



NOTICE OF
SIXTH ANNUAL GENERAL MEETING

WHEN: Wednesday 4th November 2009 at 10:00am

WHERE: Blenheim Room

Stamford Plaza

111 Little Collins Street

Melbourne

MEDICAL DEVELOPMENTS INTERNATIONAL LIMITED ACN 106 340 667

NOTICE OF SIXTH ANNUAL GENERAL MEETING

Notice of Meeting

Notice is hereby given that the Annual General Meeting (AGM) of Medical Developments International Limited (the Company) will be held at the Blenheim Room, Stamford Plaza Hotel, 111 Little Collins Street Melbourne on Wednesday, 4th November 2009 at 10:00am.

Ordinary Business

1. To receive and consider the Financial Report, Directors' Report and Auditor's Report for the period ended 30 June 2009.
2. To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

"That the Remuneration Report, required by section 300A of the Corporations Act, as contained in the Directors' Report for the year ended 30 June 2009, is adopted."
3. To consider, and if thought fit, to pass the following separate resolutions as ordinary resolutions:
 - a) "That Mr Maurice Van Ryn, being a Director of the Company who retires in accordance with Article 12.4 of the Company's Constitution, and, being eligible, is re-elected as a Director."
 - b) "That Dr Harry F Oxer, being a Director of the Company who retires in accordance with Article 12.4 of the Company's Constitution, and, being eligible, is re-elected as a Director."

Special Business

4. To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

"That approval is given for the Company to buy-back up to 7 million fully paid ordinary shares during the 12 month period commencing 24 November 2009 under an on-market buy-back."

By Order of the Board

Usha Charan
Secretary

2nd October 2009

Explanatory notes to the Ordinary Business

Item 1 Financial Statements and Reports

The Corporations Act 2001 allows for the Directors' Report, Auditor's Report and the Financial Report to be laid before the AGM. Neither the Corporations Act nor the Company's Constitution require a vote of shareholders at the AGM to adopt such reports; however, shareholders will be asked to receive and consider the reports and will be given opportunity to raise questions with respect to these reports at the AGM.

Item 2 Remuneration Report

The Corporations Act 2001 requires a non-binding vote on the Remuneration Report (contained as a separate section within the Directors' Report). Shareholders will be asked to approve the report and will be given the opportunity to raise questions or make comments about the report at the AGM.

Item 3a Election of Director

The Company's Constitution (article 12.4) requires that one third of the Directors, excluding the Managing Director, (or if that number is not 3 or a multiple of 3, then the number nearest one third) retire at each AGM. The Company's Constitution (article 12.4) also provides that each Director who has been in office for 3 years or more since that Director's election or last re-election retire at the AGM.

Mr Maurice Van Ryn retires pursuant to article 12.4, and, being eligible, offers himself for re-election.

Item 3b Election of Director

The Company's Constitution (article 12.4) requires that one third of the Directors, excluding the Managing Director, (or if that number is not 3 or a multiple of 3, then the number nearest one third) retire at each AGM. The Company's Constitution (article 12.4) also provides that each Director who has been in office for 3 years or more since that Director's election or last re-election retire at the AGM.

Dr Harry F Oxeer retires pursuant to article 12.4, and, being eligible, offers himself for re-election.

Item 4 Special Business – Share Buy-back

Refer to Explanatory statement relating to special business to be considered at the AGM.

The Board recommends that shareholders vote in favour of Item 2.

The Board recommends that shareholders vote in favour of Items 3a and 3b.

The Board recommends that shareholders vote in favour of Item 4.

Voting Eligibility, Voting Procedures and Proxies

1. On a poll, subject to the Company's Constitution, shareholders have 1 vote for every fully paid ordinary share held.
2. A member of the company who is entitled to attend and cast a vote may appoint a person as the member's proxy. A member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If it is desired to appoint 2 proxies, then an additional proxy form can be obtained from the Company's Share Registrar, Computershare Investor Services Pty Ltd, 452 Johnston Street, Abbotsford VIC 3067. Fax number 1800 783 447 within Australia, +61 3 6473 2555 outside Australia.
3. The proxy form may specify the proportion or number of votes that the proxy may exercise. If the member appoints 2 proxies and does not specify the proportion or the number of the member's votes each proxy may exercise, each proxy may exercise half the votes. Any fractions of results will be disregarded.
4. A proxy does not need to be a member of the company.
5. A proxy may vote on a show of hands but a person holding proxy for more than 1 member has only 1 vote.
6. Proxy forms must be signed:
 - (a) by the appointor or the attorney of the appointor duly authorised in writing; or
 - (b) if the appointor is a corporation, either under seal or by an officer or attorney of the appointor duly authorised in writing.
7. To be effective, proxy forms (and if the appointment is signed by the appointor's attorney, the original authority under which the appointment is signed or a Notarially certified copy of the authority) must be received by the Company's Share Registrar, Computershare Investor Services Pty Ltd, 452 Johnston Street, Abbotsford VIC 3067, Fax number 03 9473 2555 at least 48 hours before the AGM.
8. In accordance with the *Corporations Act 2001* and the Company's Constitution, all ordinary securities of the Company that are quoted securities at 7:00pm on Monday 2nd November 2009, are taken, for the purposes of the AGM, to be held at the time of the meeting by the persons who held them at that time. Only those persons will be entitled to vote at the AGM.
9. A body corporate may appoint an individual as its representative to exercise any of the powers the body may exercise at meetings of the Company's Shareholders. The appointment may be a standing one. Unless the appointment states otherwise, the representative may exercise all powers that the appointing body could exercise at a meeting or on voting on a resolution. The representative should bring to the general meeting a signed "Certificate of Appointment of Corporate Representative" unless it has previously been given to the Company. A form of the certificate may be obtained from the Company's Share Registrar, Computershare Investor Services Pty Ltd, 452 Johnston Street, Abbotsford VIC 3067. Fax number 1800 783 447 for faxes within Australia, and +61 3 9473 2555 for faxes outside Australia.

