



19 February 2008

**Company Announcements Office
Australian Stock Exchange
20 Bridge Street
Sydney NSW 2000**

Dear Sir/Madam

NOTICE OF GENERAL MEETING

Please find attached a Notice of General Meeting for Pulse Health Limited (ASX: PHG) to be held on 26 March 2008.

The Notice is to consider various resolutions, including

- Approval for directors to participate in placement on the same terms as the Prospectus dated 13 December 2007 as announced to the ASX on 20 December 2007 and 24 December 2007. The Resolution is seeking approval for an investment of \$900,000 at 14 cents per share by three current directors, being Mr Stuart James, Mr Peter Mangles and Mr Andrew Gregory
- Adoption of Loan Share Plan for the Managing Director, Mr Peter Mangles
- Proposed issue and allotment of options to new directors
- Ratification of past issues of shares under Listing Rule 7.4
- Increase in non-executive director fee remuneration.

The attached package contains the Notice, Explanatory Memorandum and Proxy Form. This package is being mailed to shareholders this afternoon.

**David Franks
Company Secretary**

For more information contact:

David Franks
Company Secretary
Pulse Health Limited
Tel: +61 2 9460 0577

Peter Mangles
Managing Director
Pulse Health Limited
Tel: +61 2 9460 0577

For more information on **Pulse Health** please visit: www.pulsehealth.net.au

PULSE HEALTH LIMITED
ABN 69 104 113 760

NOTICE OF GENERAL MEETING

TIME: 10.30am (EDST)
DATE: 26 March 2008
PLACE: PKF
Level 17 Boardroom
1 Margaret St
Sydney NSW 2000

Please report first to the Concierge Desk on Level 10, 1 Margaret Street, Sydney where you will be escorted to Level 17.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (02) 9419 2966.

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31 January 2008

Dear Shareholder

NOTICE OF GENERAL MEETING

Pulse Health Limited (the **Company**) is convening a General Meeting (**Meeting**) of shareholders on 26 March 2008 and we invite you to attend. The meeting will be held at PKF, Level 17 Boardroom, 1 Margaret St, Sydney, NSW, 2000, at 10.30am and will consider:

- Approval for directors to participate in placement on the same terms as the Prospectus dated 13 December 2007 as announced to the ASX on 20 December 2007 and 24 December 2007
- Adoption of Loan Share Plan for the Managing Director, Mr Peter Mangles
- Proposed issue and allotment of options to directors
- Ratification of past issues of shares under Listing Rule 7.4
- Increase in non-executive director fee remuneration.

Attached to this letter is a Notice of General Meeting and an Explanatory Memorandum setting out details on each of the resolutions to be proposed at the Meeting.

If you are unable to attend the Meeting, I encourage you to vote using the Proxy Form which is also enclosed. If you are able to attend, please bring this letter and package with you to facilitate your entitlement to vote. The Board recommends that you vote in favour of all resolutions, noting that:

- (a) For the Resolutions on participation of related party in issue of shares, Mr Gregory, Mr Mangles and I have refrained from making a recommendation in relation to Resolution 2, 3 and 1 respectively due to a personal interest in those resolutions
- (b) For the Resolution regarding the provision of financial assistance to Mr Peter Mangles, Mr Mangles refrained from making a recommendation in relation to Resolution 4 due to a personal interest in the resolution.
- (c) For the Resolutions on issue of options to a related party, Dr Hewson and I have refrained from making a recommendation in relation to Resolution 6 and 5 respectively due to a personal interest in the resolution.

The Board looks forward to meeting those shareholders who can attend the General Meeting in person. For those who are unable to attend, should you have any queries in relation to the General Meeting or have any other matters you wish to discuss at any other time throughout the upcoming year, please do not hesitate to contact the Company Secretary either by phone or in writing. Full contact details of Mr David Franks are as follows:



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Mr David Franks (Company Secretary)
Pulse Health Limited
Suite 1006 Milsons Landing
Level 10, 6a Glen Street
Milsons Point NSW 2061
Phone (02) 9460 0577
Fax (02) 9460 0588
Email dfranks@fa.com.au

Thank you for your continued support.

Yours sincerely

Stuart James
Chairman
Pulse Health Limited

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Proxy Form (incorporating instructions for completing Appointment of Proxy Form)	Separate

TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The General Meeting of the Shareholders of Pulse Health Limited which this Notice of Meeting relates to will be held at 10.30am (EDST), 26 March 2008 at:

PKF
Level 17 Boardroom
1 Margaret St
Sydney NSW 2000

Please report first to the Concierge Desk on Level 10, 1 Margaret Street, Sydney where you will be escorted to Level 17.

YOUR VOTE IS IMPORTANT

The business of the General Meeting affects your shareholding and your vote is important.

VOTING IN PERSON

To vote in person, attend the General Meeting on the date and at the place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the proxy form enclosed with this Notice of Meeting as soon as possible and:

- (a) send or deliver the proxy form to Pulse Health Limited, Suite 1006 Milsons Landing, Level 10, 6a Glen Street, MILSONS POINT NSW 2061; or
- (b) send the proxy form by facsimile to the Company on facsimile number (02) 9460 0588,

so that it is received not later than 10.30am (EDST), 24 March 2008.

Proxy forms received later than this time will be invalid.

NOTICE OF GENERAL MEETING

Notice is given that the General Meeting of Shareholders of Pulse Health Limited will be held at PKF, Level 17 Boardroom, 1 Margaret St, Sydney, NSW, 2000 at 10.30am (EDST) on 26 March 2008.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the General Meeting. The Explanatory Statement and the proxy form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the General Meeting are those who are registered Shareholders of the Company on 24 March 2008 at 7.00pm (EDST).

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

AGENDA

BUSINESS

RESOLUTION 1– PARTICIPATION OF RELATED PARTY IN ISSUE OF SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Section 208 of the Corporations Act, Listing Rule 10.11 of the Listing Rules of the ASX Limited and for all other purposes, approval is given for the Company to allot and issue up to 2,142,857 Shares under the Capital Raising to Mr Stuart James, a Director of the Company (and/or his nominees) on the terms and conditions set out in the Explanatory Statement accompanying this Notice.”

