
REAL BRAND HOLDINGS LIMITED

ACN 110 005 822

**NOTICE OF ANNUAL GENERAL MEETING AND NOTICE OF
MEETING FOR THE REDUCTION OF CAPITAL**

TIME: 10 am (EST) (Annual General Meeting)
11 am (EST) (Reduction of Capital Meeting)

DATE: Wednesday, 28 November 2007

PLACE: The offices of Arthur Phillip Pty Ltd
Level 14
15-19, Bent Street
SYDNEY NSW 2000

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 (+612) 8257 6500.

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TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The Meetings of the Shareholders to which this Notice of Meeting relates will be held on 28nd November 2007 at:

The Offices of Arthur Phillip Pty Ltd
Level 14
14-19 Bent Street
SYDNEY NSW 2000

The Annual General Meeting of Shareholders will be held at 10am. The Reduction of Capital Meeting will be held at 11am.

YOUR VOTE IS IMPORTANT

The business of the Meetings affect your shareholding and your vote is important.

VOTING IN PERSON

To vote in person, attend the Meetings 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:

- (a) post to Real Brand Holdings Limited, PO Box H101, Australia Square, Sydney NSW 1215; or
- (b) by hand to Real Brand Holdings Limited c/- Arthur Phillip Pty Ltd Level 14, 15-19 Bent Street Sydney NSW
- (c) facsimile to the Company on facsimile number (+61 2) 8257 6501,

so that it is received not later than 48 hours prior to the time and date of the Meetings.

Proxy Forms received later than this time will be invalid.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders will be held at 10.00am (EST) on 28nd November 2007 at the offices of Arthur Phillip Pty Ltd at Level 14, 15-19 Bent Street, Sydney.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual 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 Annual General Meeting are those who are registered Shareholders of the Company as at the time that is 48 hours prior to the time and date of the Annual General Meeting. Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

AGENDA

ORDINARY BUSINESS

Financial Statements and Reports

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2007 together with the declaration of Directors, the Directors' report, the remuneration report and the auditor's report.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

"That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the remuneration report as contained in the Company's annual financial report for the financial year ended 30 June 2007."

2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR RICHARD POOLE

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

"That, for the purposes of clause 12.4 of the Constitution and for all other purposes, Mr Richard Poole, a Director who retires by rotation, and being eligible, is re-elected as a Director."

3. RESOLUTION 3 – SALE OF SUBSTANTIAL ASSET

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

*"That for the purpose of Listing Rule 10.1 of the Listing Rules of ASX Limited and for all other purposes, approval is given for the Company to sell 10,512,000 shares in the capital of Real Brand and Business Pty Limited (**RBB**) (a wholly owned subsidiary of the Company) on the terms and conditions set out in the Explanatory Statement accompanying this Notice."*

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the transaction and any of their associates.

4. RESOLUTION 4 – APPROVAL FOR A SELECTIVE REDUCTION OF CAPITAL

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

“That, in accordance with Section 256C(2) of the Corporations Act and for all other purposes, subject to approval by Ms Virginia Bruce at a meeting of Ms Virginia Bruce, approval is given for the Company to make a selective reduction of capital and cancel a total of 9,480,000 Shares on the terms and conditions set out in the Explanatory Statement accompanying this Notice.”

Short Explanation: Under the Corporations Act, a company may make a selective reduction of its capital by a special resolution passed at a general meeting. The cancellation of 9,480,000 Shares is a selective reduction of capital and therefore must be approved by either a special resolution at a general meeting or by a resolution agreed to by all ordinary shareholders at a general meeting. Please refer to the Explanatory Statement for details.

Voting Exclusion: The Company will disregard any votes cast on this resolution by any person who is to receive consideration as part of the reduction or whose liability to pay amounts unpaid on shares is to be reduced, or any associates of those persons.

5. RESOLUTION 5 – APPROVAL FOR CHANGE IN SCALE OF ACTIVITIES

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

“That, for the purpose of Listing Rule 11.1.2 of the Listing Rules of ASX Limited, and for all other purposes, approval is given for the Company to make a significant change in the scale of its activities as described in the Explanatory Statement accompanying this Notice.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed.

6. RESOLUTION 6 – APPROVAL OF ISSUE OF CONVERTIBLE NOTES

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(1) of the Corporations Act, Listing Rule 10.11 of the Listing Rules of ASX Limited and for all other purposes, approval is given for the Company to allot and issue 150,000 Convertible Notes with a face value of \$1.00 each to Mrs Amanda Poole on the terms and conditions set out in the Explanatory Statement accompanying this Notice.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Mrs Amanda Poole, 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.

7. RESOLUTION 7 – APPROVAL OF ISSUE OF CONVERTIBLE NOTES

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

“That, for the purposes of Listing Rule 7 of the Listing Rules of ASX Limited and for all other purposes, approval is given for the Company to allot and issue to clients of Arthur Phillip Pty Ltd 255,000 Convertible Notes with a face value of \$1.00 each on the terms and conditions set out in the Explanatory Statement accompanying this Notice.”

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

DATED: 22nd OCTOBER 2007

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to be 'P. Suriano', written over a faint circular stamp or watermark.

**PHIL SURIANO
REAL BRAND HOLDINGS LIMITED
DIRECTOR**

Voting Exclusion Note:

Where a voting exclusion applies, 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.

