

healthzone limited

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Healthzone appoints new CEO

Sydney, 14 May, 2009 - Healthzone Limited (ASX: HZL), a leading distributor, franchise retailer and producer of health and beauty products, today announces the appointment of Reg Weine as Chief Executive Officer effective immediately.

Mr Weine, has over 20 years experience in fast moving consumables, health and beauty products covering Australia, New Zealand and Asia and has held senior leadership and general management positions with companies including; The Smiths Snackfood Company, Pepsi Cola Bottlers, Sara Lee Corporation, and most recently as Sales Director for ASX listed Blackmores' Limited where he set the strategic direction for sales across all markets and trade channels. He was responsible for Blackmores' customer service, trade marketing and the international and national sales teams as well as Blackmores' international operations.

Mr Roach said, "Reg's appointment is a key platform for continued development of Healthzone's leadership position in the Australian health food sector and its overseas expansion plans. Reg shall lead the expansion and growth of the Healthzone business with his expertise in the wellness sector in Australia and Asia combined with commercial skills, industry relationships and experience building brands domestically and internationally."

In announcing details of Mr Weine's remuneration package, Mr Roach said "Healthzone will benefit from the long term commitment of a CEO whose remuneration is tied to his ability to grow EPS and longer-term value creation for our Healthzone shareholders."

Remuneration Package

- Base remuneration of \$325,000 per annum inclusive of superannuation,
- Mr Weine will be entitled to an annual short term incentive (STI) based on the Group's performance against financial and non-financial metrics commencing 2010 financial year.
- Mr Weine will be eligible to participate in a long term incentive (LTI) to be established by the Board based upon the Group achieving for each year certain Earnings Per Share (EPS) targets for financial years 2012, 2013 and 2014. The LTI shall be in the form of 1,000,000 Healthzone Ltd shares issued via a loan securitized over the shares. The loan to be repaid upon sale of shares.

Contact Details

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BACKGROUND NOTES FOR EDITORS

Healthzone Limited

Healthzone Limited operates a portfolio of distribution, consumer product and retail businesses in the Wellness sector. Each business provides immediate opportunities for earnings growth through business development and integration. Healthzone's businesses are comprised of three principal activities;

Health and Beauty Distribution

- Health Minders national health food distribution of over 4,000 wellness products to the health food, pharmacy and grocery channels.
- Jasham International distribution of beauty and fragrance products to more than 1,700 pharmacies and department stores in Australia.
- 5 warehouse facilities distributing to all states of Australia and international markets.
- Healthzone distribution through more than 1,400 outlets in China.
- North America, Europe and Asia distribution.

Health and Beauty Products

- More than 300 "Healthy Life" and products including vitamins, supplements, health foods and beverages which are sold exclusively through Healthy Life stores.
- More than 65 "HL Vitamin" vitamin and supplement products.
- More than 90 "Natural Alternative" products, including food, household and cleaning products.

- The 'Bod' products are natural beauty products made in Australia. These products are sold in Japan, Hong Kong, Taiwan, Korea, Canada, Europe and New Zealand. These products will be the target of further development of the significant export market potential. The Bod products range is also actively marketed through Healthzone stores in Australia.
- The company produces a range of more than 45 supplement and vitamin products under its "Aurinda" brand, which are manufactured in Australia for export sale.
- The Company plans to acquire or develop its portfolio of Wellness products and is exploring opportunities to expand distribution of these products in Australian and international Wellness markets.

Health Retail

- Healthzone is the master franchisor of more than 130 health food retail stores including eight company owned stores in Sydney and Melbourne.
- Healthzone has more than 400,000 registered loyalty club members.
- Healthzone's Healthy Life magazine has a circulation of more than 4 million copies per annum