

# HEALTHZONE LIMITED

ACN 118 715 772

## NOTICE OF ANNUAL GENERAL MEETING

9:00 AM  
TUESDAY 30 NOVEMBER 2010

BAKER & MCKENZIE  
LEVEL 27, 50 BRIDGE STREET, SYDNEY  
NEW SOUTH WALES

**Notice of Annual General Meeting  
Healthzone Limited  
ACN 118 715 772**

NOTICE IS HEREBY GIVEN that the ANNUAL GENERAL MEETING ("Meeting") of the Shareholders of Healthzone Limited (the "Company") will be held at offices of Baker & McKenzie, Level 27, 50 Bridge Street, Sydney NSW on Tuesday 30 November 2010 at 9.00 am (Sydney time).

The Explanatory Statement which accompanies and forms part of this Notice of Meeting ("Notice") describes the matters to be considered at the Meeting. Terms used in this Notice have the meaning given to them in the Explanatory Statement.

**1. Financial Report**

To receive and consider the financial report of the Company for the year ended 30 June 2010 the Directors' Report and the Independent Auditor's Report.

**2. Resolutions**

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

**Resolution 1 – Re-election of Mr Guy Robertson**

*"That Mr Guy Robertson who retires pursuant to clause 19.5 of the Company's constitution, and having offered himself for re-election and being eligible, be re-elected as a Director of the Company."* (Refer Explanatory Statement).

**Resolution 2 - Re-election of Mr Michael Wu**

*"That, Mr Michael Wu who retires by rotation in accordance with clause 20.1 of the Company's Constitution and, having offered himself for re-election and being eligible, be re-elected as a Director of the Company."* (Refer Explanatory Statement).

**Resolution 3 - Election of Mr Ian Spence**

*"That, Mr Ian Spence, who is recommended for appointment by the Board and has offered himself for election be elected a Director of the Company pursuant to clause 19.3 of the Company's Constitution."* (Refer Explanatory Statement).

**Resolution 4 – Ratification of Share and Warrant Issue**

*"To ratify the issue of 4,669,572 fully paid ordinary shares at \$0.30 per and 7,193,823 warrants for \$0.38 by or before 28 February 2015 as described in the Explanatory Memorandum accompanying this Notice of Meeting be approved for the purposes of ASX Listing Rule 7.1 and for all other purposes."* (Refer Explanatory Statement)

**Resolution 5 – Issue of options – Peter Roach**

*"That, for the purposes of ASX Listing Rule 10.11 and Chapter 2E of the Corporations Act 2001 and all other purposes, approval is given for the Company to allot and issue 2,500,000 Options to Mr Peter Roach (or his nominee) who is a Director of the Company on the terms and conditions set out in the Explanatory Statement."*

**3. Resolution 6 - Advisory Resolution**

To consider and, if thought fit, pass the following non-binding resolution:

*“That the remuneration report for the year ended 30 June 2010 be adopted.”* (Refer Explanatory Statement).

**General**

To transact any business which may be lawfully brought forward.

By order of the Board



Michael Jenkins,  
Company Secretary,  
25 October 2010.

## PROXIES

### Please note that:

- 1) A shareholder entitled to attend and vote is entitled to appoint up to two proxies. Where two proxies are appointed, each shall be entitled to cast that number of votes (disregarding fractions) which bear the same proportion to the total number of votes which the shareholder could exercise if personally present at the meeting as the number of shares specified in the appointment of such proxy bears to the total number of shares held by the shareholder. A proxy need not be a shareholder. If the proxy is a shareholder, that person is only entitled to one vote on a show of hands. If two proxies are appointed, neither may vote on a show of hands.
- 2) To be effective, the instrument appointing a proxy must be received by the Share Registry not later than 9.00 am on 28 November 2010.
- 3) Under section 1109N of the Corporations Act 2001, the Board of Directors of the Company has determined that all persons holding shares at 7.00 pm on 28 November 2010 will be taken to be shareholders for the purposes of this meeting.
- 4) The accompanying explanatory statements form part of this notice of meeting.

