



ABN 85 108 962 152

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 2009 Annual General Meeting of the shareholders of UnderCoverWear Limited (the "Company") will be held on Thursday 29 October 2009, commencing at 11.30 am Sydney time at the offices of Grant Thornton, Level 17, 383 Kent Street, Sydney, NSW 2000

ORDINARY BUSINESS

1. Financial, Directors' & Auditor's Reports

To receive, consider and discuss the Annual Financial Report, Directors' Report and Auditor's Report of the Company and of the consolidated entity for the year ended 30 June 2009.

The Annual Report can be viewed online at www.undercoverwear.com.au

2. Remuneration Report

To consider and, if thought fit, to pass the following resolution as a non-binding ordinary resolution:

"That the shareholders adopt the Remuneration Report of the Company for the year ended 30 June 2009."

3. Re-election of Director – Mr John Everett

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

"That Mr John Everett, who retires by rotation in accordance with clause 56.1 of the Company's Constitution and, having offered himself for re-election and being eligible, is re-elected a director of the Company, details of which are set out in the explanatory notes in the notice of meeting".

4. Appointment of Auditor

Grant Thornton Audit Pty Ltd have consented to act as auditors and they have been nominated by a shareholder, JSR Nominees Pty Ltd.

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

"That Grant Thornton Audit Pty Ltd are appointed auditors of the Company".

OTHER BUSINESS

To transact any other business that may be lawfully brought forward at an Annual General Meeting.

BY ORDER OF THE BOARD

Nick Geddes
Company Secretary

PROXIES & VOTING

Voting Entitlements

For the purposes of determining entitlement to vote at the meeting, the Company has determined that all ordinary shares held as at close of business on Tuesday 27 October 2009 will be taken, for the purposes of the Annual General Meeting, to be held by the persons who held them at that time.

Appointing a proxy

A shareholder has the right to appoint a proxy who need not be a shareholder of the Company. If a shareholder is entitled to cast two or more votes they may appoint two proxies and may specify the percentage of votes each proxy is appointed to exercise. If you do not specify a proportion or number, each proxy may exercise half of the votes. If you appoint a proxy, you may still attend the meeting. However, your proxy's rights to speak and vote are suspended while you are present. Accordingly, you will be asked to revoke your proxy if you register at the meeting.

Lodging your proxy form

You can lodge your completed proxy form by:

- Mailing it to Computershare Investor Services Pty Ltd, GPO Box 242, Melbourne VIC 3001;
- Faxing it to Computershare Investor Services Pty Ltd 1800 783 447 or the Company (02) 98360052;
- Hand delivering it to 8 Solent Circuit, Baulkham Hills NSW 2153.

Your completed proxy form must be received by Computershare Investor Services Pty Ltd at the address specified above at least 48 hours before the time notified for the meeting (proxy forms can be lodged by facsimile).

How the Chairman will vote undirected proxies

The Chairman intends to vote undirected proxies in favour of all of the resolutions. The Company encourages all shareholders who submit proxies to direct their proxy how to vote on each resolution.

Attending the meeting

If you attend the meeting, please bring your personalised proxy form with you. If you do not bring your form with you, you will still be able to attend the meeting but representatives from the Company will need to verify your identity. You will be able to register from 11.00am (AEST) on the day of the meeting.

Corporate shareholders

Corporate shareholders who wish to appoint a representative to attend the meeting on their behalf must provide that person with a properly executed letter or other document confirming that they are authorised to act as the company's representative. The authorisation may be effective either for this meeting only or for all meetings of the Company.

EXPLANATORY NOTES

These Explanatory Notes have been prepared to assist shareholders to understand the business to be put to shareholders at the annual general meeting.

Financial reports and shareholder questions

The financial report, directors' report and auditor's report for the consolidated entity for the year ended 30 June 2009 will be laid before the meeting. There is no requirement for a formal resolution on this item. However, the Chairman will allow a reasonable opportunity for shareholders to ask questions or make comments about these reports. Shareholders will also be given a reasonable opportunity to ask the auditor questions about the conduct of the audit and the preparation and content of the auditor's report.

Remuneration Report

The Remuneration Report of the Company for the financial year ended 30 June 2009 is set out in the Directors' Report on pages 10 to 13 of the Annual Report. The Remuneration Report must be put to a vote of members at the Meeting. The vote on the resolution will be advisory only and will not bind the directors or the Company. A reasonable opportunity will be provided for discussion of the Remuneration Report at the meeting.

Re-election of Directors

Pursuant to clause 56.1 of the Company's constitution, at the close of each annual general meeting one-third of the Directors (or multiple of three) must retire by rotation.

Mr John Everett was appointed a director of the Company on 5 May 2004. He retires by rotation at the end of the meeting and, being eligible, offers himself for re-election.

Mr Everett has gained relevant experience within the Direct Selling Industry since his appointment as Director of the business in 1991. In 2002, Mr Everett was awarded a Member of the Order of Australia (AM) for his services to charity, particularly the Prince of Wales Medical Research Institute. Mr Everett is a member of the Audit & Remuneration Committees and holds an interest in 18,937,392 ordinary shares in UnderCoverWear Limited. Mr Everett has not held directorships in any other public listed companies during the past 3 years.

The Company selects Board members for their knowledge of and familiarity with the Direct Selling Industry, their judgement and experience with relevant stakeholder groups and their individual contribution to the Board's ability to function efficiently and with integrity.

Appointment of Auditors

The Company's Auditor, Grant Thornton NSW, has resigned. Pursuant to section 327C of the Corporations Act 2001, the Company must appoint an auditor to fill the vacancy. Grant Thornton Audit Pty Ltd have consented to act as auditors of the Company should they be appointed at this meeting.



000001 000 UCW
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Lodge your vote:



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For all enquiries call:

(within Australia) 1300 556 161
(outside Australia) +61 3 9415 4000

Proxy Form

 For your vote to be effective it must be received by 11.30am (Sydney time) Tuesday 27 October 2009

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged 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, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.computershare.com.

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form ➔



View your securityholder information, 24 hours a day, 7 days a week:

www.investorcentre.com

- ☒ Review your securityholding
- ☒ Update your securityholding

Your secure access information is:

SRN/HIN: I999999999



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

☐

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark ☒ to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of UnderCoverWear Limited hereby appoint

☐ the Chairman of the meeting

OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

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 to act generally at the meeting 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) at the Annual General Meeting of UnderCoverWear Limited to be held at the offices of Grant Thornton, Level 17, 383 Kent Street, Sydney on Thursday, 29 October 2009 at 11.30am (Sydney time) and at any adjournment of that meeting.

STEP 2 Items of Business

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

	For	Against	Abstain
2 To adopt the Remuneration Report	☐	☐	☐
3 To re-elect Mr John Everett as a Director of the Company	☐	☐	☐
4 Appointment of Auditor	☐	☐	☐

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____ Date ____/____/____