

Vuance Ltd.
(the "Company")

Notice of an Annual General Meeting of Shareholders

Notice is hereby given that an Annual General Meeting of Shareholders will be held at the Company's offices at 1 HaMa'alit St., Ha'sharon Industrial Park, Qadima, Israel, on August 17, 2008, at 15:00 a.m. (Israel time) (the "**Meeting**"). If within half an hour from the time scheduled for the Meeting a quorum is not present, the Meeting shall be adjourned the Meeting shall be adjourned to the same day, time and place in the next week or to another date and place as shall be determined by the Board.

The following matters are on the agenda of the Meeting:

- (1) Re-election of current (non-external) directors;
- (3) Re-election of an "external director";
- (4) Appointment of independent accountant-auditor for 2008;
- (7) Presentation and discussion of Vuance's 2007 financial statements.

How You Can Vote

Shareholders of record at the closing of business on July 16, 2008, are entitled to notice of and vote at the Meeting.

According to the Articles of Association of the Company, voting at the Meeting shall be in person or by proxy, provided, however, that the instrument appointing a proxy must be delivered to the Company not less than seventy-two (72) hours before the time scheduled for such Meeting, namely, not later than 15:00 a.m. (Israel time), on August 14, 2008.

A proxy statement including the suggested form of the said resolutions, as well as explanations concerning the majorities required for the approval of each resolution, is available at the company's offices as well as on the Company's website: <http://www.vuance.com>.