Short Explanation: Under the ASX Listing Rules and the Corporations Act, an issue of securities to a director requires prior shareholder approval. The Directors of the Company wish to participate in the Capital Raising on the same terms as outlined in the Prospectus dated 13 December 2007. For the purposes of ASX Listing Rule 10.11 and Chapter 2E of the Corporations Act, shareholder approval is being sought to allow the Directors to be issued securities in the Company.

Voting Exclusion: The Company will disregard any votes cast on this resolution by Mr James or his nominee/s and any associate of those persons.

RESOLUTION 2 – PARTICIPATION OF RELATED PARTY IN ISSUE OF SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Section 208 of the Corporations Act, Listing Rule 10.11 of the Listing Rules of the ASX Limited and for all other purposes, approval is given for the Company to allot and issue up to 1,428,571 Shares under the Capital Raising to Mr Andrew Gregory, a Director of the Company (and/or his nominees) on the terms and conditions set out in the Explanatory Statement accompanying this Notice.”

Short Explanation: Under the ASX Listing Rules and the Corporations Act, an issue of securities to a director requires prior shareholder approval. The Directors of the Company wish to participate in the Capital Raising on the same terms as outlined in the Prospectus dated 13 December 2007. For the purposes of ASX Listing Rule 10.11 and Chapter 2E of the Corporations Act, shareholder approval is being sought to allow the Directors to be issued securities in the Company.

Voting Exclusion: The Company will disregard any votes cast on this resolution by Mr Gregory or his nominee/s and any associate of those persons.

RESOLUTION 3 – PARTICIPATION OF RELATED PARTY IN ISSUE OF SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Section 208 of the Corporations Act, Listing Rule 10.11 of the Listing Rules of the Australian Stock Exchange Limited and for all other purposes, approval is given for the Company to allot and issue up to 2,857,143 Shares under the Capital Raising to Mr Peter Mangles, a Director of the Company (and/or his nominees) on the terms and conditions set out in the Explanatory Statement accompanying this Notice.”

Short Explanation: Under the ASX Listing Rules and the Corporations Act, an issue of securities to a director requires prior shareholder approval. The Directors of the Company wish to participate in the Capital Raising on the same terms as outlined in the Prospectus dated 13 December 2007. For the purposes of ASX Listing Rule 10.11 and Chapter 2E of the Corporations Act, shareholder approval is being sought to allow the Directors to be issued securities in the Company.

Voting Exclusion: The Company will disregard any votes cast on this resolution by Mr Mangles or his nominee/s and any associate of those persons.

RESOLUTION 4 – PROVISION OF FINANCIAL ASSISTANCE TO DIRECTOR

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

“That, for the purposes of Sections 208 and 260B of the Corporations Act and for all other purposes, Shareholders approve the giving of financial assistance to Mr Peter Mangles to fund the subscription for new fully paid ordinary shares in the capital of the Company and otherwise on the terms and conditions set out in the Explanatory Statement.”

Short Explanation: Under Section 260B(1) of the Corporations Act, Shareholder approval for financial assistance by a Company must be given by a special resolution passed at a general meeting of the Company or a resolution agreed to, at a general meeting, by all Shareholders. In this case, the Company is providing financial assistance to Mr Peter Mangles and therefore the financial assistance requires approval by the shareholders of the Company.

Voting Exclusion: The Company will disregard any votes cast on this resolution by Mr Mangles or his nominee/s and any of his associates.

RESOLUTION 5 – ISSUE OF OPTIONS TO A RELATED PARTY

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Section 208 of the Corporations Act, Listing Rule 10.11 of the Listing Rules of ASX and for all other purposes, approval is given for the Directors to issue and allot up to 2,000,000 Options to Mr Stuart James (and/or his nominee/s) on the terms set out in the Explanatory Statement.”

Short Explanation: Under the ASX Listing Rules and the Corporations Act, an issue of securities to a director requires prior shareholder approval. For the purposes of ASX Listing Rule 10.11 and Chapter 2E of the Corporations Act, shareholder approval is being sought to allow the Directors to be issued securities in the Company.

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Mr Stuart James or his nominee/s and any associate of those persons.

RESOLUTION 6 – ISSUE OF OPTIONS TO A RELATED PARTY

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Section 208 of the Corporations Act, Listing Rule 10.11 of the Listing Rules of ASX and for all other purposes, approval is given for the Directors to issue and allot up to 1,500,000 Options to Dr John Hewson (and/or his nominee/s) on the terms set out in the Explanatory Statement.”

Short Explanation: Under the ASX Listing Rules and the Corporations Act, an issue of securities to a director requires prior shareholder approval. For the purposes of ASX Listing Rule 10.11 and Chapter 2E of the Corporations Act, shareholder approval is being sought to allow the Directors to be issued securities in the Company.

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Dr John Hewson or his nominee/s and any associate of those persons.

RESOLUTION 7 – RATIFICATION OF ISSUE OF SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 7.4 of the Listing Rules of ASX and for all other purposes, shareholders ratify the allotment and issue of 8,000,000 Shares to various parties on the terms and conditions set out in the Explanatory Statement accompanying this Notice.”

Short Explanation: An equity issue can be ratified by shareholders in accordance with the Listing Rules. This allows the Company flexibility to issue securities in the future up to the threshold of 15% of its total ordinary shares in any 12 month period. Please refer to the Explanatory Statement for details.

Voting Exclusion: The Company will disregard any votes cast on this resolution by any person who participated in the issue of the Options and any of their associates.

RESOLUTION 8 – NON EXECUTIVE DIRECTORS REMUNERATION

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of clause 8.3 of the Company's Constitution, ASX Listing Rule 10.17 and all other purposes, the Company approves the maximum aggregate amount that may be paid to Non-Executive Directors of the Company as remuneration for their services in each financial year be set at \$500,000 which may be divided among those Directors in the manner determined by the Board of the Company from time to time."

Short Explanation: Clause 8.3 of the Constitution requires that the maximum aggregate remuneration that may be paid to Non-Executive Directors of the Company be set by the Company in general meeting.

Voting Exclusion: The Company will disregard any votes cast on this resolution by a Director of the Company and any of their associates.

