

Fax message from

Chartered Accountants

To: Company Announcements Platform **Fax No:** 1300 135 638

Company: Australian Securities Exchange **Ref:** ASX:HZL

From: Barry Anthony Taylor **Direct Fax No:** 9020 4190

Date: 15 March 2012 **Total number of pages:** 17 (Incl this page)

(If you do not receive this message in full, please notify us either by telephone (02) 9020 4000 or fax to the number above).

Dear Sir/Madam

Healthzone Limited (Receivers & Managers Appointed) (In Liquidation) (ASX:HZL)

Please refer to the attached notice in relation to HZL.

Yours faithfully

A handwritten signature in black ink, appearing to be 'B A Taylor', written over a printed name and title.

B A Taylor
Liquidator

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Level 19 207 Kent Street Sydney NSW 2000 Australia DX 10313 SSE Telephone +61 (0)2 9020 4000 Fax +61 (0)2 9020 4190

Email: mailbox@hlbnsw.com.au Website: www.hlb.com.au

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NOTICE OF ANNUAL GENERAL MEETING

HEALTHZONE LIMITED
(RECEIVERS AND MANAGERS APPOINTED) (ADMINISTRATORS APPOINTED)
ACN 118 715 772

NOTICE is given that the Annual General Meeting of Healthzone Limited will be held at the offices of HLB Mann Judd on Level 19, 207 Kent St Sydney NSW 2000 on 13 April 2012 at 10:30 am.

The original notice of the Annual General Meeting of the Company dated the 28 October 2011 and the Explanatory Statement is attached.

A G E N D A

1. Financial Report

To receive and consider the Financial Report of the Company for the year ended 30 June 2011, the Directors Report and the Independent Auditors Report.

2. Resolutions

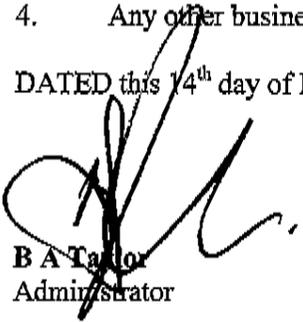
To consider and if thought fit, pass the following ordinary resolutions;

- i) Re-election of Mr Ian Spence;
- ii) Ratification of Share Issue;
- iii) Extension of Approval of Share and Warrant Issue; and
- iv) Advisory Resolution – Adopt the Remuneration Report for year ended 30 June 2011.

3. To consider the Administration and Receivership of Healthzone Limited.

4. Any other business.

DATED this 14th day of March 2012.



B A Taylor
Administrator

SHAREHOLDERS PLEASE NOTE

- CHANGE OF TIME, DATE AND PLACE FOR ANNUAL GENERAL MEETING.
- PROXY FORMS MUST BE LODGED AT THE OFFICES OF THE ADMINISTRATORS C/- HLB MANN JUDD, LEVEL 19, 207 KENT STREET SYDNEY, NEW SOUTH WALES, AUSTRALIA, 2000 BY 9.AM ON THE 13 APRIL 2012.



Accountants | Business and Financial Advisers

14 March 2012

TO SHAREHOLDERS

Dear Sir/Madam

Healthzone Limited (Receivers and Managers Appointed) (Administrators Appointed)

Barry Anthony Taylor and Andrew Fletcher Needham were appointed Joint Administrators of Healthzone Limited ("*HZL*") and eighteen companies within the Healthzone Group ("*the Healthzone Group*") on 17 November 2011, by the Commonwealth Bank of Australia Limited ("*CBA*") the holder of a charge over all or substantially all of the property of the Healthzone Group, pursuant to Section 436C of the *Corporations Act 2001* ("*the Act*").

Appointment of Receivers and Managers

On the same day the CBA appointed Mr Phil Carter and Mr Chris Hill of PPB Advisory as Receivers and Managers of the Healthzone Group ("*the Receivers*").

At the time of the appointment of the Administrators and Receivers the CBA debt secured against the assets of the Healthzone Group totalled approximately \$32 million dollars.

Sale of Business and Assets

The Receivers offered the business and assets of the Healthzone Group for sale by expression of interest. On 3 February 2012, the Receivers announced to the market that the majority of the business and assets had been sold to Eu Yan Sang Australia Pty Limited. On 17 February 2012, the Receivers announced that the sale had been completed.