NOTICE OF MEETING FOR THE REDUCTION OF CAPITAL

Notice is given that the Reduction of Capital Meeting will be held at 11.00am (EST) on 28th November 2007 at the offices of Arthur Phillip Pty Ltd at Level 14, 15-19 Bent Street, Sydney.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Reduction of Capital 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 only Shareholder eligible to vote at the Reduction of Capital Meeting is Reality.Energy.Attitude.Life. Pty Limited (a company associated with Ms Virginia Bruce), whose Shares are to be cancelled and who is a registered Shareholder of the Company as at the time that is 48 hours prior to the time and date of the Reduction of Capital Meeting

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

AGENDA

1. RESOLUTION 1 – APPROVAL FOR A SELECTIVE REDUCTION OF CAPITAL

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

“That, in accordance with Section 256C(2) of the Corporations Act and for all other purposes, approval is given by Reality. Energy.Attitude.Life. Pty Limited (R.E.A.L.) for the Company to make a selective reduction of capital and cancel a total of 9,480,000 Shares held by R.E.A.L. on the terms and conditions set out in the Explanatory Statement accompanying this Notice.”

Short Explanation: Under the Corporations Act, a company may make a selective reduction of its capital by a special resolution passed at a general meeting. The cancellation of 9,480,000 Shares is a selective reduction of capital and therefore must be approved by R.E.A.L. whose Shares are being cancelled. Please refer to the Explanatory Statement for details.

DATED: 22nd OCTOBER 2007

BY ORDER OF THE BOARD



**PHIL SURIANO
REAL BRAND HOLDINGS LIMITED
DIRECTOR**

Voting Exclusion Note:

Where a voting exclusion applies, 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.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting of Shareholders and the Reduction of Capital Meeting to be held at 10 am (EST) and 11 am (EST) respectively on 28nd November 2007 at the offices of Arthur Phillip Pty Ltd, Level 14, 15-19 Bent Street, Sydney.

The 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 Notices of Meetings.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2007 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the Directors or the Company.

The remuneration report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The remuneration report is part of the Directors' report contained in the annual financial report of the Company for the financial year ending 30 June 2007.

A reasonable opportunity will be provided for discussion of the remuneration report at the Annual General Meeting.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR RICHARD POOLE

Clause 12.4 of the Constitution requires that if the Company has three or more Directors, one third (or the number nearest one-third) of those Directors must retire at each annual general meeting, provided always that no Director (except a Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election.

The Company currently has 3 Directors and accordingly 1 must retire.

A Director who retires by rotation under clause 12.4 of the Constitution is eligible for re-election.

Mr Poole retires by rotation and seeks re-election.

4. BACKGROUND TO RESOLUTIONS 3 TO 7

On 12 August 2007, the Company entered into an agreement by way of letter with Reality.Energy.Attitude.Life. Pty Limited (**R.E.A.L.**), a company controlled by Ms Virginia Bruce, a Director and substantial shareholder (through R.E.A.L.) of the Company, for the privatisation of its wholly owned subsidiary Real Brand and Business Pty Ltd (**RBB**) (**Sale Agreement**). The privatisation is to occur by way of the sale of 80% of the issued capital in RBB to R.E.A.L..

The consideration for the sale of the 80% interest in RBB under the Sale Agreement is the cancellation of all of R.E.A.L.'s Shares in the Company, being 9,480,000 Shares, at a deemed value of \$0.04 each. Existing Company's loans to RBB will be forgiven. RBB will be responsible for existing liabilities and assets of the Company and RBB as at 31 July 2007 other than \$100,000 and specific costs relating to the public company. The Company will also provide RBB with a loan of \$125,000 repayable out of profits within 3 years.

The sale is subject to and conditional upon Shareholders approving the proposed sale by passing Resolutions 3 – 7.

In conjunction with the sale, the Company will make an underwritten non-renounceable pro-rata offer of new Shares at an issue price of 4 cents each on the basis of one (1) new Share for every one (1) Share held on the date for determining entitlements of eligible Shareholders to participate in the share offer (the **Rights Issue**). The Rights Issue has been fully underwritten (subject to the performance of sub-underwriters) by Arthur Phillip Pty Ltd (AFSL 258 057), a company associated with Mr Richard Poole). As at the date of this Notice, the Company has on issue 36,585,750 Shares and accordingly the Company expects that up to approximately 36,585,750 new shares will be issued under the Rights Issue.

The Rights Issue is to take place prior to the sale of shares in RBB to R.E.A.L. and prior to the cancellation of R.E.A.L.'s Shares in the Company. R.E.A.L. has undertaken not to participate in the Rights Issue. Accordingly, its rights will revert back to the underwriter to be taken up as part of the shortfall.

The effect of the sale of the Company's 80% interest in RBB in the short term would be a positive result for the Company in that it would no longer be required to provide the same level of funding for the existing RBB business. Following completion of the sale, the Company will hold an equity interest of 20% in RBB and will continue to play a role, albeit limited, in the management of that company. The Company will also benefit from any dividends derived from the growth of RBB.

Whilst RBB will remain the Company's main undertaking following completion of the sale, the Company will at the same time look to review other business opportunities. To the extent that an opportunity arises that involves a change in the nature or scale of the Company's current business, shareholder approval will be sought in accordance with the Listing Rules prior to proceeding.

Resolution 3 seeks Shareholder approval for the sale of 10,512,000 fully paid ordinary shares in the capital of RBB (being 80%) to R.E.A.L., as required by ASX Listing Rule 10.1 relating to disposal of a substantial asset.

Resolution 4 of the Notice of General Meeting and Resolution 1 of the Notice of Meeting for the Reduction of Capital seek approval for the reduction of capital by way of a cancellation of all of the Shares held by R.E.A.L. by way of a selective reduction of capital, pursuant to Section 256C of the Corporations Act.

Resolution 5 seeks Shareholder approval for a change in the scale of the activities in the Company, being the disposal of 80% of RBB, the operating entity of the Business, as required by ASX Listing Rule 11.1.2.