DATED: 31 JANUARY 2008

BY ORDER OF THE BOARD



**PULSE HEALTH LIMITED
MR DAVID FRANKS
COMPANY SECRETARY**

Voting Exclusion Note:

Where a voting exclusion applies, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form or it is cast by 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.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders of the Company in connection with the business to be conducted at the General Meeting to be held at 10.30am (EDST), 26 March 2008 at:

PKF
Level 17 Boardroom
1 Margaret St
Sydney NSW 2000

Please report first to the Concierge Desk on Level 10, 1 Margaret Street, Sydney where you will be escorted to Level 17.

This purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

1 RESOLUTION 1, 2 AND 3 – PARTICIPATION OF RELATED PARTY IN ISSUE OF SHARES

1.1 Background

The Directors wish to participate in the Capital Raising, being a placement on the same terms and conditions as the Prospectus dated 13 December 2007. As announced to ASX on 24 December 2007, the company raised \$9,761,000 comprising:

- a placement of 63,292,862 shares at 14 cents per share raising \$8,861,001 under the prospectus dated 13 December 2007; and
- a placement of 6,428,571 shares at 14 cents per share raising \$900,000 to sophisticated investors under separate placement agreements.

As noted previously, the second placement to sophisticated investors is to director related parties of the Company, subject to Shareholder approval. Resolutions 1, 2 and 3 seek Shareholder approval to complete the second placement.

1.2 Chapter 2E of the Corporations Act

Under Chapter 2E of the Corporations Act, a public company cannot give a "financial benefit" to a "related party" unless one of the exceptions to Section 208 apply or shareholders have in general meeting approved the giving of that financial benefit to the related party.

A "financial benefit" is defined in the Corporations Act in broad terms and includes a public company issuing securities.

For the purposes of this meeting, a "related party" includes a director of the Company. Accordingly, the proposed issue of Shares to each of Mr James, Mr Gregory and Mr Mangles involves the provision of a financial benefit to a related party of the Company.

Section 210 of the Corporations Act provides that an entity does not need to obtain Shareholder approval to give a financial benefit to a related party if the giving of the financial benefit would be reasonable in the circumstances if the

related party and the entity are dealing at arm's length (or terms less favourable than arm's length).

Notwithstanding that the Directors will be subscribing for Shares under the placement on the same terms as what all other investors were able to subscribe at, in the Prospectus dated 13 December 2007, the Board is of the view that it is prudent to seek Shareholder approval under Section 208 of the Corporations Act.

In accordance with the requirements of Sections 217 to 227 of the Corporations Act, the following information is provided to allow Shareholders to assess the proposed issue of Shares to each of Mr James, Mr Gregory and Mr Mangles (and/or their nominees):

- (a) the related parties to whom the financial benefit will be given are Mr James, Mr Gregory and Mr Mangles;
- (b) the maximum number of Shares (being the nature of the financial benefit to be provided) to be issued to all the Directors is 6,428,571 Shares being:
 - (i) 2,142,857 Shares to Mr James;
 - (ii) 1,428,571 Shares to Mr Gregory; and
 - (iii) 2,857,143 Shares to Mr Mangles;
- (c) the issue price of the Shares is 14 cents;
- (d) it may be perceived that a financial benefit is being given to the parties referred to above due to the fact that the issue price of the Shares is less than the prevailing market price (based on the price of Shares at the date of this Notice). The recent trading history (over the last 12 months) of the Company is as follows:

Highest	\$0.24 on 1 October 2007
Lowest	\$0.105 on 22 January 2008
Last	\$0.115 on 31 January 2008

- (e) other than Mr James in respect of Resolution 1, Mr Gregory in respect of Resolution 2 and Mr Mangles in respect of Resolution 3, each of the Directors recommend that Shareholders vote in favour of the Resolution as they are of the view that it is in the best interests of Shareholders and the Company. Mr James in respect of Resolution 1, Mr Gregory in respect of Resolution 2 and Mr Mangles in respect of Resolution 3, does not wish to make a recommendation to Shareholders about these Resolutions because they have an interest in its outcome. The Directors, excluding Mr James, Mr Gregory and Mr Mangles for their respective Resolutions, do not have an interest in the outcome of this Resolution other than as a Shareholder in the Company;
- (f) additional information in relation to Resolutions 1, 2 and 3 is set out throughout this Memorandum. Shareholders should therefore read the Memorandum in its entirety before making a decision as to how to vote on Resolutions 1, 2 and 3.

Remuneration of the Directors

The total annual remuneration (inclusive of superannuation) paid to the current Directors for the last year and payable for the current year is as follows:

Director	Remuneration 2007	Remuneration 2008 (Estimate)
Mr James	\$0	\$31,792
Mr Gregory	\$68,764	\$43,600
Mr Mangles	\$166,683	\$291,121

In addition to the above, the following additional remuneration was provided in the form of share based payments:

Director	Remuneration 2007	Remuneration 2008 (Est) subject to approval of shareholders
Mr James	\$0	\$42,600
Mr Gregory	\$78,000	\$0
Mr Mangles	\$113,600	\$0

Securities held by the Directors

As at the date of this Notice, the Directors have notifiable interests in the securities of the Company as set out below:

Director	Shares	Options (1)	Convertible Notes (2)
Mr James	0	0	0
Mr Gregory	1,475,000	1,500,000	2,500,000
Mr Mangles	0	2,000,000	0

(1) options exercisable at 20 cents on or before 31 March 2009

(2) 9.0% pa coupon convertible at 20 cents, maturing 30 June 2009.

The above table does not include any proposed issue of shares or options in Resolutions subject to this Notice of General Meeting.

The remuneration and nomination committee is presently undertaking a review of Board and executive remuneration, including the Managing Director's package. At the date of this prospectus, this review has not been completed.

Dilution Effect

If the Shares the subject of Resolutions 1 – 3 are issued, the total number of Shares on issue from 132,869,648 to 139,298,239, based on the number of shares currently on issue and assuming no other shares are issued or options exercised with the effect that the shareholding of existing Shareholders would be diluted as follows:

Related Party	Number of Shares to be issued	Issued Shares	Dilutionary Effect
Mr Stuart James	2,142,857	135,012,505	1.59%
Mr Andrew Gregory	1,428,571	134,298,219	1.06%
Mr Peter Mangles	2,857,143	135,726,791	2.11%

1.3 ASX Listing Rule 10.11

ASX Listing Rule 10.11 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of securities to a related party of the Company (which includes a director).