## VOTING EXCLUSIONS

Under ASX Listing Rule 14.11.1, the Company will disregard any votes cast on the Resolutions by the following persons:

RESOLUTION	PERSONS EXCLUDED FROM VOTING
4. Ratification of Shares and Warrants issue	The Company will disregard any votes cast in relation to Resolution 4 by participants in the shares & warrants issue of 3 August 2010 and any of their associates, except as permitted by the paragraph below headed 'Permitted Exception to Voting Exclusion'.
5. – Issue of Options – Mr Peter Roach	The Company will disregard any votes cast in relation to Resolution 5 by: <ul style="list-style-type: none"><li>• Mr Peter Roach (or his nominee(s)); and</li><li>• any associate of Mr Peter Roach (or his nominee(s)), except as permitted by the paragraph below headed 'Permitted Exception to Voting Exclusion'.</li></ul>

### Permitted Exception to Voting Exclusion

The Company need not disregard a vote if:

- it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directors of the proxy form: or
- it is cast by a person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

**Healthzone Limited**  
**ACN 118 715 772**

**Explanatory Statement in relation to Annual General Meeting ("Meeting") to be held at Baker & McKenzie, Level 27, 50 Bridge Street, Sydney, NSW 2000 on Tuesday, 30 November, 2010 at 9.00 am.**

This Explanatory Statement has been prepared for the information of shareholders of the Company in relation to the business to be conducted at the company's Meeting.

The purpose of this Explanatory statement is to provide shareholders with information that is reasonably required by Shareholders to decide how to vote upon the resolutions. The Directors recommend that shareholders read this Explanatory statement before determining whether or not to support the Resolutions.

**Resolution 1– Re-election of Mr Guy Robertson**

Mr Robertson was appointed by the Board as a Director on 28 May 2010. Mr Robertson will retire at the Meeting pursuant to clause 19.5 of the Company's Constitution but will remain acting as a Director during the Meeting and being eligible offers himself for re-election as a Director at the Meeting.

Clause 19.5 of the Company's Constitution provides that if a Director is appointed by the Board to fill a casual vacancy or as an addition to the Board, the Director must retire from office and will be eligible for re-election at the next Annual General Meeting following his or her appointment.

Background details for Mr Robertson are set out in the Annual Report.

The Directors, with Mr Robertson abstaining, unanimously recommend that shareholders vote in favour of this Resolution.

**Resolution 2 - Re-election of Mr Michael Wu**

Clause 20.1 of the Company's Constitution provides that at the Annual General meeting of the Company, at least one director must retire from office. A retiring Director is eligible for re-election.

Mr Wu will retire by rotation at the Meeting in accordance with clause 20.1 of the Company's Constitution but will remain acting as a Director during the Meeting and being eligible offers himself for re-election as a Director at the Meeting.

Background details for Mr Wu are set out in the Company's 2010 Annual Report.

The Directors, with Mr Wu abstaining, unanimously recommend that shareholders vote in favour of this Resolution.

### **Resolution 3 - Appointment of Mr Ian Spence**

Clause 19.3 of the Company's Constitution provides that Directors must be elected in general meeting of the Company.

Mr Spence is recommended for appointment by the Board and being eligible, is offering himself for election as a director at the Meeting.

Mr Spence is an independent director of Eu Yan Sang International Limited and MTQ Corporation Limited which are listed on the Singapore Exchange and ISS Group Limited which is listed on the Australian Securities Exchange. He is a New Zealander and a permanent resident of Singapore. Mr Spence is also an advisor to the New Zealand Trade & Enterprise Board's Beachheads programme. Mr Spence is a Chartered Accountant and a Commerce graduate from Otago University, New Zealand.

Eu Yan Sang International Limited is entitled to nominate a member to the Board pursuant to the ASX announcement of 3 August 2010 and accordingly, Mr Spence has been nominated for this role by Eu Yan Sang International Limited.

The Directors unanimously recommend that shareholders vote in favour of this Resolution.

### **Resolution 4 – Ratification of Shares and Warrant Issue**

ASX Listing Rule 7.1 provides, subject to certain exceptions, without shareholder approval, a listed company must not issue equity securities where the number of equity securities proposed to be issued represents more than 15% of the company's shares then on issue.