It is understood that the consideration for the sale comprised a cash component of \$5 million plus stock at valuation, and the transfer of certain employees and their unpaid employee entitlements.

There is a significant shortfall to the CBA. Consequentially no funds from the sale would be available for unsecured creditors and shareholders. The claims of unsecured creditors, including the shortfall to the CBA is estimated to total approximately \$46 million.

Notice of Annual General Meeting & Extension of period to hold Annual General Meeting

On the 1 November 2011, the Company issued a notice of Annual General Meeting ("*AGM*") to be held on 30 November 2011. A copy of the Original Notice of meeting and the Explanatory Statement that accompanied the notice is attached.

Shareholders should note the change of venue and date for the AGM as set out in the **Notice of Meeting** on the preceding page.

HLB Mann Judd (NSW) Pty Ltd ABN 32 001 500 358

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Accountants | Business and Financial Advisers

Further documentation referred to in the attached notice including the 2011 financial accounts for HZL is available at:

<http://www.asx.com.au/asx/research/companyInfo.do?by=asxCode&asxCode=HZL>

Extension of Annual General Meeting

Following their appointment, the Administrators applied to the Australian Securities and Investments Commission ("ASIC") for an extension of time in which to hold the HZL AGM.

The ASIC granted relief, extending the time for the holding of the AGM to the 28 February 2012.

Following the sale of the business and assets of the Healthzone Group the Administrators applied to the ASIC for a further extension of time in which to hold the HZL AGM.

The ASIC declined to grant relief further extending the time for the holding of the AGM.

Report to Creditors

Shareholders are welcome to download the Administrator's report to creditors dated 28 February 2012 from their firms website:

[http://www.hlb.com.au/News-and-Events/Business-Recovery-Information/Sydney/Healthzone-Group-of-Companies-\(All-Receivers-and-Ma.aspx](http://www.hlb.com.au/News-and-Events/Business-Recovery-Information/Sydney/Healthzone-Group-of-Companies-(All-Receivers-and-Ma.aspx)

The second meeting of creditors of HZL was held on 6 March 2012. Creditors resolved to adjourn the meeting to allow further time for a DOCA proposal to be detailed to creditors prior to the meeting being reconvened on 15 March 2012.

For all other questions relation to this matter, please contact **Christopher Dean** of this office on (02) 9020 4286 or cdean@hlbnsw.com.au.

Yours faithfully

A handwritten signature in black ink, appearing to be 'R A Taylor', written over a printed name and title.

R A Taylor
Joint Administrator

Encl

HEALTHZONE LIMITED

ACN 118 715 772

NOTICE OF ANNUAL GENERAL MEETING

9:00 AM
WEDNESDAY 30 NOVEMBER 2011

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 Wednesday 30 November 2011 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 2011 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 Ian Spence

"That Mr Ian Spence who retires pursuant to 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 2 – Ratification of Share Issue

"That the issue of 5,896,498 fully paid ordinary shares as described in the Explanatory Memorandum accompanying this Notice of Meeting be approved for the purposes of ASX Listing Rule 7.4 and for all other purposes." (Refer Explanatory Statement)

Resolution 3 – Extension of Approval of Share and Warrant Issue

"That the issue of 20,652,601 fully paid ordinary shares ("Shares") and 4,130,521 attaching warrants (Securities) 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 4 - Advisory Resolution

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

"That the remuneration report for the year ended 30 June 2011 be adopted." (Refer Explanatory Statement)

Voting exclusions apply to Resolutions 2, 3 and 4. See page 5 for details.

General

To transact any business which may be lawfully brought forward.

By order of the Board

Michael Wu,
Company Secretary
28 October 2011.

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 2011.
- 3) Under section 1109N of the Corporations Act 2001, the Board of Directors of the Company has determined that all persons holding shares at 9 am on 28 November 2011 will be taken to be shareholders for the purposes of this meeting.
- 4) The accompanying explanatory statements form part of this notice of meeting.

