
HEALTH CORPORATION LIMITED

ACN 116 800 269

NOTICE OF GENERAL MEETING

TIME: 2 pm (WST)

DATE: 11 May 2011

PLACE: Level 21, Allendale Square, 77 St Georges Tce, Perth 6000

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 8) 9389 2000.

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TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The general meeting of the Shareholders to which this Notice of Meeting relates will be held at 2 pm (WST) on 11 May 2011 at:

Level 21 Allendale Square, 77 St Georges Tce, Perth 6000

YOUR VOTE IS IMPORTANT

The business of the General Meeting affects your shareholding and your vote is important.

VOTING IN PERSON

To vote in person, attend the General Meeting on the date and at the place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

NOTICE OF GENERAL MEETING

Notice is given that the general meeting of Shareholders will be held at 2 pm (WST) on 11 May 2011 at Level 21 Allendale Square, 77 St Georges Tce, Perth 6000.

The Explanatory Statement provides additional information on matters to be considered at the General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the General Meeting are those who are registered Shareholders of the Company at 5.00pm (Sydney time) on 9 May 2011.

Terms and abbreviations used in this Notice of Meeting are defined in the Glossary.

AGENDA

1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE – SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 14,200,000 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any of their associates. However, 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 on the Proxy Form or it is cast by the 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.

2. RESOLUTION 2 – PLACEMENT – SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to allot and issue up to 81,020,950 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, and any associates of those persons. However, 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 on the Proxy Form or it is cast by the 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.

3. **RESOLUTION 3 – PLACEMENT OF SHARES TO MR JASON DAVIS**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of Section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Directors to allot and issue 8,344,190 Shares, to Mr Jason Davis (or his nominee) and otherwise on the terms of the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Jason Davis (or his nominee) or any of his associates. However, 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 on the Proxy Form or it is cast by the 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

DATED: 8 APRIL 2011

BY ORDER OF THE BOARD

A handwritten signature in blue ink, appearing to read 'J. Davis', with a long horizontal flourish extending to the right.

**JASON DAVIS
CHAIRMAN**

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the General Meeting to be held at 2 pm (WST) on 11 May 2011 at Level 21 Allendale Square, 77 St Georges Tce, Perth 6000.

This purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE – SHARES

1.1 GENERAL

On 28 March 2011, the Company issued 14,200,000 Shares as consideration for \$0.012.

The subscriber pursuant to this issue was not a related party of the Company.

Resolution 1 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**Share Ratification**).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

1.2 TECHNICAL INFORMATION REQUIRED BY ASX LISTING RULE 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Share Ratification:

- (a) 14,200,000 Shares were allotted;
- (b) the issue price was \$0.012 per Share;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were allotted and issued to clients of Black Swan Equities Limited, being professional and sophisticated investors to whom the issue of securities does not require a disclosure document under Section 708 of the Corporations Act. None of the subscribers were related parties of the Company;

- (e) the funds raised from this issue will be used for payment to facilitate a detailed review of new business opportunities, payment of any accrued liabilities, and general working capital.

2. RESOLUTION 2 – PLACEMENT - SHARES

2.1 GENERAL

Resolution 2 seeks Shareholder approval for the allotment and issue of up to 81,020,950 Shares at an issue price of \$0.012 per share to raise up to \$972,251.40 (**Share Placement**).

None of the subscribers pursuant to this issue will be related parties of the Company.

A summary of ASX Listing Rule 7.1 is set out in Section 1.1 above.

The effect of Resolution 2 will be to allow the Directors to issue the Shares pursuant to the Share Placement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

2.2 TECHNICAL INFORMATION REQUIRED BY ASX LISTING RULE 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Share Placement:

- (a) the maximum number of Shares to be issued is 81,020,950;
- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that allotment will occur on the same date;
- (c) the issue price will be \$0.012;
- (d) the Shares will be allotted and issued to clients of Black Swan Equities Limited, being professional and sophisticated investors to whom the issue of securities does not require a disclosure document under Section 708 of the Corporations Act. None of the subscribers, except for Mr Jason Davis (refer to Resolution 3), will be related parties of the Company;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and

the Company intends to use the funds raised from the Share Placement towards used for payments to facilitate to detailed review of new business opportunities, payment of any accrued liabilities, and general working capital.