Listing Rule 7.4 provides that an issue of securities made without the approval under Listing Rule 7.1 is treated as having been made with approval if the issue of securities did not breach Listing Rule 7.1 (that is, was within the Company's 15% capacity) and Shareholders subsequently approve it.

The Company issued 4,669,572 fully paid ordinary shares ("Shares") together with 7,193,823 warrants on the terms and conditions outlined below under a private placement within its 15% capacity under Listing Rule 7.1 to sophisticated investors. The company now seeks shareholder approval to ratify the issue of those securities and refresh the 15% capacity.

Listing Rule 7.5 provides that for shareholders to approve an issue subsequently the notice of meeting must include particular information. This information is as follows.

Pursuant to the Placement on 3 August 2010 the Company issued 4,669,572 fully paid ordinary shares at 30 cents per share to new investors which rank pari passu with other Shares.

The funds were raised to provide funding for the Company's development of proprietary health products, brand and business acquisitions, working capital and costs associated with the Placement. The Placement was undertaken in addition to the capital raising approved by shareholders at the Company's Extraordinary General Meeting on 25 February 2010.

In addition on 3 August 2010 the company issued 7,193,823 free warrants each to acquire one fully paid ordinary share for \$0.38 per share by 28 February 2015.

Shareholder ratification is required in relation to the issue of these shares and warrants, pursuant to Listing Rule 7.5 of the Listing Rules of the ASX (**Listing Rules**).

The Directors unanimously recommend that shareholders vote in favour of this Resolution.

## Resolution 5 - Approval to issue options to Mr Peter Roach

### Background

Resolution 5 seeks the approval of Shareholders to the issue of Options ("Options") to Mr Peter Roach, (and/or his nominee), who is Executive Chairman and Chief Executive Officer of the Company.

The full terms of the Options are set out in Annexure A to this Explanatory Memorandum.

As the Options will be issued for no cash consideration, no cash funds will be raised by the Company from their issue. Any funds received on the exercise of the Options will be used for working capital purposes.

### ASX Listing Rule & Corporations Act 2001 Disclosure Requirements

Chapter 2E of the Corporations Act 2001 ("Corporations Act") prohibits a public company from giving a financial benefit to a related party of the public company unless either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the prohibition; or
- (b) shareholder approval is obtained prior to the giving of the financial benefit and the benefit is given within 15 months of obtaining the approval.

A "financial benefit" is defined in the Corporations Act in broad terms and includes a public company issuing shares or the granting of options and other securities, such as the Options proposed to be issued pursuant to Resolution 5.

ASX Listing Rule 10.11 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of securities, such as the Options proposed to be issued pursuant to Resolution 5, to a related party of the Company. If approval is given under ASX Listing Rule 10.11, approval is not required under ASX Listing Rule 7.1.

If the issue of Options under Resolution 5 is approved for the purposes of Listing Rule 10.11 the Options, and the issue of shares upon vesting and exercise of those Options will not count towards the company's 15% allowance under ASX Listing rule 7.1.

The Company requires shareholder approval to issue the Options to Mr Peter Roach, as, for the purposes of Chapter 2E of the Corporations Act and ASX Listing Rule 10.11, the Director is a related party of the Company.

In accordance with Chapter 2E of the Corporations Act, the Company has lodged a copy of this Notice with the Australian Securities and Investments Commission ('ASIC. ").

For the purposes of ASX Listing Rule 10.13 and section 219 of the Corporations Act, the following information is provided to Shareholders:

The related party to whom the financial benefit to be given and the nature of the financial benefit are set out in the table following:



Related Party	Relationship to the Company	Number of Options	Exercise Price	Expiry Date
Peter Roach	Director	2,500,000	50 cents	30/11/2015

The terms and conditions of the Options to be granted to the Directors are set out in Annexure A.

The current Directors of the Company are Mr Peter Roach, Mr Michael Wu, Mr Michael Jenkins and Mr Guy Robertson.