Resolution 6 seeks Shareholder approval for the allotment and issue to Amanda Poole of 150,000 Convertible Notes in the Company, in accordance with Chapter 2E of the Corporations Act and ASX Listing Rule 10.11.

Resolution 7 seeks Shareholder approval for the allotment and issue to clients of Arthur Phillip Pty Ltd of 255,000 Convertible Notes in the Company, in accordance with ASX Listing Rule 7.1.

5. RESOLUTION 3 – SALE OF SUBSTANTIAL ASSET

5.1 General

Resolution 3 seeks Shareholder approval for the sale of 10,512,000 fully paid ordinary shares in the capital of RBB (being 80%) (**RBB Shares**), a wholly owned subsidiary of the Company, to R.E.A.L., a company associated with and controlled by Ms Virginia Bruce, a Director and substantial shareholder (through R.E.A.L.) of the Company.

5.2 ASX Listing Rule 10.1

ASX Listing Rule 10.1 provides that an entity (or any of its subsidiaries) must not acquire a substantial asset from, or dispose of a substantial asset to, inter alia, a related party or a substantial holder (if the person and the person's associates have a relevant interest, or had a relevant interest at any time in the 6 months before the transaction, in at least 10% of the total votes attached to the voting securities).

An asset is substantial if its value, or the value of the consideration for it is, or in ASX's opinion is, 5% or more of the equity interests of the company as set out in the latest accounts given to ASX under the Listing Rules.

Based on the Company's full year accounts for the year ended 30 June 2007 lodged with ASX, the Company's total equity was \$498,138. As a result, an asset is 'substantial' if it is valued at \$24,906.90. Pursuant to the Sale Agreement, the deemed value of the Company's 80% interest in RBB is \$379,200. Accordingly, the Company's 80% interest in RBB is a substantial asset for the purposes of the ASX Listing Rules.

For the purposes of ASX Listing Rule 10.1, R.E.A.L. is a related party of the Company by virtue of being controlled by a director of the Company.

Accordingly, shareholder approval is being sought for the purposes of ASX Listing Rule 10.1. Shareholder approval sought for the purpose of ASX Listing Rule 10.1 must include a report on the proposed acquisition from an independent expert. Accompanying this Explanatory Statement is an Independent Expert's Report prepared by Nexia Court & Co concluding that the proposed Transaction is **fair and reasonable** to the non-associated Shareholders.

6. RESOLUTION 4 – APPROVAL FOR SELECTIVE REDUCTION OF CAPITAL

6.1 General

This resolution relates to Resolution 4 of the Notice of General Meeting and to Resolution 1 of the Notice of Reduction of Capital Meeting.

As set out in Section 1 above, the consideration for the sale of the Company's 80% interest in RBB to R.E.A.L. is the cancellation of all of R.E.A.L.'s Shares in the Company (being 9,480,000 Shares) at a deemed value of \$0.04 per Share.

Accordingly, this Resolution seeks Shareholder approval for the reduction of capital by way of a cancellation of all of the fully paid ordinary shares in the Company held by R.E.A.L by way of a selective reduction of capital.

The cancellation of the fully paid ordinary shares in the Company held by R.E.A.L shall not occur until the completion of the proposed Rights Issue. R.E.A.L has undertaken not

to subscribe for Shares in the proposed Rights Issue. Accordingly, R.E.A.L.'s rights under the Rights Issue will become part of the shortfall and will revert to the underwriter.

6.2 Corporations Act

Pursuant to Section 256C of the Corporations Act, a company may make a selective capital reduction if it is approved by a special resolution passed at a general meeting of the Company, with no votes being cast in favour of the resolution by any person who is to receive consideration as part of the reduction or whose liability to pay amounts unpaid on shares is to be reduced. If the reduction of capital involves the cancellation of shares, the reduction must also be approved by a special resolution passed at a meeting of the shareholders whose shares are to be cancelled.

The Corporations Act provides that the rules relating to a reduction of share capital are designed to protect the interests of shareholders and creditors by:

- (a) addressing the risk of the transaction leading to the Company's solvency;
- (b) seeking to ensure fairness between the shareholders of the Company; and
- (c) requiring the Company to disclose all material information.

In particular, Section 256B of the Corporations Act requires that a Company may only reduce its capital if:

- (a) it is fair and reasonable to the shareholders as a whole;
- (b) it does not materially prejudice the Company's ability to pay its creditors; and
- (c) it is approved by shareholders in accordance with Section 256C of the Corporations Act.

Section 256C(4) of the Corporations Act requires that the Company must include with the Notice a statement setting out all information known to the Company that is material to the decision on how to vote on the resolution. However, the Company does not have to disclose information if it would be unreasonable to require the Company to do so because the Company had previously disclosed the information to shareholders.

The Directors believe that the capital reduction as proposed is fair and reasonable to shareholders for the reasons set out in this Explanatory Statement and that the capital reduction will not prejudice the Company's ability to pay its creditors. Further, the Directors believe that it is appropriate that the Shares be cancelled in the circumstances.

Pursuant to Section 256C(2) of the Corporations Act, a selective reduction of capital must be approved by either:

- (a) a special resolution passed at a general meeting of the Company, with no votes being cast in favour of the resolution by any person who is to receive consideration as part of the reduction or whose liability to pay amounts unpaid on shares is to be reduced, or by their associates; or
- (b) a resolution agreed to, at a general meeting by all ordinary shareholders.

The phrase "no votes being cast" is intended to operate in a similar way to the way in which voting exclusion statements operate in the context of the Listing Rules.

