



Advanced Molecular Diagnostic Systems

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Friday 24th October 2008

Dear Shareholder,

RE: **Annual General Meeting November 26th 2008**

Kindly find enclosed the Notice of Meeting for the Annual General Meeting ("AGM") for Genera Biosystems Limited ("Genera") to be held on the 26th November 2008 at 11.00 a.m. (Melbourne time) at the offices of Grant Thornton Audit (Vic) Pty Ltd on Level 2, 215 Spring St, Melbourne, Victoria, 3000. Also enclosed is the proxy form for the AGM. If you have elected not to receive the June 30th 2008 Annual Report in hard copy, then a copy of the document can be accessed via the Genera Biosystems website at www.generabiosystems.com.

The resolutions for consideration at the AGM include the election to the Board of Genera of Mr. William Tapp and Mr. David Symons and the re-election of the company's Chief Scientific Officer, Dr Karl Poetter. I believe that the election of Mr. William Tapp and Mr. David Symons and the re-election of Dr Karl Poetter will provide the Genera Board with the skills and experience to guide Genera through its next phase of development. Accordingly, I encourage you to endorse these resolutions.

The other matter for consideration is an amendment to the Employee Share Ownership Plan which was approved by shareholders at the last AGM in December 2007. The amendment increases the percentage of share options available to Directors for rewarding loyalty and performance of employees, from 10% to 15% of issued capital. As the company is expected to undergo a rapid growth and development phase, attracting and retaining the best qualified people is a key element to our success and I encourage the adoption of this resolution.

For further details of these resolutions, please refer to the Explanatory Memorandum in the Notice of Meeting.

I look forward to your participation in the AGM on the 26th November 2008 either through your attendance or through the receipt of your proxies on the resolutions.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Fernando Careri".

Mr. Fernando Careri,
Chairman

Encs.

GENERA BIOSYSTEMS LIMITED
ACN 098 663 837

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of the Shareholders of Genera Biosystems Limited ("Genera") ACN 098 663 837 ("Company") for 2008 will be held at 11.00 am (Melbourne time) on Wednesday 26th November 2008 in the Board Room, Grant Thornton Audit (Vic) Pty Ltd at Level 2, 215 Spring Street, Melbourne, Victoria, 3000.

Shareholders who wish to lodge electronic proxies on-line may do so by accessing the *Investor Vote* system on the Company's share registry website at www.investorvote.com.au and then inputting the shareholder's **secure access information** (details on the Proxy form) to commence voting. Shareholders must lodge electronic proxies on-line no later than 48 hours before the meeting.

AGENDA

Ordinary Business

1. Financial Statements and Reports

- a. To receive and consider the Directors' Report and the Financial Statements for the financial year ended June 30th 2008, the Directors' Declaration and the Auditor's Report thereon.

Resolution 1

- b. To adopt the **Remuneration Report** of the Company during the year ended June 30th 2008.
(Note: - The vote on this resolution is advisory and does not bind the Directors or the Company.)

2. Election of Directors

To consider and, if thought fit, pass the following as **Ordinary Resolutions**:

Resolution 2

"That David Peter Neil Symons is hereby elected as a Director."

Resolution 3

"That William Alexander Tapp is hereby elected as a Director."

Resolution 4

" That Karl Frederick Poetter is hereby re-elected as a Director."

Special Business

1. Change to the Employee Share Ownership Plan.

To consider and, if thought fit, pass the following as an **Ordinary Resolution**:

Resolution 5

"That the Shareholders approve for the Employee Share Ownership Plan ("ESOP"), an increase in the limit of the number of share options that can be issued from 10% to 15% of the issued capital of the Company."

Voting Exclusion Statement: Genera will disregard any votes cast on this resolution by

- (i) Any eligible Director; or
- (ii) Any associate of the party named in the above sub paragraph (i),

unless the vote is cast as a proxy for a person entitled to vote in accordance with directions on the proxy form or unless the vote 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 as the proxy dictates.

Additional information concerning the proposed resolutions is contained in the Explanatory Notes that accompany and form part of this Notice. The Explanatory Notes should be read in conjunction with this Notice.

Dated: 24th October 2008

By Order of the Board

Geoffrey Ronald Widmer
Company Secretary

GENERA BIOSYSTEMS LIMITED
ACN 098 663 837

SHAREHOLDER COMMUNICATIONS

The Board encourages shareholders to participate in the Annual General Meeting by either attendance or by proxy. If a shareholder has a question about the Annual Report or aspects of the Genera Biosystems operation and they want them discussed at the Annual General Meeting, then the Board invites shareholders to submit questions in writing to the Company so that answers can be provided. The questions should be addressed to the Chairman, Genera Biosystems The Walter and Eliza Hall Biotechnology Centre, 4 Research Avenue, LaTrobe R&D Park, Bundoora, Victoria 3083 or by facsimile to +61 3 9819-3993, in either case no later than 5 days prior to the commencement of the Annual General Meeting on 26th November 2008.