If Resolutions 1, 2 or 3 are passed, the Directors of the Company may be issued Shares under the Capital Raising. Accordingly, approval for the issue of securities to the Directors of the Company is required pursuant to ASX Listing Rule 10.11.

Separate approval pursuant to ASX Listing Rule 7.1 is not required in order to issue Shares to the Directors of the Company as approval is being obtained under ASX Listing Rule 10.11. Shareholders should note that the issue of securities to the Directors of the Company will not be included in the 15% calculation for the purposes of ASX Listing Rule 7.1.

ASX Listing Rule 10.13 sets out a number of matters which must be included in a notice of meeting proposing an approval under ASX Listing Rule 10.11. For the purposes of ASX Listing Rule 10.13, the following information is provided in relation to Resolution 1, 2 and 3:

- (a) the maximum number of Shares to be issued is 6,428,571 Shares, being:
 - (i) 2,142,857 Shares to Mr Stuart James;
 - (ii) 1,428,571 Shares to Mr Andrew Gregory; and
 - (iii) 2,857,143 Shares to Mr Peter Mangles;
- (b) the issue price of Shares is 14 cents;
- (c) the Shares will be issued no later than one (1) month after the date of the General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated that allotment will occur on one date;
- (d) the Shares issued will rank equally with the Company's current issued Shares; and
- (e) the funds raised from the issue of the Shares pursuant to the Capital Raising will be used for for the acquisition of Community Private Health Care Pty Ltd (CPHC) Assets and Businesses.

2 RESOLUTION 4 - FINANCIAL ASSISTANCE APPROVAL

2.1 Background

Pursuant to Resolution 3, the Company is seeking Shareholder approval in order to allow Mr Peter Mangles to subscribe for 2,857,143 Shares pursuant to the Capital Raising. The Company is proposing to loan to Mr Mangles an amount of \$250,000 (**Loan**) in order to subscribe for 1,785,714 Shares (**Loan Shares**) of the 2,857,143 Shares to be issued to Mr Mangles in accordance with Resolution 3.

2.2 Section 260A of the Corporations Act

Under Section 260A of the Corporations Act, a company may financially assist a person to acquire shares in the company only if the giving of financial assistance does not materially prejudice the interest of the company or its shareholders, or the company's ability to pay its creditors, or the financial assistance has been approved by the company's shareholders.

Shareholder approval for financial assistance by the company must be given by a special resolution. No votes may be cast in favour of the resolution by the person receiving the financial assistance.

Whilst the Company is of the view that the giving of the financial assistance to Mr Mangles does not materially prejudice the interests of the Company or the Shareholders or the Company's ability to pay its creditors, it is nevertheless seeking Shareholder approval due to the fact that Mr Mangles is a director of the Company.

There is no definition in the Corporations Act of what is meant by "financial assistance". Whether a transaction involves financial assistance is a question of fact to be answered in light of the circumstances. Accordingly, the expression would appear to be intended to be given a wide meaning.

The Directors are of the view that the transaction contemplated involves providing financial assistance to Mr Mangles and that the exceptions under section 260C of the Corporations Act may not apply in the current circumstances.

2.3 Information Required by Section 260B(4)

The Company seeks Shareholder approval under section 260A of the Corporations Act so that it can provide financial assistance to Mr Mangles to acquire the Loan Shares.

The material terms of the Loan are as follows:

- (a) the purpose of the Loan is to fund Mr Mangles' subscription for Shares at an issue price of \$0.14 each;
- (b) the amount of the Loan is AUD\$250,000;
- (c) the AUD\$250,000 will be repayable on or before that date which is five years from the date of the Share subscription or if Mr Mangles ceases to be an employee of the Company, whichever is the earlier;
- (d) the Loan will be interest free;
- (e) the Loan will be unsecured and Mr Mangles liability will be limited to the value of the Loan Shares;

- (f) the Loan Shares will be subject to a holding lock until the Loan is repaid; and
- (g) any dividends received on the Loan Shares will be treated as follows:
 - (i) all dividends will be paid at the top marginal tax rate less any imputation credits; and
 - (ii) the balance will be used to pay off the Loan.

2.4 Information Required by Section 208

Chapter 2E of the Corporations Act regulates the provision of financial benefits to related parties by a public company. Section 208 of the Corporations Act prohibits a public company giving a financial benefit to a related party unless one of a number of exceptions applies.

A "financial benefit" is defined in the Corporations Act in broad terms and includes a public company providing finance.

For the purposes of this meeting, a "related party" includes a director of the Company. Accordingly, the proposed Loan to Mr Mangles involves the provision of a financial benefit to a related party of the Company.

The following information is provided to allow Shareholders to assess the proposed Loan to Mr Mangles:

- (a) the related party to whom the financial benefit will be given is Mr Mangles;
- (b) the maximum amount of the Loan is AUD\$250,000;
- (c) a summary of the terms of the Loan is set out above in section 2.3;
- (d) as at the date of this Notice, the annual remuneration (inclusive of superannuation where applicable) payable to Mr Mangles is set out below:

Person	Remuneration 2008 (Estimate)
Mr Mangles	\$291,121

- (e) during the previous financial year ended 30 June 2007, the remuneration (inclusive of superannuation where applicable) paid to Mr Mangles is set out below:

Person	Remuneration
Mr Mangles	\$166,683

In addition, Mr Mangles was paid \$113,600 during the previous financial year ended 30 June 2007 in the form of share based payments.

- (f) as at the date of this Notice, Mr Mangles has notifiable interests in the securities of the Company as set out below:

Person	Shares	Options(1)
Mr Mangles	0	2,000,000

(1) options exercisable at 20 cents on or before 31 March 2009

- (h) if Shareholders approve the Loan to Mr Mangles and Mr Mangles subscribes for the Loan Shares, the effect will be to increase the number of Shares on issue from 132,869,648 to 134,655,362 and to dilute the shareholding of existing Shareholders by approximately 1.33% (based on the number of Shares currently on issue and assuming no other Shares are issued or options are exercised);
- (i) if Shareholders approve the Loan to Mr Mangles, Mr Mangles will subscribe for the Loan Shares at an issue price of \$0.14 each. The recent trading history of the Company's shares is set out above in section 1.2(d);
- (j) the value of the financial benefit being provided to Mr Mangles is the interest rate differential i.e. the difference between the interest rate on the Loan (0%) and the interest rate which could be charged by the Company; and
- (k) other than Mr Mangles, each of the Directors recommend that Shareholders vote in favour of the Resolution as they are of the view that it is in the best interests of Shareholders and the Company. Mr Mangles does not wish to make a recommendation to Shareholders about this Resolution because he has an interest in its outcome. The Directors, excluding Mr Mangles, do not have an interest in the outcome of this Resolution other than as Shareholders in the Company.