In addition, the capital reduction must be approved by a special resolution passed at a separate meeting attended by R.E.A.L., the Shareholder whose Shares are to be

cancelled. The capital reduction will proceed only if both resolutions are passed by the Shareholders and R.E.A.L.. If one or both resolutions are not passed, R.E.A.L. will remain a Shareholder. R.E.A.L. has advised that it will be supporting this resolution.

6.3 Summary of and Effect of Proposed Selective Capital Reduction

On Completion of the Rights Issue

The overall effect of the selective capital reduction and cancellation of the Ms Bruce's Shares after the completion of the proposed Rights Issue is as follows:

	Shares
Current Issued capital	36,585,750
Issued capital following completion of Rights Issue	73,171,500
Less: Shares subject of capital reduction and cancellation	(9,480,000)
Issued capital upon completion of capital reduction and cancellation of Ms Bruce's Shares and completion of Rights Issue	<u>63,691,500</u>

The Shares the subject of the selective capital reduction and cancellation represent:

- (a) 25.91% of the issued capital of the Company as at the date of this Notice; and
- (b) 14.88% of the issued capital of the Company after the Rights Issue has been completed.

The primary effects of the capital reduction on the control of the Company will be to:

- (a) decrease R.E.A.L.'s, the largest Shareholder of the Company, shareholding in the Company to zero; and
- (b) assuming Ironwood Investments Pty Ltd (**Ironwood**), the second largest Shareholder of the Company, takes up its full entitlement under the Rights Issue, increase Ironwood's voting power in the Company from 19.84% to 22.80%; or
- (c) assuming Ironwood does not take up any of its entitlement under the Rights Issue, decrease Ironwood's voting power in the Company from 19.84% to 11.40%.

In the event the Rights Issue does not proceed to completion and no shares are issued thereunder

The overall effect of the selective capital reduction and cancellation of R.E.A.L.'s Shares in the event the proposed Rights Issue does not proceed to completion is as follows:

	Shares
Current Issued capital	36,585,750
Issued capital following non-completion of Rights Issue	36,585,750
Less: Shares subject of capital reduction and cancellation	(9,480,000)
Issued capital upon completion of capital reduction and cancellation of Ms Bruce's Shares and completion of Rights Issue	<u>27,105,750</u>

The Shares the subject of the capital reduction and cancellation represent 25.91% of the issued capital of the Company as at the date of this Notice.

The primary effects of the capital reduction on the control of the Company would be to:

- (a) decrease R.E.A.L.'s, the largest Shareholder of the Company, shareholding in the Company to zero; and
- (b) increase Ironwood's voting power in the Company from 19.9% to 26.79%.

6.4 Directors' Recommendation

The Directors believe that the proposed capital reduction is in the best interests of Shareholders as the cancellation of the Shares forms part of the sale of 80% of the Company's interest in RBB. The Directors have determined that the Company has a greater chance of increasing shareholder value by reducing its involvement in RBB and seeking other opportunities. The transaction will allow Ms Bruce to continue with the operating and ownership of RBB. Whilst the development of RBB has proceeded adequately to date, the Company can no longer afford to fund the cash flow required to continue to develop that business. The timeframe required to further develop RBB would take longer than the Directors consider feasible. For this reason, the Directors, other than Ms Bruce, who declines to comment due to her material personal interest in the outcome of the Resolution, recommend that Shareholders vote in favour of the capital reduction.

6.5 Other Material Information

There is no information material to the making of a decision by a Shareholder whether or not to approve the Resolution being information that is known to any of the Directors and which has not been previously disclosed to shareholders in the Company, other than as disclosed in this Explanatory Statement.

Once the Resolutions are passed by Shareholders and R.E.A.L., the Company will not make the reduction of capital until at least 14 days after lodgement of the Resolution with the ASIC.

7. RESOLUTION 5 – APPROVAL FOR CHANGE IN SCALE OF ACTIVITIES

7.1 General

Resolution 5 seeks approval from Shareholders for a change in the scale of the activities of the Company. The Company is the owner of 100% of the issued capital of RBB, which is the operating entity of the Business. The disposal by the Company of its 80% shareholding in RBB pursuant to Resolution 3, constitutes a significant change in the scale of the Company's activities, and consequently requires approval pursuant to ASX Listing Rule 11.1.

7.2 ASX Listing Rule 11.1

ASX Listing Rule 11.1 provides that where an entity proposes to make a significant change, either directly or indirectly, to the scale of its activities, it must provide full details to ASX as soon as practicable. ASX Listing Rule 11.1.2 provides that, if ASX requires, the entity must get the approval of Shareholders and must comply with any requirements of ASX in relation to the Notice of Meeting.

ASX has indicated to the Company that given the significant change in the scale of the activities of the Company upon completion of the sale of 80% of the shares in RBB, it requires the Company to obtain the approval of its Shareholders.

For this reason, the Company is seeking Shareholder approval for the Company to change the scale of its activities under ASX Listing Rule 11.1.

8. RESOLUTION 6 – APPROVAL OF ISSUE OF CONVERTIBLE NOTES

8.1 General

On 13 August 2007, the Company announced that as part of the privatisation of RBB, Arthur Phillip would arrange a loan to the Company, of an amount of \$405,000 (**Loan**). Mr Richard Poole is a director of Arthur Phillip. One of the terms of the Loan was that it was to be converted, subject to Shareholder approval, into Convertible Notes (**Convertible Notes**).

Resolution 6 seeks Shareholder approval, pursuant to Chapter 2E of the Corporations Act and ASX Listing Rule 10.11, for the conversion of \$150,000 of the Loan into convertible notes by way of the allotment and issue of 150,000 Convertible Notes at an issue price of \$1.00 each therefore having a total face value of \$150,000 to Mrs Amanda Poole, Mr Richard Poole's wife.

