



**Advanced Surgical Design &
Manufacture Limited** ABN 71 066 281 132

**Notice of Annual General Meeting and
Explanatory Notes**

Date of Meeting : Tuesday 25 October 2011

Time of Meeting : 11am

Place of Meeting: 2/12 Frederick Street, St Leonards, NSW.



ADVANCED SURGICAL DESIGN & MANUFACTURE LIMITED

ABN 71 066 281 132

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 2011 Annual General Meeting (“AGM”) of Shareholders of Advanced Surgical Design & Manufacture Limited (“the Company”) will be held at 2/12 Frederick Street, St Leonards, NSW, 2065 on Tuesday 25 October 2011 at 11.00am.

BUSINESS

1. Financial and Other Reports

To receive and consider the Financial Report of the Company and the Reports of the Directors and the Auditor in respect of the year ended 30 June 2011.

2. Adoption of Remuneration Report

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

“That, the Company’s Remuneration Report for the financial year ended 30 June 2011 (set out in the Directors’ Report) be adopted.”

Note: The vote on this resolution is advisory only and the outcome will not be binding on the Directors or the Company.

If 25% or more of votes that are cast are voted against the adoption of the remuneration report at two consecutive AGMs, shareholders will be required to vote at the second of those AGMs on a resolution (a “spill resolution”) that another meeting be held within 90 days at which all of the Company’s directors (other than the Managing Director) must stand for re-election.

3. Election of Peter Kazacos as a Director

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

“That Mr Peter Kazacos who retires by rotation in accordance with the Company’s constitution and, being eligible, offers himself for re-election, be elected as a Director of the Company.”

By Order of the Board
Richard Ulrick
Company Secretary
Sydney, 23 September 2011

PROXIES AND VOTING

Voting Exclusions

Item 2

In accordance with recent changes made to the Corporations Act, any vote cast on the resolution the subject of Item 2 by Key Management Personnel of the Company or the consolidated entity of which the Company is a part and their Closely Related Parties, which include certain family members, dependants and companies they control (collectively “Excluded Persons”) will be disregarded if the remuneration of the Key Management Personnel appears in the Remuneration Report.

However, the Company need not disregard a vote if it is cast by:

- one of the Excluded Persons, as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- the person chairing the meeting, as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Key Management Personnel are the directors and those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Remuneration Report identifies at page 13 the Company’s Key Management Personnel for the financial year to 30 June 2011.

Proxies

A Proxy Form accompanies this Notice of Annual General Meeting. A member who is entitled to attend and vote at the meeting is entitled to appoint no more than two proxies (who need not be members of the Company) to attend and vote in their place.

A single proxy exercises all voting rights. Where a member wishes to appoint two proxies, an additional proxy form may be obtained by contacting the Company, or the member may copy the enclosed proxy form. A member appointing two proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a member appoints two proxies and does not specify each proxy’s voting rights, the rights are deemed to be 50% each. Fractions of votes are to be disregarded. A member or proxy that is a corporation and entitled to vote may appoint an individual to act as its representative. Evidence of the appointment of a representative must be in accordance with the Corporations Act 2001 (Cth) and lodged with the Company before the meeting or at the registration desk on the day of the meeting.

If any instrument (including an Appointment of Corporate Representative or Proxy Form) returned to the Company is completed by an individual or a corporation under Power of Attorney, the Power of Attorney under which the instrument is signed, or a certified copy of that Power of Attorney, must accompany the instrument unless the Power of Attorney has previously been noted by the Company.

To be valid, Proxy Forms must be lodged by:

- (a) posting or facsimile to the Company's share registry as follows: Advanced Surgical Design & Manufacture Limited C/- Link Market Services Limited Locked Bag A14 Sydney South NSW 1235 Facsimile: (02) 9287 0309; or
- (b) delivering it to Link Market Services Limited Level 12, 680 George Street, Sydney NSW 2000;

by no later than 11am (AEDT) on Sunday 23 October 2011.