3 RESOLUTION 5 – ISSUE OF OPTIONS TO RELATED PARTY

Following the appointment of Mr Stuart James as a Director and Chairman of the Company from 31 December 2007, the Company entered into an executive services agreement with Mr James (**Agreement**). Pursuant to the Agreement, the Company shall, subject to approval of this Resolution, grant to Mr James 2,000,000 Options on the terms outlined below (**James Options**).

The Board considers that in view of the financial, legal and other responsibilities assumed by directors of public companies, the payment of monetary fees alone is not an adequate reward and does not provide an adequate incentive to enable the Company to attract and retain directors of the requisite level of experience and qualifications. The Board considers that equity participation by way of the grant of Options to the Chairman and Director is appropriate for these purposes. In addition, the Board considers that the issue of James Options will contribute to the preservation of the Company's cash reserves.

In determining the quantity and terms of the James Options, consideration was given to the experience and role of Mr James, his overall remuneration, the current market price of Shares and the terms of option packages granted to directors of similar standing in comparable companies within the health care sector.

Shareholder approval is required pursuant to Listing Rule 10.11 and Chapter 2E of the Corporations Act.

3.1 ASX Listing Rule 10.11

ASX Listing Rule 10.11 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of securities (including an option) to a related party. Mr James is considered a related party of the Company by virtue of the fact that he is a Director of the Company.

For Resolution 5, approval pursuant to Listing Rule 7.1 is not required in order to grant the James Options to Mr James as approval is being obtained under ASX Listing Rule 10.11. The grant of the James Options will not be included in the 15% calculation for the purposes of ASX Listing Rule 7.1.

ASX Listing Rule 10.13 sets out a number of matters which must be included in a notice of meeting proposing an approval under ASX Listing Rule 10.11. The following information is provided to Shareholders for the purposes of Listing Rule 10.13:

- (a) the related party that will be allotted the James Options is Mr James;
- (b) the maximum number of James Options to be issued to Mr James is 2,000,000;
- (c) the James Options will be granted for nil consideration, accordingly no funds will be raised from the grant of the James Options;
- (d) the James Options are exercisable at \$0.20 each on or before 31 March 2009 and the full terms and conditions of the James Options are set out in Schedule 1 below;
- (e) the James Options will be granted not later than 1 month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated that the James Options will be issued on one date;
- (f) funds raised from the exercise of the James Options will be applied to general working capital including advancing the development of the health care businesses;
- (g) the purpose of the grant of the James Options is to provide consideration for performance of work, both previously and into the future by Mr James for the Company and to secure the ongoing commitment of Mr James to the continued growth of the Company; and
- (h) the Shares issued upon exercise of the James Options will rank equally in all respects with the Company's existing issued Shares.

3.2 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act regulates the provision of financial benefits to related parties by a public company. Section 208 of the Corporations Act prohibits a public company giving a financial benefit to a related party unless one of a number of exceptions applies.

A "financial benefit" is defined in the Corporations Act in broad terms and includes a public company issuing securities.

For the purposes of this meeting, a "related party" includes a director of the Company. Accordingly, the proposed grant of options to the Mr James involves the provision of a financial benefit to a related party of the Company.

The following information is provided to allow shareholders to assess the proposed grant of the James Options to Mr James:

- (a) the related party to whom the financial benefits will be given is Mr James;
- (b) the maximum number of James Options to be granted to Mr James is 2,000,000;
- (c) the James Options will be granted for no consideration on the terms and conditions set out in Schedule 1 below;
- (d) as at the date of this Notice, the annual remuneration (inclusive of superannuation where applicable) payable to Mr James is set out below:

Person	Remuneration	Remuneration
	To 31 Dec 2007	From 1 Jan 2008
Mr James	\$40,000 + 9% superannuation	\$50,000 + 9% superannuation

- (e) during the previous financial year ended 30 June 2007, the remuneration (inclusive of superannuation where applicable) paid to Mr James is set out below:

Person	Remuneration
Mr James	\$0

- (f) as at the date of this Notice, Mr James has notifiable interests in the securities of the Company as set out below:

Person	Shares	Options
Mr James	0	0

- (g) other than as set out above, Mr James is Chairman and a Shareholder of Balnave Corporate Limited (**Balnave**). Balnave is an adviser to the Company and receives emoluments from the Company on commercial terms;
- (h) if Shareholders approve the grant of James Options to Mr James and he was to exercise all of his James Options, the effect will be to increase the number of Shares on issue from 132,869,648 to 134,869,648 and to dilute the shareholding of existing Shareholders by approximately 1.48% (based on the number of Shares currently on issue and assuming no other Shares are issued or options are exercised);
- (i) the market price for Shares during the term of the James Options would normally determine whether or not the James Options are exercised. If, at the time any of the James Options are exercised, the Shares are trading on

ASX at a price that is higher than the exercise price of the James Options, there may be a perceived cost to the Company. The recent trading history of the Company is set out in Section 1.2(d) above;

- (k) other than Mr James, each of the Directors recommend that Shareholders vote in favour of the Resolution as they are of the view that it is in the best interests of Shareholders and the Company. Given Mr James's experience and reputation, the Directors believe that Mr James will make a significant contribution to the achievement of the Company's objectives. Mr James does not wish to make a recommendation to Shareholders about this Resolution because he has an interest in its outcome. The Directors, excluding Mr James, do not have an interest in the outcome of this Resolution other than as a Shareholder in the Company.