8.2 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act regulates the provision of financial benefits to related parties by a public company. Section 208 of the Corporations Act prohibits a public company giving a financial benefit to a related party unless one of the exceptions to Section 208 applies or shareholders have approved the giving of that benefit to the related party.

A "financial benefit" is defined in the Corporations Act in broad terms and includes a public company, or an entity that the public company controls, issuing securities (which includes a convertible note).

For the purpose of this meeting, a "related party" includes a Director of the Company and their spouse. Accordingly, the proposed issue of Convertible Notes, to Amanda Poole involves the provision of a financial benefit to a related party of the Company.

Section 210 of the Corporations Act provides that a company does not need to obtain shareholder approval to give a financial benefit to a related party if the giving of the financial benefit would be reasonable in the circumstances if the related party and the entity were dealing at arm's length (or on terms less favourable than arm's length).

Notwithstanding the above, the Board is of the view that it is prudent to seek Shareholder approval under Section 208 of the Corporations Act for the issue of the Convertible Notes to Amanda Poole.

Section 208 of the Corporations Act provides that for a public company to give a financial benefit to a related party of that company, the public company must:

- (a) obtain the approval of members in the way set out in Sections 217 to 227; and
- (b) give the benefit within 15 months after the approval.

In accordance with the requirements of Chapter 2E, and in particular with Section 219 of the Corporations Act, the following information is provided to Shareholders to allow them to assess the proposed issue of Convertible Notes:

- (a) the related party to whom the financial benefit will be given is Amanda Poole;
- (b) the maximum number of securities to be granted by the Company under this Resolution is the issue of 150,000 Convertible Notes at an issue price of \$1.00 each, therefore having a total face value of \$150,000, which are convertible into 5,000,000 fully paid ordinary Shares in the capital of the Company together with two free attaching Options for every one Share;
- (c) the Shares issued upon the Conversion of the Convertible Notes will be fully paid ordinary Shares in the capital of the Company and will rank equally with all of the shares of Company currently on issue and each Option will be exercisable at \$0.05 on or before 30 June 2012 (the full terms and conditions of the Options are set out below in Section 8.4);
- (d) the value of the Convertible Notes and the pricing methodology is set out in below;
- (e) the Convertible Notes contain a coupon rate of Reserve Bank base rate plus 2% and a term of 6 months, at which time they automatically convert or are redeemed, at the election of Mrs Poole;
- (f) as at the date of the Notice, the issued capital of the Company is 36,585,750 Shares. As set out above, the Company is proposing to conduct the Rights Issue on the basis of one new Share for every one existing Share held. It is proposed that the Rights Issue will be completed just following the date of the Meetings. Accordingly, following the completion of the Rights Issue, the Company will have 73,171,500 Shares on issue. If Shareholders approve the capital reduction under Resolution 2, the issued capital of the Company will be reduced, after the completion of the Rights Issue, to 63,691,500. If the Convertible Notes are exercised a total of 5,000,000 Shares and 10,000,000 Options will be allotted and issued. Assuming the Shares are issued and the Options are not exercised the number of Shares on issue will increase from 63,691,500 to 68,691,500 with the effect that the shareholding of existing Shareholders would be diluted by 7.85%.

Assuming the 5,000,000 Shares are issued and the 10,000,000 Options are exercised (resulting in 15,000,000 Shares being issued) and no other Shares are issued, the number of Shares on issue will increase from 63,691,500 to 78,691,500 with effect that the shareholding of existing Shareholders would be diluted by 23.55%;

- (g) if no Shares are taken up under the Rights Issue and the capital reduction occurs, the issued capital of the Company will be 27,105,750. If the Convertible Notes are then exercised a total of 5,000,000 Shares and 10,000,000 Options will be allotted and issued. Assuming the Shares are issued and the Options are not exercised this will increase the number of Shares on issue from 27,105,750 to 32,105,750, with the effect that the shareholding of existing Shareholders would be diluted by 18.45%.

Assuming the 5,000,000 Shares are issued and the 10,000,000 Options are exercised (resulting in 15,000,000 Shares being issued) and not other Shares are issued, the number of Shares on issue will increase from 27,105,750 to 42,105,750 with effect that the shareholding of existing Shareholders would be diluted by 55.34%.

In both cases Amanda Poole's voting power in the Company will rise to over 20%. If this was to occur, approval from the shareholders will be sought under

Section 611 of the Corporations Act prior to the conversion of the Convertible Notes and the Options;

- (h) the market price for Shares during the conversion period for the Convertible Notes would normally determine whether the related party would seek conversion of the Convertible Notes. If the Shares as traded on ASX are at a price which is higher than the conversion price, then there may be a perceived cost to the Company. Details of the Share prices are set out below;

Highest	9.5 cents	8 March 2007
Lowest	2.3 cents	19 October 2006
Last	2.3 cents	19 October 2007

- (i) as at the date of this Notice, Mrs Amanda Poole has not receive any remuneration from the Company. However, the annual remuneration (exclusive of superannuation) currently payable to Mr Richard Poole is \$48,000 per annum;
- (j) during the previous financial year, Mrs Amanda Poole did not receive any remuneration from the Company. However, \$64,000 in remuneration was paid to Mr Poole by the Company during the previous financial year;
- (k) as at the date of this Notice, Amanda Poole has notifiable interests in 1,490,000 Shares and 2,500,000 Options:
- (l) Arthur Phillip Pty Ltd (a company associated to Richard Poole) provided services to the Company on arms length commercial terms over the past year as follows;
- (i) Director services: \$48,000;
- (ii) accounting services: \$58,000; and
- (iii) company secretarial services: \$18,000;
- (m) Mr Poole declines to make a recommendation to Shareholders in relation to Resolution 6 due to his material personal interest in the outcome of that Resolution; and
- (n) the independent Directors recommend that Shareholders vote in favour of Resolution 6 as they are of the view that the terms of the issue of securities to Amanda Poole are fair and reasonable. The Directors, other than Mr Poole, are 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 Resolution 6.