Appointment of the Chairman or other Key Management Personnel as your proxy

Due to the voting exclusions and requirements referred to above, if you intend to appoint the Chairman, any other director or Key Management Personnel or their Closely Related Parties or associates as your proxy, you are encouraged to direct your proxy on how to vote on the resolution the subject of Item 2, by marking either "For", "Against" or "Abstain" on the proxy form for that item of business.

The Chairman's stated voting intention would be to vote any undirected proxies in favour of both proposed resolutions including for the resolution the subject of Item 2 (Adoption of Remuneration Report).

Further you should note that:

- if you execute a proxy form and do not nominate a person to act as your proxy, the Chairman will be appointed as your proxy by default;
- if you appoint the Chairman as your proxy or the Chairman is appointed as your proxy by default, and the proxy form does not specify whether to vote "For", "Against" or "Abstain", your undirected proxies held by the Chairman will be taken as a direction to the Chairman to vote in accordance with his stated voting intention, which is to vote in favour of both resolutions (including the resolution the subject of Item 2);
- you will be taken to authorise the Chairman to exercise the proxy even if the relevant resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel or the Chairman has an interest in the outcome of the relevant resolution.

Shareholders always have the ability to appoint the Chairman as their proxy to cast the votes contrary to the Chairman's stated voting intention or to abstain from voting on a resolution.

If you appoint someone other than the Chairman as your proxy who is another director or member of Key Management Personnel or their Closely Related Parties or associates and do not direct them how to vote on the resolution the subject of Item 2, then your proxy will not be voted on that resolution.

Corporate Representatives

Corporate shareholders who wish to appoint a representative to attend the meeting on their behalf must provide that person with a properly executed letter or other document confirming that they are authorised to act as the company's representative.

Eligibility to Vote

For the purpose of voting at the meeting, the Directors have determined that all shares of the Company are taken to be held by the persons who are registered as holding them at 7.00 pm (AEDT) on Sunday 23 October 2011. The entitlement of members to vote at the meeting will be determined by reference to that time.

Questions

In addition to asking questions at the meeting, written questions to the Chairman about the management of the Company, or to the Company's auditor about the content of the auditor's report and the conduct of the audit, may be submitted no later than Tuesday, 18 October 2011 to the Company's Share Registry, Link Market Services Limited, the contact details being set out above.

EXPLANATORY NOTES

The purpose of these Explanatory Notes is to provide shareholders of the Company with information that is reasonably required by shareholders to decide how to vote upon the resolutions. The Directors recommend that shareholders read this Explanatory Statement before determining whether to support the resolutions.

Item 1- Financial and Other Reports

The Company's Annual Report which contains the Financial and other Reports in respect of the year ended 30 June 2011 has been made available to shareholders and may be viewed on the Company's website.

No resolution is required for this item. Following consideration of the Reports, the Chairman will give shareholders a reasonable opportunity to ask questions about or comment on the management of the Company and to ask the Company's auditor questions about its audit report, the conduct of the audit of the Company's financial report for the year ended 30 June 2011, the preparation and content of its audit report, the accounting policies adopted by the Company in its preparation of the financial statements and the independence of the auditor in relation to the conduct of the audit.

Item 2 – Remuneration Report

The Remuneration Report of the Company for the financial year ended 30 June 2011 is set out on pages 11 to 16 of the Company's Annual Report.

The Remuneration Report sets out the Company's remuneration arrangements for directors and senior executives.

The Chairman of the meeting will allow a reasonable opportunity for shareholders to ask questions about or make comments on the Remuneration Report at the meeting. In addition, shareholders will be asked to vote on adoption of the Remuneration Report. However, this vote is of an advisory nature only and does not bind the Company nor its Directors.

The directors unanimously recommend shareholders vote in favour of the resolution the subject of Item 2.

Item 3- Election of Peter Kazacos as a Director

Mr Kazacos B.E, B.Sc, retires as a director in accordance with the Company's Constitution and being eligible offers himself for election.

Mr Kazacos, aged 57, having been first appointed on 9 May 2006 and re-elected on 26 November 2009, is non-executive Chairman of both the Company and the Nomination & Remuneration Committee and a member of the Audit & Risk Committee.