New sections 250BB and 250BC of the Corporations Act came into effect on 1 August 2011 and apply to voting by proxy on or after that date. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this Annual General Meeting. Broadly, the changes mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes is set out below;

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed)

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting;
 - the proxy does not vote on the resolution;

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

The enclosed proxy form provides further details on appointing proxies and lodging proxy forms.

The Chair intends to vote any undirected proxy in favour of all resolutions including Resolution 4 (Adoption of Remuneration Report).

You should note that if you appoint the Chair as your proxy, or the Chair is appointed your proxy by default, and the proxy form does not specify whether to vote "For", "Against" or "Abstain", your undirected proxies held by the Chair will be taken as a direction to the Chair to vote in accordance with his stated voting intention, which is to vote in favour of all Resolutions (including Resolution 4 – adoption of the Remuneration Report).

You always have the ability to appoint the Chair as your proxy and direct him to cast your votes contrary to the Chair's stated voting intention, or to abstain from voting on a Resolution.

VOTING EXCLUSIONS

Resolutions 2 and 3

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
2. Ratification of Shares	The Company will disregard any votes cast in relation to Resolution 2 by participants in the shares issued on 2 September 2011 and 10 October 2011 and any of their associates, except as permitted by the paragraph below headed 'Permitted Exception to Voting Exclusion'.
3. Extension of Approval of Share and Warrant Issue	The Company will disregard any votes cast in relation to Resolution 3 by holders expected to be participants in the shares and warrants to be issued and any of their associates, except as permitted by the paragraph below headed 'Permitted Exception to Voting Exclusion'.

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.

Resolution 4

A vote on this Resolution must not be cast (in any capacity) by or on behalf of the following persons:

- (a) a member of the Key Management Personnel; or
- (b) a Closely Related Party of such a member.

However, a person described above may cast a vote on this Resolution if:

- the person does so as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and
- the vote is not cast on behalf of a person described in (a) or (b) above.

For these purposes:

Key Management Personnel are those people described as Key Management Personnel in the Company's Remuneration Report and includes all directors.

Closely Related Party means, as defined in the Corporations Act, any of the following in relation to a member of the Key Management Personnel:

- a) a spouse or child of the member; or
- b) a child of the member's spouse; or
- c) a dependant of the member or of the member's spouse; or
- d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the entity; or
- e) a company the member controls; or
- f) a person prescribed by the *Corporations Regulations 2001* (Cth).

Dear Shareholder

THE ORIGINAL PROXY FORM FOLLOWS.

PLEASE NOTE THAT PROXY FORM MUST NOW BE LODGED AT THE OFFICES OF THE ADMINISTRATORS C/- HLB MANN JUDD, LEVEL 19, 207 KENT STREET SYDNEY, NEW SOUTH WALES, AUSTRALIA, 2000 BY 9AM ON THE 13 APRIL 2012.

PROXY FORM
Healthzone Limited
ABN 118 715 772

To be effective this Proxy Form must be lodged at the registered office of Boardroom Limited, Level 7, 207 Kent Street, Sydney, NSW 2000 by 9.00 am on 28 November 2011.

Appointment of Proxy

I/We

of

being a member of the company hereby appoint:

Proxy 1	(Name or Office held by proxy)
Proxy 2	(Name or Office held by proxy)

* if you are entitled to cast two (2) or more votes, you may appoint two (2) proxies.

or failing him or her or them the chairman of the meeting to vote for me/us and on my/our behalf at the general meeting to be held on 30 November, 2011 and at any adjournment thereof in respect of all my/our shares, or where two (2) proxies are appointed, in respect of the following numbers of my/our shares:

	Number of Shares	OR	Percentage of Shares **
Proxy 1		OR	
Proxy 2		OR	

** inset number or percentage, but not both.

Note: where your proxy does not otherwise direct, the Chairman intends to vote in favour of each resolution.

Where this Proxy Form is signed under power of attorney he Attorney(s) declare(s) that he/she/they have not received any notice of the revocation of such power.

Dated this day of 2011

Signed: (1)

Signature: Signature:

Name: Name:

Capacity: (2) Capacity:

(1) If joint holders, each must sign.

(2) For example: attorney, director, company secretary, authorised officer.