EXPLANATORY NOTES

These Explanatory Notes have been prepared to provide Shareholders with information to assess the merits of the resolutions contained in the accompanying Notice of Annual General Meeting of the Company ("Notice"). Each member should carefully read these Explanatory Notes before making any decision in relation to the proposed resolutions.

Introduction

The Ordinary Business described in the Notice is included to ensure that the Company complies with its legal obligations as noted below. The requirements of the Corporations Act 2001 (Cth) in respect of the Business described in the Notice ("Business") are set out in these Explanatory Notes.

Important Dates

Details of the Meeting and other important Dates are set out in the attached table:

DATE	EVENT
24 th October 2008	Dispatch Notice of Meeting, Proxy Forms and Explanatory Notes to Shareholders
21 st November 2008	Closing date for provision of questions on the Annual Report & operations to the Chairman for discussion at AGM
24 th November 2008	11.00 am - Closing date for determining eligibility to vote at the Meeting
24 th November 2008	11.00 am - Latest time for receipt of proxies by Genera Biosystems from shareholders
26 th November 2008	11.00 am - Meeting to vote on resolutions

Definitions:

In these Explanatory Notes:

"Act" means the Corporations Act 2001 (Cth);

"ASX" means the Australian Securities Exchange;

"Genera Biosystems" means the Company, and vice versa;

"Board" means the board of directors of the Company;

"Constitution" means the constitution of the Company;

"Director" means a director of the Company;

"ESOP" means employee share ownership plan;

"Listing Rules" means the listing rules as determined by the ASX.

EXPLANATORY NOTES (Continued)

The background information for the Business resolutions is provided as follows:-

1. Reports

1.1 Financial Statements and Reports.

The Act requires under Section 250R (1), the Financial Report (which includes the Financial Statements and Directors' Declaration), the Directors' Report and the Auditor's Report to be laid before the Annual General meeting. There is no requirement for shareholders to approve the Financial Report, the Directors' Report or the Auditor's Report. Shareholders will be given a reasonable opportunity at the Meeting to ask questions and make comments on these reports, and on the business, operations and management of the Company.

1.2 Remuneration Report.

Resolution 1

In accordance with Section 250R (2) of the Act, the Remuneration Report is to be put to the shareholders for adoption. The Remuneration Report is set out in pages 15 to 19 of the Annual Report. It is available on the Company website at www.generabiosystems.com. The vote on this resolution is advisory only and does not bind the Directors or the Company. A reasonable opportunity will be given at the meeting to shareholders to ask questions or comments on the Remuneration Report.

2. Election of Directors

Resolution 2- Election of a Director.

2.1 David Peter Neil Symons

David Symons was appointed as a Director by the Board on 14th August 2008 to fill a casual board vacancy.

The Constitution in Article 13.2 makes provisions for a casual appointment of a director by the Board at any time if a vacancy exists. Article 13.2 of the Constitution requires that the shareholders approve this appointment via an election at the next Annual General Meeting. David Symons was appointed on the 14th August 2008 and this Annual General Meeting is the first General Meeting since that appointment for shareholders to elect him to the Board. As a consequence, David Symons is retiring and is offering himself to be elected to the Board under Article 13.2 of the Constitution.

David Symons holds Bachelor of Laws (Hons) and Bachelor of Commerce Degrees (University of Melbourne). He has extensive investment banking and commercial experience, particularly in relation to mergers and acquisitions. He has previously held positions at ABN AMRO Capital, Promina Group, Macquarie Bank and Merrill Lynch.

This resolution is proposed for this Director's election and the Board recommends this resolution for approval. The Meeting Chairman will vote his open proxies in favour of the motion.

Resolution 3 – Election of a Director.

3.1 William Alexander Tapp

William Tapp was appointed as a Director by the Board on 14th August 2008 to fill a casual board vacancy.

The Constitution in Article 13.2 makes provisions for a casual appointment of a director by the Board at any time if a vacancy exists. Article 13.2 of the Constitution requires that the shareholders approve this appointment via an election at the next Annual General Meeting.

EXPLANATORY NOTES (Continued)

William Tapp was appointed on the 14th August 2008 and this Annual General Meeting is the first General Meeting since that appointment for shareholders to elect him to the Board. As a consequence, William Tapp is retiring and is offering himself to be elected to the Board under Article 13.2 of the Constitution.

William Tapp brings over 40 years of entrepreneurial and commercial experience. This has included a key role, as one of four partners, in the establishment of Dovuro Seeds Pty Limited in 1990. William Tapp has had significant board experience, and is currently the chairman of Ag-Sun India, a 200-employee seed business headquartered in Mumbai with processing plants in southern India.

This resolution is proposed for this Director's election and the Board recommends this resolution for approval. The Meeting Chairman will vote his open proxies in favour of the motion.

Resolution 4 – Re-election of a Director.

4.1 Karl Frederick Poetter

Karl Poetter has been a Director since 25th September 2007.

The Constitution in Article 16.1 and Listing Rule 14.4 make provisions for an annual rotation of 1/3rd of Directors at every Annual General Meeting. Article 16.1 of the Constitution requires that this rotation starts with the longest serving Director(s) being the first to rotate at each AGM by the Director(s) first retiring and then with Article 16.2, is eligible for re-election at the same AGM with out giving prior notice. As a consequence, Karl Poetter is retiring and offering himself for re-election to the Board under Article 16.2 of the Constitution.

