shortfall Application Form will not however, be treated as having offered to subscribe for more Shares than is indicated by the amount of the accompanying cheque.

Forward your completed application together with the application money to:

RiTract Limited – Entitlement Offer Account
C/- DJ Carmichael Pty Limited
Level 11, 77 St Georges Terrace
Perth WA 6000

CORRECT FORMS OF REGISTRABLE TITLE

Note that ONLY legal entities are allowed to hold securities. Shortfall Application Forms must be in the name(s) of a natural person(s), companies or other legal entities acceptable to the Company. At least one full given name and the surname is required for each natural person. Shortfall Application Forms cannot be completed by persons under 18 years of age. Examples of the correct form of registrable title are set out below.

Type of Investor	Correct Form of Registration	Incorrect Form of Registration
Individual Use given names in full, not initials	Mr John Alfred Smith	J A Smith
Company Use the company's full title, not abbreviations	ABC Pty Ltd	ABC P/L or ABC Co
Joint Holdings Use full and complete names	Mr Peter Robert Williams & Ms Louise Susan Williams	Peter Robert & Louise S Williams
Trusts Use the trustee(s) personal name(s).	Mrs Susan Jane Smith <Sue Smith Family A/C>	Sue Smith Family Trust
Deceased Estates Use the executor(s) personal name(s).	Ms Jane Mary Smith & Mr Frank William Smith <Est John Smith A/C>	Estate of late John Smith or John Smith Deceased
Minor (a person under the age of 18) Use the name of a responsible adult with an appropriate designation.	Mr John Alfred Smith <Peter Smith A/C>	Master Peter Smith
Partnerships Use the partners personal names.	Mr John Robert Smith & Mr Michael John Smith <John Smith and Son A/C>	John Smith and Son
Long Names.	Mr John William Alexander Robertson-Smith	Mr John W A Robertson-Smith
Clubs/Unincorporated Bodies/Business Names Use office bearer(s) personal name(s).	Mr Michael Peter Smith <ABC Tennis Association A/C>	ABC Tennis Association
Superannuation Funds Use the name of the trustee of the fund.	Jane Smith Pty Ltd <Super Fund A/C>	Jane Smith Pty Ltd Superannuation Fund

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

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.

Name of entity

Ritract Limited

ABN

28 106 353 253

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 Shares
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	26,175,452 ordinary fully paid
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)	Fully paid

+ 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	8c per share
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	The purpose of the Offer is to raise $2,094,036. The proceeds of the Offer are planned to be used in accordance with the table set out below:

Proceeds of the Offer	$
Working capital[1]	1,205,824
Repayment of Director Loan	750,000
Expenses of the Offer	138,212
Total	**2,094,036**

Notes:
1. Working capital is required to fund the day to day business operations which includes finalising the 3ml, 5ml and 10ml syringe projects and the completion of the 1ml syringe project that is presently on hold.
2. Refer to the Prospectus lodged with ASIC on 21 November 2006 for further details relating to the offer and expenses of the offer.

7	Dates of entering +securities into uncertificated holdings or despatch of certificates	27 December 2006

		Number	+Class
8	Number and +class of all +securities quoted on ASX (*including* the securities in clause 2 if applicable)	91,614,082* 59,736,005 *does not include securities referred to in clause 2 above	Ordinary shares Options – 75 cents on or before 31/12/06

		Number	+Class
9	Number and +class of all +securities not quoted on ASX (*including* the securities in clause 2 if applicable)	11,300,000	Class C Performance shares

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not applicable

+ See chapter 19 for defined terms.

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	No. Prospectus lodged with ASIC 21 November 2006.
12	Is the issue renounceable or non-renounceable?	Non-renounceable
13	Ratio in which the +securities will be offered	2 new shares for every 7 shares held.
14	+Class of +securities to which the offer relates	Ordinary shares
15	+Record date to determine entitlements	30 November 2006
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No
17	Policy for deciding entitlements in relation to fractions	Rounded up
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	15 December 2006
20	Names of any underwriters	D.J. Carmichael & Co
21	Amount of any underwriting fee or commission	5%
22	Names of any brokers to the issue	Not applicable
23	Fee or commission payable to the broker to the issue	Not applicable

+ See chapter 19 for defined terms.

24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	Not applicable
25	If the issue is contingent on +security holders' approval, the date of the meeting	Not applicable
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	1 December 2006
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	Not applicable
28	Date rights trading will begin (if applicable)	Not applicable
29	Date rights trading will end (if applicable)	Not applicable
30	How do +security holders sell their entitlements *in full* through a broker?	Not applicable
31	How do +security holders sell *part* of their entitlements through a broker and accept for the balance?	Not applicable
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	Not applicable
33	+Despatch date	Not applicable

+ See chapter 19 for defined terms.

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

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

		Number	+Class
42	Number and +class of all +securities quoted on ASX (*including* the securities in clause 38)	N/A	N/A

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.

- We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided 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.

Guy Robertson
Company Secretary
22 November 2006

+ See chapter 19 for defined terms.