The Directors consider that the number and terms of the Options to be granted to Mr Peter Roach constitute an appropriate number of Options to provide an adequate incentive to Mr Roach in light of his skill, experience and reputation when considered together with his remuneration as a Director.

Messrs Wu, Jenkins and Robertson recommend that Shareholders vote in favour of Resolution 5. Mr Roach abstains from making a recommendation to Shareholders in respect of Resolution 5 as he is personally interested in the outcome of Resolution 5 in that he (or his nominee(s)) is the proposed recipient of the Options.

#### Valuation

The Company has engaged Hall Chadwick to prepare a valuation of the securities to be issued to the Director. It is a requirement of ASIC that a dollar value be placed on the Options to be issued. A value for the Options has been estimated using an employee option valuation model based on The Black Scholes methodology which is acceptable to ASIC.

In determining this value, the following assumptions have been made:

- (a) the Share price at the issue dates is assumed to be \$0.29 per Share, which is based on volume weighted average prices of trading in the Shares up to and including 8 October 2010;
- (b) the Options are to be exercisable at \$0.50;
- (c) the Options are expected to mature within five years of their date of issue, being at the latest, the exercise date of 30 November 2015;
- (d) the estimate of volatility, based on price volatility of the Shares to the expiry of the options is approximately 58.9% based on price movements from the Australian School of Business Centre for Research in Finance Risk Management Service ; and
- (e) the average current risk-free interest rate is 4.965%.

On this basis, the options are valued at approximately \$0.1171 per Option. Therefore, the implied "value" of the Options being granted to the director is as follows:

Related Party	Number of Options	Value
Peter Roach	2,500,000	\$292,645

Other information that is reasonably required by Shareholders to make a decision whether it is in the best interest of the Company to pass Resolution 5 and that is known to the Company or any of its Directors is as follows:

- (i) Resolution 5 would have the effect of giving power to the Directors to grant a total of 2,500,000 Options. On 8 October 2010 the Company had on issue 83,758,871 Shares and 17,193,823 warrants.
- (ii) If all of the 2,500,000 Options granted as proposed above are exercised, the effect would be to dilute the shareholding of existing shareholders by approximately 2.98% or 2.47% after issue of warrants.
- (iii) The market price of the Shares during the period of the Options will normally determine whether or not Option holders exercise the Options. At the time any Options are exercised and Shares are issued pursuant to the exercise of the Options, the Shares may be trading at a price which is higher than the exercise price of the Options.
- (iv) In respect of remuneration and consulting fees payable to the Director:

Mr Roach or his nominee is entitled to be paid \$375,000 per annum; and

As at the date of this notice, the Director has the following interest in the securities of the Company.

Name	Number of Shares	Number of Options
Mr Peter Roach	1,032,500	NIL

The following table details the trading history of the Company's Shares on the ASX in the 12 months preceding 8 October 2010:

Date	High (\$)	Low (\$)	VWAP (\$)
As at 8 Oct 2010	0.30	0.28	0.29
1 month to 8 Oct 2010	0.30	0.25	0.29
3 months to 8 Oct 2010	0.31	0.24	0.29
6 months to 8 Oct 2010	0.34	0.24	0.29
12 months to 8 Oct 2010	0.49	0.24	0.30

For current Company share price information refer ASX website address:

<http://www.asx.com.au/asx/markets/equityPrices.do?by=asxCodes&asxCodes=hzl>

## ASX Listing Rule Requirements

Listing Rule 10.11 requires shareholder approval to the issue of securities to a related party of the Company. As Mr Roach, is a related party of the Company, Shareholder approval under Listing Rule 10.11 is required for the grant of the Options as set out in Resolution 5.

The following information is provided to Shareholders for the purpose of Listing Rule 10.13:

- (a) the Options will be granted to Mr Roach, who is a Director of the Company, or his respective nominee;
- (b) the maximum number of Options to be issued is 2,500,000 and the maximum number of Shares to be issued if the Options all become exercisable and are exercised is 2,500,000;
- (c) the Options will be issued no later than one month after the date of the Meeting;
- (e) the Options will be granted to Mr Roach, as part of his remuneration and incentive package with the Company and in consideration of his services to the Company. No cash consideration will be paid by the Directors on the grant of the Options;
- (f) no funds will be raised by the grant of the Options. If all of the Options become exercisable and are exercised at the price of \$0.50 per Option, \$1,250,000 of additional funding will be raised for the Company which will be used for working capital purposes;
- (g) the terms and conditions of the Options are set out in Annexure A; and
- (g) a voting exclusion statement forms part of the notice of meeting.