Explanatory statement relating to Special Business to be considered at the AGM

On Market Buy-back

Background

The Board has reviewed the Company's current capital structure and its projected cash flows and capital requirements for the next 12 months and has determined to return excess capital to its shareholders through an on-market share buy-back scheme to operate, at the Company's discretion, over the next 12 months.

The proposed share-buy-back scheme will replace the existing buy-back that is currently in force until 4 November 2009.

The Company will fund the buy back from operating cash flow and its available credit facility.

Approval sought

In accordance with the *Corporations Act*, the Company may repurchase up to 10% of ordinary shares on issue over the next 12 months without shareholder approval (known as the **10/12 limit**).

The Company wishes to buy-back up to 7 million shares. This proposed figure will exceed the '10/12 limit', based on the number of shares currently on issue which, at the date of this notice was 51,357,651.

Accordingly, shareholder approval is required in order for the Company to have the flexibility to buy-back shares in excess of the 10/12 limit. The Company is only seeking approval to buy back in excess of 10% of issued shares where it considers it to be in the Company's best interests. The Company reserves its rights as to when (and if) it conducts a buy-back.

Effect of buy-backs on the Company

The Company will purchase shares via an 'on-market buy-back' which means it will buy shares on the ASX in the ordinary course of trading and at the prevailing market price as listed on the ASX. This process is regulated by ASIC and the ASX.

As the price at which the shares might be bought back is unknown, it is not possible to state the maximum cost of any buy-back. However, assuming all 7 million shares are bought back, then based on the market price as at the date of preparation of this notice of meeting of 17 cents, the total cost to the Company would be \$1,190,000.

Any buy-back of shares will be undertaken at the Company's discretion with the following in mind:

- the Company's cash flow and earnings projections;
- the market conditions; and
- potential investment or acquisition opportunities that may arise in the course of the buy-back period.

Advantages/disadvantages of on-market buy-backs

The advantages of on-market buy-backs include:

- shareholders will not face any changes to rights or entitlements under their shareholding;
- the Company has complete flexibility to adjust the volume and timing of shares purchased; and

- they are very simple to implement, involve little cost and can be tailored to changing market conditions.

In deciding how to vote on this resolution, shareholders should consider the fact that any on-market buy-back:

- may have the potential to reduce net asset backing per share; and
- may result in a reduction in the liquidity of the company's shares post the buy-back.

Effect of buy-backs on the control of the Company

The effect of any buy-back on the control of the Company will not be known until the buy-back is conducted. However, given the maximum size of the buy-backs and having regard to the Company's current shareholding spread, any buy-back is not expected to result in a change of control.

The Board recommends that shareholders vote in favour of Resolution 4.

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MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Lodge your vote:



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Proxy Form

 For your vote to be effective it must be received by 10.00am Monday 2 November 2009

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.computershare.com.

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form →



View your securityholder information, 24 hours a day, 7 days a week:

www.investorcentre.com

- Review your securityholding
- Update your securityholding

Your secure access information is:

SRN/HIN: I999999999



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
 FLAT 123
 123 SAMPLE STREET
 THE SAMPLE HILL
 SAMPLE ESTATE
 SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Medical Developments International Limited hereby appoint

the Chairman of the meeting OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our 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 sees fit) at the Annual General Meeting of Medical Developments International Limited to be held at Blenheim Room, Stamford Plaza, 111 Little Collins Street, Melbourne on Wednesday, 5 November 2009 at 10:00am and at any adjournment of that meeting.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

ORDINARY BUSINESS

		For	Against	Abstain
2	To adopt the Remuneration Report, required by section 300A of the Corporations Act, as contained in the Directors' Report for the year ended 30 June 2009	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3a	Re-election of Mr Maurice Van Ryn as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3b	Re-election of Dr Harry F Oxeer as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	Approval of Company share buy-back	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____

Date / / _____