Companies must execute:

- Under seal; or
- by a director and a company secretary signing the Proxy Form; or
- (where it is a proprietary company where the sole director is also the sole company secretary) by that director signing this Proxy Form; or
- by authorised officer or
- by attorney

If signed by an attorney or under another authority, for this proxy to be effective the power of attorney or other authority, if any, under which it is signed or a certified copy of the power of authority must be deposited at Boardroom Limited, Level 7 207 Kent Street, Sydney, New South Wales, 2214, or be received by facsimile on facsimile number (02) 02 9290 9655 by 9.00 am (Sydney time) on 28 November, 2011.

If you appoint the Chairman as your proxy (including by default) and you do not wish to direct the Chairman on how to vote then please place a mark in the box.

By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as proxy holder will be disregarded because of that interest. The Chairman intends to vote undirected proxies in favour of all resolutions, including Resolution 4 (adoption of Remuneration Report), and by marking the box you will be taken to have authorised him to do so.

Should you wish to direct your proxy how to vote, please indicate (by inserting X) in the appropriate box against each item, otherwise your proxy may vote as he or she thinks fit or may abstain from voting:

Proxy 1:	For	Against	Abstain
1. Re-election of Mr Ian Spence	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Ratification of Share Issue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Extension of Approval	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Proxy 2 (if applicable)

	For	Against	Abstain
1. Re-election of Mr Ian Spence	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Ratification of Share Issue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Extension of Approval	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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 Wednesday, 30 November, 2011 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 Ian Spence

Mr Spence was appointed by the Board as a Director on 30 November 2010.

Accordingly Mr Spence will retire at the Meeting pursuant to 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 Spence are set out in the Annual Report.

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

Resolution 2 – Ratification of Shares 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 that was previously 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.

In July 2011 the Company obtained shareholder approval to issue up to 40,000,000 fully paid ordinary shares ("Shares") and 8,000,000 attaching warrants. 13,450,901 of these Shares were successfully issued in the period September to October 2011 to investors at a price of 38 cents per Share (the "Placement").

In addition to the Placement Shares, the Company issued a further 5,896,498 Shares within its 15% capacity under Listing Rule 7.1 in the form of bonus shares (the "Bonus Shares"). The Bonus Shares were issued to the Placement investors in order to secure the benefits of the Placement. The company now seeks shareholder approval to ratify the issue of the Bonus Shares 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.

On 2 September 2011 and 10 October 2011 the Company issued 5,896,498 Shares as Bonus Shares to new investors on the basis of 1.1333 Bonus Shares for every five shares purchased in the Placement, which rank pari passu with other Shares. The Bonus Shares had a nil issue price, although they were not issued separately from the Placement and therefore formed part of the overall capital raising.

The funds from the Placement 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 Shares and Bonus Shares were issued to a number of professional or sophisticated investors. No Bonus Shares were issued to Directors of the Company or their associates.

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

Resolution 3 – Extension of Approval of Further Shares 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 7.3 provides that notice of any meeting seeking approval for an issue of shares under Rule 7.1 must contain certain information including the date by which the shares will be issued. That date can not be more than 3 months after the date of the approval.

In July 2011 the Company obtained shareholder approval to issue up to 40,000,000 fully paid ordinary shares and 8,000,000 attaching warrants. 19,347,399 of these Shares (including the 5,896,498 bonus shares) were successfully issued in the period September to October 2011 (the "Placement"). As 3 months has passed since the date of that approval no further shares can be issued under that approval, however, it is anticipated that up to an additional 20,652,601 fully paid ordinary shares ("Shares") and 4,130,521 attaching warrants (Securities) will be issued as part of ongoing take up under the initial Placement offer. Resolution 3 is intended to refresh the previous approval for the issue of 40,000,000 fully paid ordinary shares and 8,000,000 attaching warrants to allow the balance to be placed.

Listing Rule 7.3 provides that for shareholders to approve an issue the notice of meeting must include particular information. This information is as follows.

The maximum number of Securities to be issued is up to 20,652,601 shares plus up to 4,130,521 attaching warrants.

The Securities will be issued no later than 3 months after the date of the meeting.

The issue price for the shares will be at least of 80 percent of the average market price calculated in accordance with ASX listing rule 7.3.3 at the date(s) of the announcement of the issue by way of a placement.