### **Resolution 6 - Advisory resolution – Remuneration Report**

The remuneration report for the year ended 30 June 2010 appears in the Company's Annual Report. An electronic copy of the 2010 Annual Report can be obtained from the website address: [www.healthzone.com.au](http://www.healthzone.com.au).

The remuneration report sets out the policy for the remuneration of the Directors and key management personnel (as defined in the relevant accounting standard) of the Company and the consolidated entity.

The Corporations Act 2001 requires that a resolution be put to a vote of shareholders that the Remuneration Report be adopted. The Corporations Act expressly provides that the vote is advisory only and does not bind the directors or the Company.

The Directors unanimously recommend that Shareholders vote in favour of this Resolution.

**ANNEXURE A**  
**TERMS OF OPTIONS**

The terms and conditions of the Options shall be as follows:

- (a) Each Option entitles the holder to acquire one (1) fully paid ordinary share in the capital of the Company ("Share").
- (b) The Options are exercisable at any time on or prior to 5.00pm (Sydney time) on 30 November 2015 (**Option Exercise Period**) by completing an Option exercise form and delivering it together with the payment for the number of Shares in respect of which the Options are exercised to the registered office of the Company or to the share registry of the Company.
- (c) The Options vest as follows (**Option Vesting Date**):

Name	Number of Options	Exercise Price	Vesting
Peter Roach	2,500,000	\$0.50	The Options will only be exercisable by the Director if, (i) on 30 September 2015 the Director is an employee of the Company or a subsidiary of the Company and (ii) the compound annual growth rate in the fully diluted earnings per share in the Company over the 5 year period commencing 29 June 2010 and ending 30 June 2015 is equal to or greater than 10% per annum.
On the vesting date if either of conditions (i) or (ii) is not satisfied the Options will lapse.			

- (c) The Option exercise price is \$0.50 per Option.
- (d) The Options will not be transferable before the relevant Option Vesting Date. On and from the relevant Option Vesting Date, the Options will be freely transferable in whole or in part at any time prior to expiry.
- (e) Shares issued on the exercise of an Option will be issued not more than fourteen (14) days after receipt of a properly executed exercise notice and application moneys. Shares allotted pursuant to the exercise of an Option will rank equally with the then issued ordinary shares of the Company in all respects. Official Quotation of those Shares on the ASX will be sought.
- (f) The Option holder shall be permitted to participate in new issues of securities on the prior exercise of their Options in which case the Option holder shall be afforded the period of at least nine (9) business days prior to and inclusive of the record date (to determine entitlements to the issue) to exercise his Options.
- (g) In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company, all rights of the Option holder will be changed to the extent necessary to comply with the ASX Listing Rules applying to the reconstruction of capital at the time of the reconstruction.

