



SoNaturalFOODS
AUSTRALIA

NOTICE OF MEETING

Shareholders are advised that an Extra ordinary General Meeting of So Natural Foods Australia Limited ABN 41 002 814 235 (the "Company") will be held at 80 Box Road, Taren Point, NSW, 2229 on Wednesday 26 March 2003 at 11.30 am

1. BUSINESS

The purpose of the meeting is to consider, and if thought fit, pass the following ordinary resolutions:

1. "That under and for the purposes of Rule 7.4 of the Listing Rules of the Australian Stock Exchange Limited that the Company ratifies the issue of 2,307,692 fully paid ordinary shares at 65 cents per share." (Refer the Explanatory Statements).

(the "First Resolution")

2. "That under and for the purposes of Rule 10.14 of the Listing Rules of the Australian Stock Exchange Limited to approve the issue to Mr G H Babidge, 225,000 options in accordance with the rules of "So Natural Foods Australia Limited Employee Share Option Plan." (Refer the Explanatory Statements).

(the "Second Resolution")

2. VOTING EXCLUSION STATEMENT

2.1 Resolution 1

As required by Rule 7.4 of the Listing Rules of the Australian Stock Exchange, the Company will disregard any votes cast on Resolution 1 by the parties named in the Explanatory Statements or 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 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.

2.2 Resolution 2

As required by Rule 10.14 of the Listing Rules of the Australian Stock Exchange, the Company will disregard any votes cast on Resolution 2 by a Director of the Company except one who is ineligible to participate in any employee incentive scheme.

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 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.

By order of the Board of Directors,

Michael Jenkins
Secretary
Sydney, 21 February 2003

Note:

- 1) A shareholder entitled to attend and vote is entitled to appoint not more than two proxies. Where two proxies are appointed, each shall be entitled to cast that number of votes (disregarding fractions) which bears 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 Secretary not later than 48 hours before the time for holding the meeting.
- 3) Under section 1109N of the Corporations Act 2001, the Board of Directors of the Company, as convenor of this meeting, has determined that all persons holding shares at 7.00 pm Monday 24 March 2003 will be taken to be shareholders for the purposes of this meeting.
- 4) The accompanying explanatory statements form part of this notice of meeting.

PROXY FORM
So Natural Foods Australia Limited
ABN 41 002 814 235

To be effective this Proxy Form must be lodged at the registered office of So Natural Foods Australia Limited (the "Company") by 11.30 am on 24 March 2003.

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 extraordinary general meeting to be held on 26 March, 2003 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 shall vote in favour of this 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 2003

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 80 Box Road, Taren Point, New South Wales, 2229, or be received by facsimile on facsimile number (02) 9525 5406 by 11.30 am 24 March 2003.

If you do not wish to direct your proxy how to vote, please place a mark in the box. If you appoint the Chairman as your proxy 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.

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. Ratification of Share issue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Grant to Mr G H Babidge 225,000 options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Proxy 2 (if applicable)	For	Against	Abstain
1. Ratification of Share issue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Grant to Mr G H Babidge 225,000 options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SO NATURAL FOODS AUSTRALIA LIMITED
ABN 41 002 814 235

**Explanatory Statements in relation to Extra ordinary General Meeting to be
held at 80 Box Road, Taren Point, NSW 2229 on Wednesday 26 March 2003 at
11.30 am**

Agenda Item 1:

On 12 December 2002 the Company issued 2,307,692 fully paid ordinary shares at 65 cents per share, which rank pari passu with issued shares, to the following:

	Shares
Mr Robert Douglas McGavin & Mrs Katherine Anna McGavin	115,385
Mr Tim McGavin	153,846
SF Higgs Superannuation Fund	384,615
Cebourn Partners Pty Limited ATF Segovia Trust	153,845
Citicorp Nominees	576,923
Mr David Ponder Hardy	15,385
Mr Michael Joseph Johnson	23,077
Anisam Pty Limited	192,308
Gallium Pty Limited	153,846
Otowa Pty Limited	76,923
Mr Robert H Barry	76,923
Economic Consultancy Services Pty Limited ATF Kumar Trust	192,308
Rakzirre Pty Limited	192,308

This placement to Australian institutional and private investors provides funding for growth initiatives consistent with the Company's functional food strategy through organic growth, acquisitions and strategic alliances.

Agenda Item 2:

At the 2002 Annual General Meeting, shareholders approved the establishment of the "So Natural Foods Australia Limited Employee Share Option Plan" (the "Employee Share Option Plan"). On 29 January 2003, the Board agreed to grant to Mr GH Babidge, Managing Director 225,000 options at an exercise price of 80 cents. The options are being issued for nil consideration immediately following this meeting. Mr G H Babidge is the only director to participate in the Employee Share Option Plan. This is the first issue to Mr G H Babidge under the Employee Share Option Plan. The options may be exercised up to 5 years from issue date and not earlier than two years from issue date. The 80 cents exercise price exceeds the price of shares issued in the past twelve months and is at a premium to market price at date of grant.