3. RESOLUTION 3 – PLACEMENT OF SHARES TO MR JASON DAVIS

As stated in Resolution 2 above, the Company intends to issue up to 81,020,955 Shares at an issue price of \$0.012 per Share to raise \$972,251 (**Share Placement**). Mr Jason Davis, being a director of the Company, intends to participate in the Share Placement on the same terms and conditions as all other participants in the Share Placement. Mr Davis has indicated that he will apply for 8,344,190 Shares under the Share Placement.

3.1 CHAPTER 2E OF THE CORPORATIONS ACT

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in Sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in Sections 210 to 216 of the Corporations Act. Section 210 of the Corporations Act states that Shareholder approval is not needed to give a financial benefit on terms that:

- (a) would be reasonable in the circumstances if the public company or entity were dealing at arm's length; or
- (b) are less favourable to the related party than the terms referred to in paragraph (a).

It is the view of the Directors that the exceptions set out in Sections 210 to 216 of the Corporations Act and ASX Listing Rule 10.12 do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the grant of Director Options to the Related Parties.

3.2 ASX LISTING RULE 10.11

ASX Listing Rule 10.11 requires a listed company to obtain Shareholder approval by ordinary resolution prior to the issue of securities (including an option) to a related party. Mr Davis is considered to be a related party of the Company by virtue of being a Director of the Company.

Approval pursuant to Listing Rule 7.1 is not required in order to issue the Shares to Mr Davis as approval is being obtained under ASX Listing Rule 10.11. The issue of the Shares will not be included in the 15% calculation for the purposes of ASX Listing Rule 7.1.

3.3 SHAREHOLDER APPROVAL

Pursuant to and in accordance with the requirements of Sections 217 to 227 of the Corporations Act and ASX Listing Rule 10.13, the following information is provided in relation to the proposed grant of Shares to Mr Davis under the Share Placement:

- (a) the related party is Mr Jason Davis by virtue of being a Director of the Company;
- (b) the maximum number of Shares (being the nature of the financial benefit being provided) to be issued to Mr Davis, or his nominee, is 8,344,190 Shares;
- (c) the Shares will be issued to Mr Davis no later than 1 month after the date of the General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Shares will be issued on one date;
- (d) the Shares will be issued at \$0.012 per Share in order to raise approximately \$100,130;

- (e) the Shares will be fully paid ordinary shares in the capital of the Company and will rank equally with the Company's issued Shares;
- (f) the relevant interests of Mr Davis in securities of the Company is set out below;

Related Party	Shares	Options
Mr Jason Davis	1.280.000	Nil

- (g) the remuneration and emoluments from the Company to Mr Davis for both the current financial year and previous financial year are set out below:

Related Party	Current Financial Year	Previous Financial Year
Mr Jason Davis	\$20,000	\$2,634

- (h) if Shareholder approve the issue of Shares to Mr Davis a total of 8,344,190 Shares would be allotted and issued. This will increase the number of Shares on issue from 108,978,045 to 117,322,235 (assuming that no other Shares issued) with the effect that the shareholding of existing Shareholders would be diluted by 7.11%. This percentage held by Mr Davis will be reduced proportionately by the issue of Shares pursuant to the proposed Share Placement (for which Shareholder approval is sought under Resolution 2);
- (i) the trading history of the Shares on ASX in the 12 months before the date of this Notice of General Meeting is set out below:

	Price	Date
Highest	\$0.04	8 April 2010 to 30 April 2010 (inclusive) and 25 March to 6 April 2010 (inclusive)
Lowest	\$0.014	23 February 2011 to 2 March 2011 (inclusive)
Last	\$0.015	5 April 2011