8.3 Listing rule 10.11

Listing Rule 10.11 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of securities to a related party of the Company.

Subject to the passing of this Resolution, the Convertible Notes will be issued to Amanda Poole who is a related party of the Company.

Accordingly, approval for the issue of the Convertible Notes to Amanda Poole is required pursuant to Listing Rule 10.11. Approval pursuant to Listing Rule 7.1 is not

required in order to issue the Convertible Notes to Amanda Poole as approval is being obtained under Listing Rule 10.11.

Listing Rule 10.13 sets out a number of matters which must be included in a notice of meeting proposing an approval under Listing Rule 10.11. For the purpose of Listing Rule 10.13, the following information is provided in relation to Resolution 4:

- (a) the maximum number of securities to be granted by the Company under this Resolution is the issue of 150,000 Convertible Notes at an issue price of \$1.00 each, therefore having a total face value of \$150,000, which are convertible into 5,000,000 fully paid ordinary Shares in the capital of the Company along with two free attaching Options for every one Share. Each Option will be exercisable at \$0.05 on or before 30 June 2012 (the full terms of the Options are set out in Section 8.4);
- (b) the Convertible Notes shall be issued to Amanda Poole, who is a related party by virtue of the fact that she is Mr Richard Poole's, a Director, wife;
- (c) the Convertible Notes contain a coupon rate of Reserve Bank base rate plus 2% and a term of 6 months, at which time they automatically convert or are redeemed;
- (d) the intended use of the \$150,000, being the total face value of the Convertible Notes, shall be to lend these funds on to RBB, to assist with the working capital of the business of RBB;
- (e) the Convertible Notes will be issued on one date which will be not later than 1 month after the date of this Meeting; and
- (f) the Convertible Notes are issued on the terms set out in Annexure A and the Shares to be issued on conversion will be of the same class and have the same rights as existing Shares on issue whilst the Options will be issued on the terms and conditions set out in Section 8.4.

8.4 Terms and conditions of Options

The terms and conditions of the Options are as follows:

- (a) each Option entitles the holder to one (1) Share in the Company;
- (b) each Option is exercisable by the payment of \$0.05;
- (c) the Options are exercisable at any time on or prior to 5.00pm (WST) on 30 June 2012 by completing an option exercise form and delivering it together with the payment for the number of Shares in respect of which the Options are exercised to the registered office of the Company;
- (d) an Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised;
- (e) subject to the Corporations Act, the Listing Rules and the Company's Constitution, the Options are freely transferable;
- (f) all Shares issued upon exercise of the Options will rank pari passu in all respects with the Company's then issued Shares. The Company will apply for quotation of the Shares issued upon exercise of the Options on ASX. The Company will not apply for quotation of the Options;

- (g) there are no participating rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 7 Business Days after the issue is announced. This will give Option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue; and
- (h) if at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules.

8.5 Valuation of Convertible Notes

The independent Directors have requested Nexia Court & Co to provide a valuation of the Convertible Notes. Nexia Court have advised that the Notes have two components where value is applicable – the debt component and the derivative component.

In summary, Nexia have advised that the Convertible Notes have a total fair value in the range of approximately \$432,000 to \$540,000, comprising:

- (a) the debt component - \$393,000 to \$ 397,000, (or 97 – 98 cents per Notes) with a mid range value of 97.5 cents per note (total \$395,000); and
- (b) the derivative component - \$39,000 to \$143,000 (or 9.6 to 35.3 cents per note), with a mid range value of approximately 22 cents per Note (total \$90,000).

Accordingly, based on the above valuation the Convertible Notes to be issued to Mrs Amanda Poole have a value of approximately \$160,000 to \$200,000.

For the valuation of the derivative component Nexia Court used the Cox Ross Rubenstein binomial model.

9. RESOLUTION 7 – APPROVAL OF ISSUE OF CONVERTIBLE NOTES

9.1 General

On 13 August 2007, the Company announced that as part of the privatisation of RBB, Arthur Phillip Pty Ltd, would arrange a loan to the Company \$405,000 (**Loan**). Mr Richard Poole is a director of Arthur Phillip Pty Ltd. One of the terms of the Loan was that it was to be converted, subject to Shareholder approval, into convertible notes (**Convertible Notes**).

Resolution 6 sought Shareholder approval for the issue of a Convertible Notes to Mrs Amanda Poole, pursuant to ASX Listing Rule 10.11 and Chapter 2E of the Corporations Act, whilst resolution 7 seeks Shareholder approval for the conversion of \$255,000 of the Loan into convertible notes by way of the allotment and issue of 255,000 Convertible Notes at an issue price of \$1.00 each, therefore having a total face value of \$255,000, to clients of Arthur Phillip Pty Ltd, pursuant to ASX Listing Rule 7.1. The valuation of these notes is set out in 8.5 above.

