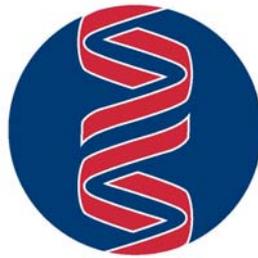


THIS DOCUMENT IS IMPORTANT

If you do not understand it or are in any doubt about how to act, you should consult your stockbroker, solicitor, accountant or other professional adviser immediately.



SONIC HEALTHCARE LIMITED

ACN 004 196 909

**NOTICE OF ANNUAL GENERAL MEETING 2006 AND
EXPLANATORY MEMORANDUM**

The meeting of shareholders will be held in Ballroom 2, Four Seasons Hotel Sydney, 199 George Street, Sydney NSW on 15 November 2006 at 10.00am.

If you are unable to attend the meeting, you are requested to complete the form of proxy enclosed with this booklet and return it to the share registry, Computershare Investor Services Pty Limited, as soon as possible, and in any event, no later than 10.00am on 13 November 2006.



Notice of Annual General Meeting 2006

Notice is given that the 2006 Annual General Meeting of Sonic Healthcare Limited ("Sonic" or "the Company") will be held in Ballroom 2, Four Seasons Hotel Sydney, 199 George Street, Sydney NSW on Wednesday 15 November 2006 at 10.00am.

AGENDA

ORDINARY BUSINESS

Financial Statements and Reports

To receive and consider:

- (a) the financial reports;
- (b) the directors' report; and
- (c) the auditor's report

of the Company (and the Group) for the year ended 30 June 2006.

Re-election of Directors

To consider and, if thought fit, to pass the following ordinary resolutions:

1. ***THAT Mr Barry Patterson, who retires in accordance with Article 71 of the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a director of the Company.***
2. ***THAT Mr Colin Jackson, who retires in accordance with Article 71 of the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a director of the Company.***

VOTING NOTE:

All members are entitled to vote on Resolutions 1 and 2



SPECIAL BUSINESS

Remuneration Report

To consider and, if thought fit, to pass the following ordinary resolution:

3. **THAT** the remuneration report for the year ended 30 June 2006 be adopted.

VOTING NOTE:

The vote on this resolution is advisory only and does not bind the Company or its directors.

By ORDER of the Board of Directors

Paul Alexander
Company Secretary

Dated, 16 October 2006

NOTES:

This Notice is accompanied by an Explanatory Memorandum which provides an explanation of the proposed resolutions.

Voting Entitlement

1. For the purposes of the 2006 Annual General Meeting, shares will be taken to be held by the persons who are registered as members at 7.00pm on 13 November 2006. Accordingly, transfers registered after that time will be disregarded in determining members entitled to attend and vote at the meeting.

Proxies

2. A member has a right to appoint a proxy, who need not be a member of the Company.
3. If a member is entitled to cast two or more votes, the member may appoint two proxies.
4. Where more than one proxy is appointed and the appointment does not specify the proportion or number of the member's votes each proxy may exercise, each proxy may exercise half of the member's voting rights.
5. The form of proxy must be signed by the member or the member's attorney. Proxies given by corporations must be signed in accordance with the member's constitution and the *Corporations Act 2001* (Cth) or under the hand of a duly authorised officer or attorney. In the case of joint holders, the form of proxy must be signed by all holders.



6. You may return your proxy form to Sonic's share registry by faxing, posting or delivering it to the relevant address below, or to the registered office of Sonic.

By fax: 61 8 8236 2305

By Mail: Sonic Healthcare Limited

C/o Computershare Investor Services Pty Limited

GPO Box 242

Melbourne VIC 3001

Australia

7. Your proxy form must be received no later than 48 hours before commencement of the Annual General Meeting (ie by 10.00am on 13 November 2006). A form of proxy accompanies this Notice.
8. Alternatively, you may appoint a proxy by the electronic medium available at the website www.computershare.com/proxy/au/Sonic. At the website, members will be able to view an electronic version of the proxy form, which will accept votes and register them accordingly. A member who wishes to use this medium must register their votes by no later than 10.00am on 13 November 2006.
9. Unless a member specifically directs the proxy how to vote, the proxy may vote as he or she thinks fit or abstain from voting.



EXPLANATORY MEMORANDUM

ORDINARY BUSINESS

Resolutions 1 and 2 – Re-election of Directors

Under Article 71 of the Constitution of the Company and in accordance with the listing rules of Australian Stock Exchange Limited, no director, other than the Managing Director, may hold office for a continuous period in excess of 3 years or past the third Annual General Meeting following the director's appointment, whichever is the longer, without submitting for re-election. Barry Patterson and Colin Jackson are required to retire as directors at the end of the 2006 Annual General Meeting but, being eligible, offer themselves for re-election.

Brief biographical details of Barry Patterson and Colin Jackson are set out below:

- **Mr Barry Sydney Patterson** (Chairman of the Board, A.S.M.M., M.I.M.M., F.A.I.C.D.)

Mr Patterson is an engineer and has a corporate mining background, but in more recent years has held directorial positions in a number of both public and private companies. Mr Patterson is considered by the Board to be an independent director and is the Chairman of both the Remuneration Committee and the Nominations Committee, and is a member of the Audit Committee. Mr Patterson is currently Chairman and a non-executive director of Silex Systems Limited (since 1992). Mr Patterson was formerly a non-executive director of National 1 Limited from June 2003 to July 2004.

- **Mr Colin Jackson** (O.A.M., F.C.P.A., F.C.A., F.T.I.A., F.A.I.C.D.)

Mr Jackson is a senior Executive Director of Sonic Healthcare. He plays an active role at Sonic corporate level and, as Sonic Commercial Director, heads up Sonic's procurement department. As Treasurer of the Australian Association of Pathology Practices, he plays an active role representing Sonic at national industry level. Until recently, Mr Jackson was the Chief Executive Officer of Diagnostic Services Pty Limited (Sonic's Tasmanian practice). Mr Jackson's background is in professional accounting practice. He is a Fellow of the Australian Society of Certified Practising Accountants, the Taxation Institute of Australia and the Institute of Chartered Accountants in Australia. Mr Jackson was appointed as Chairman and non-executive Director of Independent Practitioner Network Limited in August 2004, and was a member of the IPN Audit Committee from August 2004 until June 2006.



SPECIAL BUSINESS

Resolution 3 – Remuneration Report

Sonic's 2006 Annual Report contains a Remuneration Report (as part of the Directors' Report), which sets out the remuneration policy for the Company and reports the remuneration arrangements in place for Directors and specified executives.

The vote on the resolution is advisory only and is not binding on the Directors or the company.

Shareholders will be provided with a reasonable opportunity to ask questions about the Remuneration Report at the Annual General Meeting.