

health corporation Limited

ACN 116 800 269

Annual General Meeting

Address by the Chief Executive Officer

I would like to welcome and extend my gratitude to everyone for joining us today and their ongoing support of our company.

2007-08 was a year of consolidation, research and restructuring for Health Corporation.

We achieved a significant restructure of our franchise support service in order to add more value to the franchisees and the company, commercialised Chemconsult® our exclusive medicines consulting program and are in the final stages of providing a unique and lucrative succession planning model for pharmacists.

Chemconsult®

The management and executive team has been working assiduously in progressing the patent application and commercialisation of Chemconsult®. The company's vision is for Chemconsult® to become the "Gold standard" in pharmaceutical consulting worldwide. Over 3000 pharmacist consultations have now been performed online in over 20 locations. In more than one in four consultations performed, the pharmacist has made a positive intervention with potentially serious outcomes being avoided including hospitalisation and even death. A research project has been commissioned by the University of Queensland into the significance of Chemconsult® and its resultant positive impact on health care in Australia.

Our objective is to expand the Chemconsult® program throughout Australia and internationally. We are in the final stages of negotiation with other Chemconsult® program partners, who will underpin the success of the program. We also believe the government will be interested in the ability of Chemconsult® to save healthcare costs and increase productivity in the workforce.

The support and encouragement of shareholders and the investment by our program partners Alphapharm have made this all possible.

Health-e-Weight®

The marketing strategy for our weight loss product Health-e-Weight® is being reviewed in order to maximize the overall sales. The market for weight loss has been highly competitive over the past twelve months with more entrants and lower margins creating an opportunity to re evaluate and reposition the

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company's offering. We will continue to be innovative with Health-e-Weight and pursue export options.

Health Corporation announced last year that it would be providing a Pharmacy Succession Model which is now nearing completion. This model will suit pharmacists looking to release some or all of their equity in their pharmacies. Health Corporation will manage and finance this transition and each store will also be franchised as a Health Information Pharmacy (HIP). This innovative business model will ultimately provide additional revenues, profit and control for the company.

Overall, 2007/08 was a challenging year for Health Corporation punctuated with some significant breakthrough initiatives for the company. The potential to grow from this base remains significant.

To assist in financing the company's continued growth and expansion, Health Corporation will be issuing to shareholders convertible notes with a favourable interest rate and security which the board commends to the shareholders.

Thank you and we look forward to 2009 with great optimism and enthusiasm for taking Health Corporation to the next stage of its development.

Ken Lee
Chief Executive Officer
Health Corporation Limited
27th November 2008

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