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the issue of the Convertible Notes:

- (a) the maximum number of securities to be granted by the Company under this resolution is 255,000 Convertible Notes at an issue price \$1.00 each, therefore having a total face value of \$255,000, which are convertible into 8,500,000 fully

paid ordinary Shares in the capital of the Company together with two free attaching Options for every one Share;

- (b) the Convertible Notes will be issued no later than 3 months after the date of the General 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 Convertible Notes will each be issued at an issue price of \$1.00 each;
- (d) the Convertible Notes will be issued to clients of Arthur Phillip Pty Ltd;
- (e) the Convertible Notes will be issued on the terms and conditions set out in Annexure A; and
- (f) the intended use of the \$255,000, being the face value of the Convertible Notes, shall be to lend these funds on to RBB, on commercial terms, to assist with the working capital of the business of RBB.

9.2 Terms and conditions of Options

The terms and conditions of the Options are as follows:

- (a) each Option entitles the holder to one (1) Share in the Company;
- (b) each Option is exercisable by the payment of \$0.05;
- (c) the Options are exercisable at any time on or prior to 5.00pm (WST) on 30 June 2012 by completing an option exercise form and delivering it together with the payment for the number of Shares in respect of which the Options are exercised to the registered office of the Company;
- (d) an Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised;
- (e) subject to the Corporations Act, the Listing Rules and the Company's Constitution, the Options are freely transferable;
- (f) all Shares issued upon exercise of the Options will rank pari passu in all respects with the Company's then issued Shares. The Company will apply for quotation of the Shares issued upon exercise of the Options on ASX. The Company will not apply for quotation of the Options;
- (g) there are no participating rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 7 Business Days after the issue is announced. This will give Option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue; and
- (h) if at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules.

10. ENQUIRIES

Shareholders are required to contact Phil Suriano on (+61 2) 8257 6500 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.

Business Days means any day other than a Saturday, Sunday or public holiday in the State of Western Australia.

Business means that business and assets of the Company as controlled and operated by RBB.

Company means Real Brand Holdings Limited (ABN 12 110 005 822).

Constitution means the Company's constitution.

Convertible Note means a convertible note issued to Mrs Amanda Poole and clients of Arthur Phillip Pty Ltd by the Company on the terms set out in clause Annexure A.

Corporations Act means the Corporations Act 2001 (Cth).

Directors mean the current directors of the Company.

EST means Eastern Standard Time as observed in Sydney, New South Wales.

Explanatory Statement means the explanatory statement accompanying the Notice of Meeting and Notice of Meeting for the Reduction of Capital.

General Meeting means the meeting convened by the Notice of Meeting.

Notice of Meeting or **Notice of General Meeting** means the notice of general meeting forming part of this document including the Explanatory Statement.

Notice of Meeting for the Reduction of Capital means the Notice of Meeting for the Reduction of Capital forming part of this document including the Explanatory Statement.

Option means an option to receive one fully paid ordinary Share exercisable at \$0.05 on or before 30 June 2012.

RBB means Real Brand & Business Pty Limited (ABN 67 108 031 732).

R.E.A.L. means Reality. Energy. Attitude. Life. Pty Limited (ABN 48 108 268 695), a company associated with and controlled by Ms Virginia Bruce.

Reduction of Capital Meeting means the meeting converted by the Notice of Meeting for the Reduction of Capital.

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.

ANNEXURE A – TERMS OF CONVERTIBLE NOTES

HEADING	SUMMARY OF TERM
Face Value & Number of notes	405,00 Convertible Notes at an issue price of \$1.00 each, therefore having a total face value of \$405,000
Coupon	Reserve Bank base plus 2%.
Term	6 months from date of issue.
Conversion Period	6 months from date of issue
Conversion Price	Each Note will convert into thirty three and one third fully paid ordinary shares (Share) in the capital of Real Brand Holdings Limited (Company) along with two options for every one Share. Each option will be exercisable at \$0.05 on or before 30 June 2012.
Automatic Conversion/ Redemption	6 months from date of issue.
Shares on issue	Shares issued on conversion of the Notes will have the same rights as all other shares on issue and application for quotation of the Shares on the ASX will be made.
Bonus Issue	If a bonus issue is made then the Company must issue the same number of bonus securities to the Noteholder that the Noteholder would have been entitled to receive if the Noteholder had converted the Notes immediately before the issue of the bonus securities.
Reconstructions	If the Company undertakes any capital reconstruction then, subject to the Listing Rules, the entitlement of the Noteholder to convert the Notes must be reconstructed in the same proportion and manner as the reconstruction.
Cancellation	If all of the Notes are converted then the Notes are automatically cancelled and may not be re-issued.

Listing	The Notes will be unlisted.
Transfer	The Notes are transferable subject to compliance with the Corporations Act by the Noteholder. The Notes may not be transferred to any person to whom a disclosure document needs to be given under Chapter 6D of the Corporations Act unless an applicable ASIC modification/exemption in respect of section 707 of the Corporations Act is given or relied upon.
Termination	<p>The Noteholder may terminate the Notes and demand repayment on the following occurrences:</p> <ul style="list-style-type: none"> a. the Company fails to make any payment due in accordance with the note conditions within 20 business days of the due date; b. the Company makes default in duly performing or observing any of the undertakings or agreements contained in the Note; c. any representation or warranty contained in the Note is found to be false or misleading in any material respect; d. a judgment is entered against the Company on a claim not covered by insurance and such judgments in the opinion of the Noteholder has a material adverse effect on the financial position of the Company; e. a petition is lodged and is not withdrawn within 14 business days of lodgment or is not contested on a bona fide basis or an order is made or a resolution is passed for winding up of the Company or placing the Company under voluntary administration or any meetings convened for the purposes of considering the said resolutions; f. a receiver or a receiver and manager or administrator of the undertaking or property of the Company is appointed; g. the Company suspends payments of its debts or the Company without the consent of the Noteholder ceases or threatens to cease to carry on a substantial part of its business; h. the Company fails to comply with any of its other obligations under the Note conditions or without prior consent of the Noteholder, the Company undertakes a reorganisation of capital; i. the main business undertaking of the Company is sold.