3.3 Valuation of James Options

The independent valuation, prepared by Stanton International Securities Pty Ltd, has been derived using the Binomial option valuation methodology, based on the following assumptions:

- (a) the valuation date for the James Options is 15 January 2008, although the James Options will not be granted until shareholders have approved the grant of the James Options;
- (b) the price of a fully paid Share as quoted on ASX is based on the Share price at 10am on 15 January 2008, being \$0.15;
- (c) the exercise price of the New Options is \$0.20;
- (d) the James Options expire at 5:00pm (EDST) on 31 March 2009, with 13 months to expiry;
- (e) a risk free rate of 6.50%;
- (f) a volatility rate of 60% has been applied;
- (g) the options will be issued at a price of \$0.00; and
- (h) the Company will not be seeking listing of the options.

The valuation noted below is not necessarily the market price that James Options could be traded at and it is not automatically the market prices for taxation purposes.

Based on that valuation, the James Options have been valued at approximately 2.13 cents per James Option or \$42,600 in total.

3.4 Terms of Options

The full terms and conditions of the James Options are set out in Schedule 1.

4 RESOLUTION 6 – ISSUE OF OPTIONS TO RELATED PARTY

Following the appointment of Dr John Hewson as a Director of the Company and as Chairman from 9 May 2007 to 31 December 2007, the Company entered into an executive services agreement with Dr Hewson (**Agreement**). Pursuant to the

Agreement, the Company shall, subject to approval of this Resolution, grant to Dr Hewson 1,500,000 Options on the terms outlined below (**Hewson Options**).

The Board considers that in view of the financial, legal and other responsibilities assumed by directors of public companies, the payment of monetary fees alone is not an adequate reward and does not provide an adequate incentive to enable the Company to attract and retain directors of the requisite level of experience and qualifications. The Board considers that equity participation by way of the grant of Options to the Director is appropriate for these purposes. In addition, the Board considers that the issue of Hewson Options will contribute to the preservation of the Company's cash reserves.

In determining the quantity and terms of the Hewson Options, consideration was given to the experience and role of Dr Hewson, his overall remuneration, the current market price of Shares and the terms of option packages granted to directors of similar standing in comparable companies within the health care sector.

Shareholder approval is required pursuant to Listing Rule 10.11 and Chapter 2E of the Corporations Act.

4.1 ASX Listing Rule 10.11

ASX Listing Rule 10.11 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of securities (including an option) to a related party. Dr Hewson is considered a related party of the Company by virtue of the fact that he is a Director of the Company.

For Resolution 6, approval pursuant to Listing Rule 7.1 is not required in order to grant the Hewson Options to Dr Hewson as approval is being obtained under ASX Listing Rule 10.11. The grant of the Hewson Options will not be included in the 15% calculation for the purposes of ASX Listing Rule 7.1.

ASX Listing Rule 10.13 sets out a number of matters which must be included in a notice of meeting proposing an approval under ASX Listing Rule 10.11. The following information is provided to Shareholders for the purposes of Listing Rule 10.13:

- (a) the related party that will be allotted the Hewson Options is Dr Hewson;
- (b) the maximum number of Hewson Options to be issued to Dr Hewson is 1,500,000;
- (c) the Hewson Options will be granted for nil consideration, accordingly no funds will be raised from the grant of the Hewson Options;
- (d) the Hewson Options are exercisable at \$0.20 each on or before 31 March 2009 and the full terms and conditions of the Hewson Options are set out in Schedule 2 below;
- (e) the Hewson Options will be granted not later than 1 month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated that the Hewson Options will be issued on one date;
- (f) funds raised from the exercise of the Hewson Options will be applied to general working capital including advancing the development of the health care businesses;

- (g) the purpose of the grant of the Hewson Options is to provide consideration for performance of work, both previously and into the future by Dr Hewson for the Company and to secure the ongoing commitment of Dr Hewson to the continued growth of the Company; and
- (h) the Shares issued upon exercise of the Hewson Options will rank equally in all respects with the Company's existing issued Shares.

4.2 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act regulates the provision of financial benefits to related parties by a public company. Section 208 of the Corporations Act prohibits a public company giving a financial benefit to a related party unless one of a number of exceptions applies.

A "financial benefit" is defined in the Corporations Act in broad terms and includes a public company issuing securities.

For the purposes of this meeting, a "related party" includes a director of the Company. Accordingly, the proposed grant of options to the Dr Hewson involves the provision of a financial benefit to a related party of the Company.

The following information is provided to allow shareholders to assess the proposed grant of the Hewson Options to Dr Hewson:

- (a) the related party to whom the financial benefits will be given is Dr Hewson;
- (b) the maximum number of Hewson Options to be granted to Dr Hewson is 1,500,000;
- (c) the Hewson Options will be granted for no consideration on the terms and conditions set out in Schedule 2 below;
- (d) as at the date of this Notice, the annual remuneration (inclusive of superannuation where applicable) payable to Dr Hewson is set out below:

Person	Remuneration	Remuneration
	To 31 Dec 2007	From 1 Jan 2008
Dr Hewson	\$50,000 + 9% superannuation	\$40,000 + 9% superannuation

- (e) during the previous financial year ended 30 June 2007, the remuneration (inclusive of superannuation where applicable) paid to Dr Hewson is set out below:

Person	Remuneration
Dr Hewson	\$8,125

- (f) as at the date of this Notice, Dr Hewson has notifiable interests in the securities of the Company as set out below:

Person	Shares	Options
Mr James	0	0

- (g) other than as set out above, Dr Hewson receives no other emoluments from the Company;
- (h) if Shareholders approve the grant of Hewson Options to Dr Hewson and he was to exercise all of his Hewson Options, the effect will be to increase the number of Shares on issue from 132,869,648 to 134,369,648 and to dilute the shareholding of existing Shareholders by approximately 1.12% (based on the number of Shares currently on issue and assuming no other Shares are issued or options are exercised);
- (i) the market price for Shares during the term of the Hewson Options would normally determine whether or not the Hewson Options are exercised. If, at the time any of the Hewson Options are exercised, the Shares are trading on ASX at a price that is higher than the exercise price of the Hewson Options, there may be a perceived cost to the Company. The recent trading history of the Company is set out in Section 1.2(d) above;
- (k) other than Dr Hewson, each of the Directors recommend that Shareholders vote in favour of the Resolution as they are of the view that it is in the best interests of Shareholders and the Company. Given Dr Hewson's experience and reputation, the Directors believe that Dr Hewson will make a significant contribution to the achievement of the Company's objectives. Dr Hewson does not wish to make a recommendation to Shareholders about this Resolution because he has an interest in its outcome. The Directors, excluding Dr Hewson, do not have an interest in the outcome of this Resolution other than as a Shareholder in the Company.