Karl Poetter has a Bachelor of Arts (Major Biology) from Heidelberg College USA and a PhD in Molecular Genetics from The Ohio State University. He has over 19 years of extensive research experience in genetic systems with 3 major grants and has developed significant Intellectual Property rights. Karl Poetter is currently the Chief Scientific Officer for the Company.

This resolution is proposed for this Director's re-election and the Board recommends this resolution for approval. The Meeting Chairman will vote his open proxies in favour of the motion.

Resolution 5- Change to ESOP.

5.1 Approval for a change to the limit of share options issued under the ESOP

The shareholders approved at the 21st December 2007 AGM, the adoption of an ESOP ("Plan"). This Plan set the limit on the number of share options to be issued at 10% of the issued capital when the Company was listed on the ASX on the 11th June 2008.

In following the stated objectives of the Plan as stated in the 2007 Notice of Meeting to:-

1. Focus upon delivering value to all shareholders through the achievement of a Liquidity Event;
2. Reduce the immediate cash cost to the company of securing high performance people; and
3. Align and focus the interests of the Board and management with shareholders for maximising shareholder value and return,

the Directors now believe that it is important to have the flexibility to offer share options up to 15% of the issued capital of the Company. This is considered important so as to attract the right calibre of talent both at the Board and executive levels that will require equity

EXPLANATORY NOTES (Continued)

participation as part of their remuneration package during commercialisation of the Company Intellectual Property.

Currently there are 51,191,684 issued ordinary shares and the Plan limit of 10% of that number of issued shares, is 5,119,168 of which 4,125,326 share options have been allocated leaving a balance of 993,842. This remaining level is not considered sufficient to meet the Plan objectives and the Board wishes to maintain flexibility to do so by increasing the limit. If the shareholders approve the change in the limit to 15% (or 7,678,753 share options), it will increase the number of available share options that could be issued under the Plan by a further 3,553,427. The Board believes that this level will be sufficient to meet the Plan objectives.

The Board realises that there is potentially a risk to shareholders as an increase in the limit could lead to dilution of the value of shares held. However, the terms under which ESOP allocations are made effectively require exceptional performance through setting a strike price for the options that is above the market price at the time of issuance. As a consequence, it would be attractive for an options holder to exercise their options only once a material increase in the share price has been achieved.

The Directors are seeking to amend the ESOP Plan and for it to be approved for a further 3 years from the date of this AGM for all purposes including Listing Rule 7.2 as an exception to Listing Rule 7.1.

This resolution requires the approval as an ordinary resolution, which requires it to be approved by a majority of the votes cast by holders entitled to vote on the resolution. The Board recommends this resolution for approval. Although there will be Voting Exclusions for the Directors in voting in favour of this resolution, any open proxies given to a Director(s) or the Chairman will be voted in favour of the motion.

A summary of the key details of the ESOP Plan is listed as follows:-

Eligibility criteria

The ESOP will be open to eligible participants, namely employees and contractors (including Directors) of the Company.

Grant of options

All options are to be offered to eligible participants for no consideration. The offer must be in writing and specify, amongst other things, the number of options for which the eligible participant may apply; the period within which the options may be exercised and any conditions to be satisfied before exercise, the option expiry date (as determined by the Board) and the exercise price of the options.

Exercise

The options may be exercised, subject to any exercise conditions, by the participant giving a signed notice to the Company and paying the exercise price in full. The Company will apply for official quotation of any shares issued on exercise of any options.

Lapse

The options shall lapse upon the earlier of the date specified by the Board or events contained in the ESOP rules, including termination of employment or resignation, or within 60 days of redundancy, death or disablement.

EXPLANATORY NOTES (Continued)

Rights of participants

Once shares are allotted upon exercise of the options the participant will hold the shares free of restrictions. The shares will rank for dividends declared on or after the date of issue but will carry no right to receive any dividend before the date of issue.

Should the Company undergo a reorganisation or reconstruction of capital or any other such change, the terms of the options will be correspondingly changed to the extent necessary to comply with the Listing Rules. In the event of a change of control, the Board shall have discretion to deal with the options, including allowing accelerated vesting or the issue of options in the substituted corporation. A holder of options is not entitled to participate in a new issue of Shares or other securities made by the Company to Shareholders merely because he or she holds options.

Assignment

The options are not transferable or assignable without the prior written approval of the Board.

Administration

The ESOP will be administered by the Board which has an absolute discretion to determine appropriate procedures for its administration and resolve questions of fact or interpretation and formulate special terms and conditions (subject to the Listing Rules) in addition to those set out in the ESOP.

Termination and amendment

The ESOP may be terminated or suspended at any time by the Board. The ESOP may be amended at any time by the Board except where the amendment reduces the rights of the holders of options.

Limit to options issued

The Board must not grant options if the total number of shares relating to unexercised and unexpired options existing or which would be issued if all offers for options were accepted exceeds 15% of the total number of issued shares as at the date the Board proposes to issue the options.

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