

6th October, 2006

MARKET UPDATE

On the 25th August, 2006 Cosmedics Australia Limited announced the signing of the final agreement to acquire Australian Medical Imaging Pty. Limited. A meeting to approve the acquisition was to have been held on the 6th October, 2006. It is now proposed to seek the approval of members for this acquisition at the Annual General Meeting which will be held on Friday 24th November, 2006 at 10.00am at the company's head office on level 1, 219 Blaxland Road, Ryde.

Copies of the Annual Report along with the Explanatory Statement and Independent Experts Report will be sent to shareholders shortly.



Dr. Bronte Douglass
Chairman