4.3 Valuation of Hewson Options

The independent valuation, prepared by Stanton International Securities Pty Ltd, has been derived using the Binomial option valuation methodology, based on the following assumptions:

- (a) the valuation date for the Hewson Options is 15 January 2008, although the Hewson Options will not be granted until shareholders have approved the grant of the Hewson Options;
- (b) the price of a fully paid Share as quoted on ASX is based on the Share price at 10am on 15 January 2008, being \$0.15;
- (c) the exercise price of the New Options is \$0.20;
- (d) the Hewson Options expire at 5:00pm (EDST) on 31 March 2009, with 13 months to expiry;
- (e) a risk free rate of 6.50%;
- (f) a volatility rate of 60% has been applied;
- (g) the options will be issued at a price of \$0.00; and

(h) the Company will not be seeking listing of the options.

The valuation noted below is not necessarily the market price that Hewson Options could be traded at and it is not automatically the market prices for taxation purposes.

Based on that valuation, the Hewson Options have been valued at approximately 2.13 cents per Hewson Option or \$31,950 in total.

4.4 Terms of Options

The full terms and conditions of the Hewson Options are set out in Schedule 2.

5 RESOLUTION 7 – RATIFICATION OF ISSUE OF SHARES

5.1 Background

As announced to the market on 23 October 2007, the Company undertook a capital raising of 8,000,000 Shares at an issue price of \$0.175 per Share to raise \$1,400,000 (**October Placement**). The October Placement was made within the Company's 15% capacity. The Company issued a subsequent prospectus dated 1 November 2007 for the purpose of Section 708A(11) of the Corporations Act to remove any restrictions on the sale of securities to be issued by the Company during the Offer Period.

5.2 ASX Listing Rules

ASX Listing Rule 7.1 requires that a listed company obtain shareholder approval prior to the issue of securities representing more than 15% of the issued capital of that company in any 12 month period.

ASX Listing Rule 7.4.2 sets out an exception to ASX Listing Rule 7.1. This rule provides that where a company in general meeting ratifies the previous issue of securities made without approval under ASX Listing Rule 7.1, those securities shall be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

Shareholder ratification for the issue of the total of 8,000,000 Shares is now sought pursuant to ASX Listing Rule 7.4 to reinstate the Company's capacity to issue up to 15% of its issued capital, if required, in the next 12 months without shareholder approval.

Outlined below is the information required to be provided to Shareholders for the purpose of obtaining shareholder approval pursuant to ASX Listing Rule 7.4:

- (a) the total number of securities allotted and issued was 8,000,000 Shares;
- (b) the Shares were issued at \$0.175 each to raise \$1,400,000 in total for the following purpose:

	Funds
Proceeds from October Placement	\$1,400,000
Total Proceeds	\$1,400,000
Application of proceeds:	
Expenses of the October Placement	\$91,000
Development of Systems	\$170,000
Future Acquisitions	\$1,000,000
Working capital	\$139,000
Total	\$1,400,000

- (c) the terms and conditions of the Shares allotted and issued are identical to the Company's existing Shares; and
- (d) the allottees of the Shares were sophisticated and professional investor clients of Shaw Corporate Finance Pty Limited. None of the allottees are related parties or associates of the Company.

6 RESOLUTION 8 – NON EXECUTIVE DIRECTORS REMUNERATION

Clause 8.3 of the Constitution requires that the maximum aggregate remuneration that may be paid to Non-Executive Directors of the Company be set by the Company in general meeting.

The Company has previously set a maximum aggregate remuneration that may be paid to Non Executive Directors of \$250,000 per annum. Due to the reintroduction of market non-executive director fees from 1 July 2006 and the likelihood of increasing the number of non-executive directors on the Board, Resolution 8 seeks shareholder approval to set the maximum aggregate remuneration that may be paid to Non-Executive Directors at \$500,000 per annum. This aggregate amount has been determined after reviewing similar companies listed on ASX and the Directors believe that this level of remuneration is in line with corporate remuneration of similar companies.

The Company currently has 4 Non-Executive Directors, being Mr Stuart James, Dr John Hewson, Mr Trevor Beazley and Mr Andrew Gregory.

In addition, the level of non-executive fees will allow for the proposed issue of options to Mr James under Resolution 5 and Dr Hewson under Resolution 6.

If Resolution 8 is passed, the fees paid to each Non-Executive Director may increase in the future and in addition other non-executive directors may be appointed to the Board.

GLOSSARY

General Meeting means the meeting convened by the Notice.

ASIC means the Australian Securities and Investments Commission.

ASX means Australian Stock Exchange Limited (ABN 98 008 624 691).

Board means the board of Directors of the Company as constituted from time to time.

Capital Raising means a placement on the same terms as the Capital Raising under the Prospectus dated 13 December 2007.

Company or **Pulse Health** means Pulse Health Limited (ABN 69 104 113 760).

Constitution means the Constitution of the Company.

Corporations Act means the Corporations Act 2001 (Cth).

Directors mean the directors of the Company.

EDST means Eastern Daylight Savings Time, Sydney, New South Wales.

Explanatory Statement means the explanatory statement accompanying the Notice.

Hewson Options means the granting of options pursuant to Resolutions 6. Terms and condition of Hewson Options are outlined in Schedule 2.

James Options means the granting of options pursuant to Resolutions 5. Terms and condition of James Options are outlined in Schedule 1.

Listing Rules means the Listing Rules of ASX.

Notice means the notice of meeting, which forms part of this Memorandum.

Option or **Options** means an option to acquire a fully paid ordinary share in the capital of the Company.

Prospectus means Prospectus dated and lodged with ASIC on 13 December 2007.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

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

Shareholder means a holder of a Share.

