

HEALTHZONE LIMITED  
ACN 118 715 772

NOTICE OF  
EXTRAORDINARY GENERAL MEETING

10:00 AM  
THURSDAY 25 FEBRUARY 2010

HEALTHZONE LIMITED  
316 HORSLEY ROAD, MILPERRA  
NEW SOUTH WALES

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

NOTICE IS HEREBY GIVEN that an EXTRAORDINARY GENERAL MEETING of the members of Healthzone Limited (the "Company") will be held at Healthzone Limited at 316 Horsley Road, Milperra, NSW 2114 on Thursday 25 February 2010 at 10.00 am.

**Resolution – Approval of Share and Warrants Issue**

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

*"To approve the issue of up to 30,000,000 fully paid ordinary shares at \$0.30 per share to raise up to \$9,000,000 with one warrant attached to every three shares to each acquire one additional share 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)

By order of the Board



Michael Jenkins,  
Finance Director and Company Secretary  
25 January 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 10.00 am on 23 February 2010
- 3) Under section 1109N of the Corporations Act 2001, (the Act) the Board of Directors of the Company has determined that all persons holding shares at 10:00 am on 23 February 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

In accordance with ASX Listing Rule 14.11.1, The Company will disregard any votes cast by the following parties except as permitted by the paragraph below headed 'Permitted Exception to Voting Exclusion':

- Persons who may participate in the proposed issue; and
- A person who may obtain a benefit other than as an ordinary shareholder.

### 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 directions 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.

**Explanatory statement in relation to Extraordinary General Meeting to be held at Healthzone Limited, 316 Horsley Road, Milperra, NSW 2114 on Thursday, 25 February, 2010 at 10.00 am.**

The Company seeks approval for the issue of up to 30,000,000 fully paid ordinary shares at \$0.30 per share ("Shares") and the issue of one free warrant for every three Shares issued, being up to 10,000,000 warrants. The shares and warrants shall be issued no later than three months after date of meeting.

The purpose of the Shares and warrants issue is to raise capital for growth of Healthzone's businesses, consistent with business growth initiatives in recent announcements and the Company's 2009 annual report.

It is the intention of the Company to allot the shares and warrants to sophisticated investors as defined in section 708 of the Act. No allottees shall be related parties as defined by s9 of the Act.

**Summary of Terms and conditions of Warrants (Immediate Vesting)**

The Warrants are granted on the following terms and conditions:

- One free Warrant will be issued for every three Shares subscribed for
- Each Warrant will entitle the Warrant holder to subscribe for one fully paid ordinary share in the capital of the Company for \$0.38 per share before the Expiry Date.
- The Warrants will vest immediately upon issue and Warrant holders will thereafter be able to exercise the Warrants at any time prior to the Expiry Date, provided the Warrants have not expired.
- The Warrants shall expire at 5.00 pm Eastern Standard time on 28 February 2015, or upon the liquidation or winding up of the Company for any reason other than by way of a voluntary winding-up (in each case, the '**Expiry Date**').
- Warrants will not be quoted on any securities exchange
- The Warrants are transferable at any time to persons to whom securities in the Company may be issued or transferred without the issue of a disclosure document, prospectus, or other such similar document as may be required under Australian law provided that certain procedures for transfer are met.
- All shares issued pursuant to the exercise of the Warrants will rank *pari passu* in all respects with the Company's existing ordinary fully paid shares.
- There are no participating rights or entitlement inherent in the Warrants to participate in new issues of capital offered to shareholders during the currency of the Warrants. Warrants that have been exercised prior to the record date for participation in a new issue of capital will confer an entitlement to participate in the new issue.
- In the event of reorganisation (including a consolidation, sub-division, reduction or return) of the issued capital of the Company, the number of Warrants and the exercise price of the Warrants shall be reorganised in the manner required by the ASX Listing Rules .
- If there is a pro-rata issue (except a bonus issue) to holders of ordinary shares in the Company, the exercise price of Warrants shall be adjusted according to a specified formula.
- If there is a bonus issue to the holders of ordinary shares, the number of securities over which a Warrant is exercisable will be increased by the number of ordinary shares which the Warrant holder would have received if the Warrant had been exercised before the record date for the bonus issue.

**FOR ALL ENQUIRIES CALL:**  
(within Australia) 1300 737 760  
(outside Australia) +61 2 9290 9600

**FACSIMILE**  
+61 2 9290 9655

**ALL CORRESPONDENCE TO:**  
Registries Limited  
GPO Box 3993  
Sydney NSW 2001  
Australia



**Your Address**

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. **Please note, you cannot change ownership of your securities using this form.**

**YOUR VOTE IS IMPORTANT**

**FOR YOUR VOTE TO BE EFFECTIVE IT MUST BE RECORDED BEFORE 10.00AM TUESDAY 23rd FEBRUARY 2010**

**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" 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 you must:

- (a) 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.
- (b) 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 Form**

The form **must** be signed

In the spaces provided you must sign this form 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 a Proxy**

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 **10.00am on Tuesday, 23 February 2010**. Any Proxy Form received after that time will not be valid for the scheduled meeting.

**Proxies may be lodged using the reply paid envelope or:**

**BY MAIL -** Share Registry – Registries Limited, GPO Box 3993, Sydney NSW 2001 Australia

**BY FAX -** + 61 2 9290 9655

**IN PERSON -** Share Registry – Registries Limited, Level 7, 207 Kent Street, Sydney NSW 2000 Australia

# HEALTHZONE LIMITED

<Co Name>  
<Address 1>  
<Address 2>  
<Address 3>  
<Address 4>  
<Address 5>

<BARCODE>
-----------

## STEP 1 - Appointment of Proxy

I/We being a member/s of **Healthzone Limited** and entitled to attend and vote hereby appoint

<input type="checkbox"/>	the Chairman of the Meeting (mark with an 'X')	OR	<input type="text"/>
--------------------------	--	----	----------------------

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 **Extraordinary General Meeting of Healthzone Limited to be held at Offices of Healthzone Limited, 316 Horsley Road, Milperra, NSW 2114 on Thursday 25<sup>th</sup> February 2010 at 10.00am** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

<input type="checkbox"/>	If the Chairman of the Meeting is appointed as your proxy or may be appointed by default, and you do not wish to direct your proxy how to vote in respect of a resolution, please mark this box. By marking this box, you acknowledge that the Chairman of the Meeting may vote as your proxy even if he has an interest in the outcome of the resolution and votes cast by the Chairman of the Meeting for those resolutions, other than as proxy holder, will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on the resolution and your votes will not be counted in calculating the required majority if a poll is called. The Chair intends to vote all undirected proxies in favour of the resolution.
--------------------------	---

## STEP 2 - Voting directions to your Proxy – please mark to indicate your directions

Ordinary Business

Resolution 1 (a) Approval of Share and Warrants Issue

For	Against	Abstain*
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

In addition to the intentions advised above. The Chairman of the Meeting intends to vote undirected proxies in favour of each of the items of business.

\*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 Telephone .....

Date / /2010