- (j) the Shares are being issued in connection with and on the same terms as the Share Placement for which approval is sought under Resolution 2. Therefore, the Company intends to use the funds raised from the issue of Shares to Mr Davis towards used for payment of accrued liabilities, review of new business opportunities and general working capital, as provided for in Section 2.2(f) of this Notice;
- (k) the Company acknowledges that the grant of Shares to Mr Davis is contrary to recommendation 9.3 of the ASX Good Corporate Governance and Best Practice Recommendations. However, the Board considers the grant of Shares to Mr Davis to be reasonable in the circumstances, given that they will be granted to Mr Davis on the same terms and conditions as all other Shares granted under the Share Placement;

- (l) the Directors, except for Mr Davis, recommend that Shareholders vote in favour of Resolution 3. The Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass the Resolutions.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Shares to Mr Davis as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Shares to Mr Davis will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

4. ENQUIRIES

Shareholders are requested to contact Rachel Jelleff on (+ 61 8) 9389 2000 if they have any queries in respect of the matters set out in these documents.

GLOSSARY

\$ means Australian dollars.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Company means Health Corporation Limited (ACN116 800 269).

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice of Meeting.

General Meeting or **Meeting** means the meeting convened by the Notice.

Notice or **Notice of Meeting** or **Notice of General Meeting** means this notice of general meeting including the Explanatory Statement and the Proxy Form.

Proxy Form means the proxy form accompanying the Notice.

Resolutions means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.

PROXY FORM

APPOINTMENT OF PROXY
HEALTH CORPORATION LIMITED
ACN 116 800 269

GENERAL MEETING

I/We
of

being a member of Health Corporation Limited entitled to attend and vote at the General Meeting, hereby

Appoint
Name of proxy

OR the Chair of the General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the General Meeting, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, as the proxy sees fit, at the General Meeting to be held at 2 pm (WST), on 11 May 2011 at Level 21, Allendale Square, 77 St Georges Tce, Perth WA 6000, and at any adjournment thereof.

If no directions are given, the Chair will vote in favour of all the Resolutions.

If the Chair of the General Meeting is appointed as your proxy, or may be appointed by default, and you do **not** wish to direct your proxy how to vote as your proxy in respect of **Resolutions 2 and 3** please place a mark in this box.

By marking this box, you acknowledge that the Chair of the General Meeting may exercise your proxy even if he has an interest in the outcome of Resolutions 2 and 3 and that votes cast by the Chair of the General Meeting for Resolutions 2 and 3 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 Chair will not cast your votes on Resolutions 2 and 3 and your votes will not be counted in calculating the required majority if a poll is called on Resolutions 2 and 3.

OR

Voting on Business of the General Meeting

	FOR	AGAINST	ABSTAIN
Resolution 1 – Ratification of Prior Issue – Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Placement – Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 – Issue of Shares to Mr Jason Davis	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not to be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is _____%

Signature of Member(s): _____ Date: _____

Individual or Member 1	Member 2	Member 3
<input type="text"/>	<input type="text"/>	<input type="text"/>
Sole Director/Company Secretary	Director	Director/Company Secretary

Contact Name: _____ Contact Ph (daytime): _____

HEALTH CORPORATION LIMITED
ACN 116 800 269

Instructions for Completing 'Appointment of Proxy' Form

1. **(Appointing a Proxy):** A member entitled to attend and vote at the General Meeting is entitled to appoint not more than two proxies to attend and vote on a poll on their behalf. The appointment of a second proxy must be done on a separate copy of the Proxy Form. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If a member appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes. A duly appointed proxy need not be a member of the Company.
2. **(Direction to Vote):** A member may direct a proxy how to vote by marking one of the boxes opposite each item of business. Where a box is not marked the proxy may vote as they choose. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing Instructions):**
 - **(Individual):** Where the holding is in one name, the member must sign.
 - **(Joint Holding):** Where the holding is in more than one name, all of the members should sign.
 - **(Power of Attorney):** If you have not already provided the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.
 - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual members from attending the General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the General Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to Health Corporation Limited, PO Box Z5446, St Georges Tce, Perth WA 6831; or
 - (b) facsimile to the Company on facsimile number +61 8 9389 2099; orso that it is received not less than 48 hours prior to commencement of the Meeting.

Proxy forms received later than this time will be invalid.