SCHEDULE 1

TERMS AND CONDITIONS OF JAMES OPTIONS

Each option will entitle the holder to subscribe for one Share in the Company on the following terms:

- (a) the options may be exercisable at any time prior to 5:00pm EST on 31 March 2009 (**Expiry Date**). Options not exercised on or before the Expiry Date will automatically lapse;
- (b) the exercise price of each option is 20 cents;
- (c) the options may be exercised wholly or in part by completing an application form for Shares (**Notice of Exercise**) delivered to the Company's share registry and received by it any time prior to the Expiry Date;
- (d) upon the exercise of an option and receipt of all relevant documents and payment, the holder will be allotted and issued a Share ranking pari passu with the then issued Shares. The Company will apply to ASX to have the Shares granted Official Quotation. The options will not be listed on ASX;
- (e) a summary of the terms and conditions of the options, including the Notice of Exercise, will be sent to all holders of options when the initial holding statement is sent;
- (f) there will be no participating entitlement inherent in the options to participate in the new issues of capital which may be offered to Shareholders during the currency of the options. Prior to any new pro rata issue of securities to Shareholders, holder of options will be notified by the Company in accordance with the requirements of the ASX Listing Rules;
- (g) in the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to the holders of Shares after the date of issue of the options, the exercise price of the options will be adjusted in accordance with the formula set out in ASX Listing Rule 6.22.2;
- (h) in the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company prior to the expiry date, all rights of an option holder are to be changed in a manner consistent with the ASX Listing Rules; and
- (i) Shares issued pursuant to the exercise of an option will be issued not more than 14 days after the date of the Notice of Exercise

SCHEDULE 2

TERMS AND CONDITIONS OF HEWSON OPTIONS

Each option will entitle the holder to subscribe for one Share in the Company on the following terms:

- (a) the options may be exercisable at any time prior to 5:00pm EST on 31 March 2009 (**Expiry Date**). Options not exercised on or before the Expiry Date will automatically lapse;
- (b) the exercise price of each option is 20 cents;
- (c) the options may be exercised wholly or in part by completing an application form for Shares (**Notice of Exercise**) delivered to the Company's share registry and received by it any time prior to the Expiry Date;
- (d) upon the exercise of an option and receipt of all relevant documents and payment, the holder will be allotted and issued a Share ranking pari passu with the then issued Shares. The Company will apply to ASX to have the Shares granted Official Quotation. The options will not be listed on ASX;
- (e) a summary of the terms and conditions of the options, including the Notice of Exercise, will be sent to all holders of options when the initial holding statement is sent;
- (f) there will be no participating entitlement inherent in the options to participate in the new issues of capital which may be offered to Shareholders during the currency of the options. Prior to any new pro rata issue of securities to Shareholders, holder of options will be notified by the Company in accordance with the requirements of the ASX Listing Rules;
- (g) in the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to the holders of Shares after the date of issue of the options, the exercise price of the options will be adjusted in accordance with the formula set out in ASX Listing Rule 6.22.2;
- (h) in the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company prior to the expiry date, all rights of an option holder are to be changed in a manner consistent with the ASX Listing Rules; and
- (i) Shares issued pursuant to the exercise of an option will be issued not more than 14 days after the date of the Notice of Exercise

PROXY FORM

**APPOINTMENT OF PROXY
PULSE HEALTH LIMITED
ABN 69 104 113 760**

I/We

being a Member of Pulse Health Limited entitled to attend and vote at the Meeting, hereby

Appoint

Name of proxy

or failing the person so named or, if no person is named, the Chairman of the Meeting or the Chairman's nominee, 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 to be held at 10.30am (EDST) on 26 March 2008 at PKF, Level 17 Boardroom, 1 Margaret St, Sydney, NSW, 2000 and at any adjournment thereof. If no directions are given, the Chairman will vote in favour of all of the resolutions.

Voting on Business of the Extraordinary Annual General Meeting		FOR	AGAINST	ABSTAIN
Resolution 1	Participation of related party in issue of shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Participation of related party in issue of shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Participation of related party in issue of shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Provision of financial assistance to Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Issue of options to a related party	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Issue of options to a related party	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Ratification of Issue of shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Non executive director's remuneration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If the Chair of the Meeting is appointed as your proxy, or may be appointed by default and you do **not** wish to direct your proxy how to vote as your proxy in respect of a resolution, please place a mark in this box.

By marking this box, you acknowledge that the Chairman of the meeting may exercise your proxy even though he has an interest in the outcome of the resolution and votes cast by him other than as proxy holder will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chair of the Meeting will not cast your votes on these Resolutions and your votes will not be counted in computing the required majority if a poll is called on these Resolutions. The Chair of the Meeting intends to vote in favour of these Resolutions.

YOU MUST EITHER MARK THE BOXES DIRECTING YOUR PROXY HOW TO VOTE OR MARK THE BOX INDICATING THAT YOU DO NOT WISH TO DIRECT YOUR PROXY HOW TO VOTE, OTHERWISE THIS APPOINTMENT OF PROXY FORM WILL BE DISREGARDED.

If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your shares are not to be counted in computing the required majority on a poll. If two proxies are being appointed, the proportion of voting rights this proxy represents is:

Signed this _____ % day of

2008

By: Individuals and joint holders

Companies (affix common seal if appropriate)

PULSE HEALTH LIMITED
ABN 69 104 113 760

Instructions for Completing 'Appointment of Proxy' Form

1. A member entitled to attend and vote at a Meeting is entitled to appoint not more than two proxies to attend and vote on their behalf. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes.
2. A duly appointed proxy need not be a member of the Company. In the case of joint holders, all must sign.
3. Corporate shareholders should comply with the execution requirements set out on the proxy form or otherwise with the provisions of Section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:
 - two directors of the company;
 - a director and a company secretary of the company; or
 - for a proprietary company that has a sole director who is also the sole company secretary – that director.

For the Company to rely on the assumptions set out in Section 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with Section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.

4. Completion of a proxy form will not prevent individual shareholders from attending the meeting in person if they wish. Where a shareholder completes and lodges a valid proxy form and attends the meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the meeting.
5. Where a proxy form or form of appointment of corporate representative is lodged and is executed under power of attorney, the power of attorney must be lodged in like manner as this proxy.
6. To vote by proxy, please complete and sign the proxy form enclosed with this Notice of Meeting as soon as possible and either:
 - (a) send or deliver the proxy form to Pulse Health Limited, Suite 1006 Milsons Landing, Level 10, 6a Glen Street, MILSONS POINT NSW 2061; or
 - (b) send the proxy form by facsimile to the Company on facsimile number (02) 9460 0588.

so that it is received not later than 10.30am EDST on 24 March 2008.

Proxy forms received later than this time will be invalid.