The shares are ordinary shares in the Company. The warrants are issued for no consideration, but attach to the shares issued on the basis of one warrant for every five shares. Each warrant is entitled to be converted to one ordinary share at a price of \$0.48 cents before 11 July 2016. The terms of the warrants are set out in Appendix A.

The funds from the issue of the Securities will be used 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 Securities are proposed to be issued to a number of professional or sophisticated investors. No Securities are proposed to be issued to Directors of the Company or their associates.

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

Resolution 4 - Advisory resolution – Remuneration Report

The remuneration report for the year ended 30 June 2011 appears in the Company's Annual Report. An electronic copy of the 2011 Annual Report can be obtained from the website address: 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.

Under recent changes to the Corporations Act which came into effect on 1 July 2011, if at least 25% of the votes cast on Resolution 4 are voted against adoption of the Remuneration Report at the Annual General Meeting, and then again at the Company's 2012 annual general meeting, the Company will be required to put to Shareholders a resolution proposing the calling of a general meeting to consider the appointment of directors of the Company (**Spill Resolution**).

If more than 50% of votes are in favour of the Spill Resolution, the Company must convene the general meeting (**Spill Meeting**) within 90 days of the Company's 2012 annual general meeting. All of the Directors who were in office when the Company's 2012 Directors' report was approved, other than the managing director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as Directors is approved will be the Directors of the Company.

A reasonable opportunity will be provided for Shareholders for discussion of the Remuneration Report at the Meeting.

Appendix A

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 five 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 \$0.48 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 11 July 2016, 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').
- If the 20-trading day volume weighted average price of Healthzone shares (as published by or derived from the Australian Securities Exchange) is at least 250% of the exercise price, the Company may give written notice to each option holder that if such holder does not exercise its Options within 30 days from the date of such notice, then the Options would expire on that 30th day.
- 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.

Fax message from

Chartered Accountants

To: Company Announcements Platform **Fax No:** 1300 135 638

Company: Australian Securities Exchange **Ref:** ASX:HZL

From: Barry Anthony Taylor **Direct Fax No:** 9020 4190

Date: 15 March 2012 **Total number of pages:** 2 (Incl this page)

(If you do not receive this message in full, please notify us either by telephone (02) 9020 4000 or fax to the number above).

Dear Sir/Madam

Healthzone Limited (Receivers & Managers Appointed) (In Liquidation) (ASX:HZL)

Please refer to the attached notice in relation to HZL.

Yours faithfully

A handwritten signature in black ink, appearing to be 'B A Taylor', written over a printed name and title.

B A Taylor
Liquidator

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Level 19 207 Kent Street Sydney NSW 2000 Australia DX 10313 SSE Telephone +61 (0)2 9020 4000 Fax +61 (0)2 9020 4190

Email: mailbox@hlbns.com.au Website: www.hlb.com.au

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CORPORATIONS ACT 2001

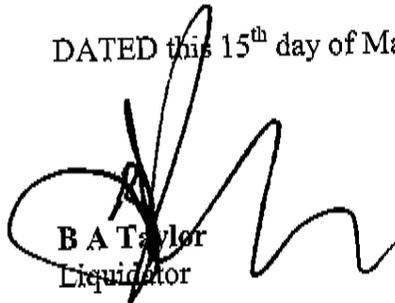
Section 446A(5)(b)

NOTICE OF VOLUNTARY WINDING UP AND APPOINTMENT OF LIQUIDATORS

HEALTHZONE LIMITED
(RECEIVERS AND MANAGERS APPOINTED) (IN LIQUIDATION)
ACN 118 715 772

TAKE NOTICE that today, 15 March 2012, creditors of Healthzone Limited ("HZL") resolved under subsection 439C(c) of the Corporations Act 2001 ("the Act"), that HZL be wound up. Accordingly, pursuant to 446A of the Act HZL is taken to have passed a special resolution under Section 491 of the Act that HZL be wound up voluntarily. Pursuant to 499(2A) of the Act, Barry Anthony Taylor and Andrew Fletcher Needham of HLB Mann Judd, Level 19, 207 Kent Street, SYDNEY NSW 2000, were appointed Liquidators of HZL.

DATED this 15th day of March 2012.


B A Taylor
Liquidator