Mr Kazacos has over 36 years' experience in the IT industry. He founded KAZ in 1988, guided it from a small IT services company in NSW to one of Asia Pacific's leading IT services and business process outsourcing service providers with over 4,000 employees, as a fully owned subsidiary of Telstra. He also founded Anittel Ltd, building it into one of Australia's leading IT&C service providers operating outside the major metropolitan areas, leading to its acquisition in 2010 by Anittel Group Limited (previously known as Hostech Limited), representing a major strategic milestone in the transformation and convergence of the IT&T industry.

Further details of his qualifications, experience and achievements are contained on page 9 of the Annual Report.

The Board considers that Mr. Kazacos experience in successfully growing companies in conjunction with his strategic and capital markets experience will assist the Company in the rollout of its product range.

The directors, with Mr Kazacos abstaining, unanimously recommend that shareholders vote in favour of this resolution.



Advanced Surgical Design & Manufacture Limited
 ABN 71 066 281 132

LODGE YOUR VOTE

By mail:
 Advanced Surgical Design &
 Manufacture Limited
 C/- Link Market Services Limited
 Locked Bag A14
 Sydney South NSW 1235 Australia

By fax: (02) 9287 0309

All enquiries to: Telephone: (02) 8280 7111

SHAREHOLDER VOTING FORM

I/We being a member(s) of Advanced Surgical Design & Manufacture Limited and entitled to attend and vote hereby appoint:

STEP 1 **APPOINT A PROXY**

the Chairman of the Meeting¹ (mark box) OR if you are NOT appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy

or failing the person/body corporate named, or if no person/body corporate is named, the Chairman of the Meeting, as my/our proxy and to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at **11:00am on Tuesday, 25 October 2011, at 2/12 Frederick Street, St Leonards, NSW, 2065** and at any adjournment or postponement of the meeting.

¹ If you appoint a proxy, we encourage you to direct your proxy how to vote on each item of business. The Chairman of the Meeting, Directors and other Key Management Personnel of the Company and their closely related parties (see the Notice of Meeting and overleaf) will not cast any votes in respect of Item 2 (Remuneration Report) that arise from any undirected proxy that they hold.

Proxies will only be valid and accepted by the Company if they are signed and received no later than **48 hours** before the meeting. Please read the voting instructions overleaf before marking any boxes with an **X**

STEP 2 **VOTING DIRECTIONS**

	For	Against	Abstain ²
Item 2 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3 Election of Peter Kazacos as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

² 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.

STEP 3 **SIGNATURE OF SHAREHOLDERS - THIS MUST BE COMPLETED**

Shareholder 1 (Individual) <input type="text"/>	Joint Shareholder 2 (Individual) <input type="text"/>	Joint Shareholder 3 (Individual) <input type="text"/>
Sole Director and Sole Company Secretary	Director/Company Secretary (Delete one)	Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).



HOW TO COMPLETE THIS PROXY FORM

Your Name and Address

This is your name and address as it appears on the company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person in Step 1. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the company. A proxy may be an individual or a body corporate.

Votes on Items of Business - Proxy Appointment

You should direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

If the Chairman of the meeting or another of the Key Management Personnel of the company or their closely related parties is your proxy, that person will not vote your shares on Item 2 (Remuneration Report) if you have not directed them how to vote on that item.

Key Management Personnel of the company are the Directors and those persons having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly. The Remuneration Report identifies the company's Key Management Personnel for the financial year to 30 June 2011. Their closely related parties are defined in the *Corporations Act 2001* (Cth), and include certain of their family members, dependants and companies they control.

Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together.

Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, 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 indicate the office held by signing in the appropriate place.

Corporate Representatives

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the company's share registry.

Lodgement of a Proxy Form

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **11:00am on Sunday, 23 October 2011**, being not later than 48 hours before the commencement of the meeting. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy Forms may be lodged using the reply paid envelope or:



by mail:

Advanced Surgical Design & Manufacture Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



by fax:

+61 2 9287 0309



by hand:

delivering it to Link Market Services Limited, Level 12, 680 George Street, Sydney NSW 2000.

**If you would like to attend and vote at the Annual General Meeting, please bring this form with you.
This will assist in registering your attendance.**