PROXY FORM

**APPOINTMENT OF PROXY
REAL BRAND HOLDINGS LIMITED
ACN 110 005 822**

ANNUAL GENERAL MEETING

I/We

being a member of Real Brand Holdings Limited entitled to attend and vote at the Annual General Meeting, hereby

Appoint

Name of proxy

OR

Mark this box if you wish to appoint 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 Annual 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 Annual General Meeting to be held at 10 am (EST), on 28th November 2007 at The Offices of Arthur Phillip, Level 14, 15 – 19 Bent Street, Sydney, NSW, and at any adjournment thereof.

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

Voting on Business of the Annual General Meeting

- Resolution 1 – Adoption of Remuneration Report
- Resolution 2 – Re-election of Director – Mr Richard Poole
- Resolution 3 – Sale of Substantial Asset
- Resolution 4 – Approval for a Selective Reduction of Capital
- Resolution 5 – Approval for Change in Scale of Activities
- Resolution 6 – Approval for Issue of Convertible Notes
- Resolution 7 – Approval for Issue of Convertible Notes

FOR	AGAINST	ABSTAIN
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

OR

If the Chair of the Annual 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 1 to 5 please place a mark in this box.

By marking this box, you acknowledge that the Chair of the Annual General Meeting may exercise your proxy even if he has an interest in the outcome of Resolutions 1 to 7 and that votes cast by the Chair of the Annual General Meeting for Resolutions 1 to 7 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 1 to 7 and your votes will not be counted in calculating the required majority if a poll is called on Resolutions 1 to 7.

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 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

Signed this _____ day of _____ 2007 _____ %

By:

Individuals and joint holders

Signature
Signature
Signature

Companies (affix common seal if appropriate)

Director
Director/Company Secretary
Sole Director and Sole Company Secretary

REAL BRAND HOLDINGS LIMITED
ACN 110 005 822

Instructions for Completing 'Appointment of Proxy' Form

1. A member entitled to attend and vote at a 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. Where a member's holding is in one name the holder must sign. Where the holding is in more than one name, all members should sign.
3. Where a Proxy Form or form of appointment of corporate representative is lodged and is executed under a power of attorney, the power of attorney must be lodged in like manner as this Proxy Form.
4. Corporate members should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of Section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:
 - 2 directors of the company;
 - a director and a company secretary of the company; or
 - for a proprietary company that has a sole director who is also the sole company secretary – that director.

For the Company to rely on the assumptions set out in Section 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with Section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.

5. 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.
6. To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to Real Brand Holdings Limited, PO Box H101, Australia Square, Sydney NSW 1215; or
 - (b) by hand to Real Brand Holdings Limited c/- Arthur Phillip Pty Ltd Level 14, 15-19 Bent Street Sydney NSW; or
 - (c) facsimile to the Company on facsimile number +61 2 8257 6501,

so that it is received not later than 48 hours before the date and time of the meeting.

Proxy forms received later than this time will be invalid.

PROXY FORM

**APPOINTMENT OF PROXY
REAL BRAND HOLDINGS LIMITED
ACN 110 005 822**

GENERAL MEETING

I/We

being a member of Real Brand Holdings Limited entitled to attend and vote at the Reduction of Capital Meeting, hereby

Appoint

Name of proxy

OR

Mark this box if you wish to appoint the Chair of the Reduction of Capital Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the Reduction of Capital 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 Reduction of Capital Meeting to be held at 11 am (EST), on 28th November 2007 at The Offices of Arthur Phillip, Level 14, 15 – 19 Bent Street, Sydney, NSW, and at any adjournment thereof.

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

Voting on Business of the Reduction of Capital Meeting

Resolution 1 – Approval for a Selective Reduction of Capital

FOR **AGAINST** **ABSTAIN**

OR

If the Chair of the Reduction of Capital 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 1 to 5 please place a mark in this box.

By marking this box, you acknowledge that the Chair of the Reduction of Capital Meeting may exercise your proxy even if he has an interest in the outcome of Resolutions 1 and that votes cast by the Chair of the Reduction of Capital Meeting for Resolutions 1 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 1 and your votes will not be counted in calculating the required majority if a poll is called on Resolutions 1.

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

Signed this day of 2007 _____ %

By:

Individuals and joint holders

Signature

Signature

Signature

Companies (affix common seal if appropriate)

Director

Director/Company Secretary

Sole Director and Sole Company Secretary

REAL BRAND HOLDINGS LIMITED
ACN 110 005 822

Instructions for Completing 'Appointment of Proxy' Form

1. A member entitled to attend and vote at a 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. Where a member's holding is in one name the holder must sign. Where the holding is in more than one name, all members should sign.
3. Where a Proxy Form or form of appointment of corporate representative is lodged and is executed under a power of attorney, the power of attorney must be lodged in like manner as this Proxy Form.
4. Corporate members should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of Section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:
 - 2 directors of the company;
 - a director and a company secretary of the company; or
 - for a proprietary company that has a sole director who is also the sole company secretary – that director.

For the Company to rely on the assumptions set out in Section 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with Section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.

5. 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.
6. To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to Real Brand Holdings Limited, PO Box H101, Australia Square, Sydney, NSW 1215; or
 - (b) by hand to Real Brand Holdings Limited c/- Arthur Phillip Pty Ltd Level 14, 15-19 Bent Street Sydney NSW
 - (c) facsimile to the Company on facsimile number +61 2 8257 6501,

so that it is received not later than 48 hours before the date and time of the meeting.

Proxy forms received later than this time will be invalid.