- (h) If there is a bonus issue to Shareholders, the number of Shares over which the Option is exercisable may be increased by the number of Shares which the holder of the Option would have received if the Option had been exercised before the record date for the bonus issue.
- (i) In the event that a pro rata issue (except a bonus issue) is made to the holders of the underlying securities in the Company, the exercise price of the Option will be reduced in accordance with ASX Listing Rule 6.22.
- (j) Reminder notices will be forwarded to the Option holder prior to the expiry of the Option Exercise Period. Options not exercised before the expiry of the Option Exercise Period will lapse.
- (k) The Options will be recorded on the Company's register of Option holders maintained at the share registry. The register will be open for inspection by an Option holder free of charge. Shares to be allotted on exercise of Options will be recorded on the Company's share register.
- (l) The Options will not be quoted on ASX.
- (m) The Option holder, if appearing on the Company's register of Option holders at the relevant date, will be entitled to receive and will be sent all reports and accounts required to be laid before Shareholders in general meeting and all notices of general meetings and will have the right to attend but shall have no right to vote at such meetings.
- (n) Notwithstanding paragraph (c), all Options may be exercised prior to the relevant Option Vesting Date:
  - (i) in relation to a takeover bid in respect of the Shares, during the bid period, as defined in section 9 of the Corporations Act 2001 ("Corporations Act"), provided that where a takeover bid is publicly announced prior to the service of a bidder's statement on the Company in relation to that takeover bid, the bid period will be deemed to have commenced at the date of that announcement;
  - (ii) at any time after a Shareholder, or a group of associated Shareholders, becomes entitled to sufficient Shares to give it or them the ability, and that ability is successfully exercised, in general meeting, to replace all or a majority of the Directors;
  - (iii) at any time after, on an application under section 411 of the Corporations Act, a court orders a meeting to be held concerning a proposed compromise or arrangement for the purposes of, or in connection with, a scheme for the reconstruction of the Company, or its amalgamation with any other company.
- (o) If an Option holder, or the person for whom Options are held on behalf of, ceases for any reason to be a Director or Employee (as the case may be) of the Company at any time after Options have been issued but prior to the Option Vesting Date for those Options, then those Options will automatically lapse on the day the person ceases to be a Director or Employee (as the case may be) of the Company.



This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction on the form. Securityholders sponsored by a broker should advise your broker of any changes.

Reference Number :

## YOUR VOTE IS IMPORTANT

FOR YOUR VOTE TO BE EFFECTIVE IT MUST BE RECEIVED BEFORE 9:00AM, SUNDAY, 28 NOVEMBER 2010

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## TO VOTE BY COMPLETING THE PROXY FORM

### STEP 1 Appointment of proxy

Indicate here who you want to appoint as your proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chairman of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a security holder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

#### Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative form" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

#### Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's securities registry or you may copy this form.

To appoint a second proxy using this Proxy Form, you must:

- complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together in the same envelope.

### STEP 2 Voting directions to your proxy

You can tell your proxy how to vote

To direct your proxy how to vote, place a mark in one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

### STEP 3 Sign the Proxy Form

The form **must** be signed as follows:

**Individual:** This form is to be signed by the securityholder.

**Joint Holding:** where the holding is in more than one name, all the securityholders must sign. **Power of Attorney:** to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. **Please indicate the office held by signing in the appropriate place.**

### STEP 4 Lodgement of Proxy Form

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below not later than 48 hours before the commencement of the meeting at **9:00am on Tuesday, 30 November 2010**. Any Proxy Form received after that time will not be valid for the scheduled meeting.

**Proxies may be lodged:**

<b>BY MAIL</b>	Share Registry - Registries Limited, GPO Box 3993, Sydney NSW 2001 Australia
<b>BY FAX</b>	+61 2 9290 9655
<b>IN PERSON</b>	Share Registry - Registries Limited, Level 7, 207 Kent Street, Sydney NSW 2000 Australia

### Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

**STEP 1 - Appointment of proxy**

I/We being a member/s of **Healthzone Limited** (the "Company") and entitled to attend and vote hereby appoint

the Chairman of the Meeting (mark with an 'X')

OR

If you are not appointing the Chairman of the Meeting as your proxy please write here the full name of the individual or body corporate (excluding the registered securityholder) you are appointing as your proxy.

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy at the **Annual General Meeting of Healthzone Limited to be held at Level 27, 50 Bridge Street, Sydney NSW 2000 on Tuesday, 30 November 2010 at 9:00am** and at any adjournment of that meeting, to act on my behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

**STEP 2 - Voting directions to your proxy - please mark  to indicate your directions**

Ordinary Business

		For	Against	Abstain*
1	Re-election of Mr Guy Robertson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	Re-election of Mr Michael Wu	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	Election of Mr Ian Spence	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	Ratification of shares & warrants issue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	Issue of Options - Peter Roach	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chair intends to vote 100% of all open proxies FOR the resolution.

\*If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

**Step 3 - PLEASE SIGN HERE**

This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name..... Contact Daytime Phone..... Date / /