

# VITA GROUP LIMITED

ACN 113 178 519

Registered Office: Level 3, 77 Hudson Road, Albion, Queensland, 4010



## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the Shareholders of Vita Group Limited will be held on Wednesday 27 October 2010 in the Clayfield Room, Brisbane Riverview Hotel, Cnr Kingsford Smith Drive and Hunt St, Hamilton, Brisbane at 10.00am.

### **BUSINESS**

#### **1. Financial Statements and Reports**

To receive and consider the Financial Statements and the Reports of the Directors and the Auditor for the financial year ended 30 June 2010.

#### **2. Re-election of Directors who retire by Rotation**

##### **Resolution 1 – Re-election of Ms Melinda Snowden**

To consider and, if thought fit, pass the following Ordinary Resolution:

*That Ms Melinda Snowden, a Non- Executive Director retiring by rotation in accordance with Clause 59 of the Company's Constitution, being eligible, be re-elected as an Executive Director of the Company.*

##### **Resolution 2 – Re-election of Mr Dick Simpson**

To consider and, if thought fit, pass the following Ordinary Resolution:

*That Mr Dick Simpson, a Non-Executive Director retiring by rotation in accordance with Clause 59 of the Company's Constitution, being eligible, be re-elected as a Non-Executive Director of the Company.*

#### **3. Re-election of Director appointed since the last AGM**

##### **Resolution 3 – Re-election of Ms Diana Ryall AM**

To consider and, if thought fit, pass the following as an Ordinary Resolution:

*That Ms Diana Ryall AM, a Non-Executive Director who was appointed on 5 March 2010 by the Directors, and who is retiring in accordance with Clause 58 of the Company's Constitution, being eligible, be re-elected as a Non-Executive Director of the Company.*

#### **4. Constitution – Proportional Takeover Approval Provisions**

##### **Resolution 4 – Renewal of Proportional Takeover Approval Provisions**

To consider and, if thought fit, pass the following as a Special Resolution:

*That Clause 25 of the Company's Constitution be renewed for a further 3 year period in accordance with Part 6.5 of the Corporations Act 2001*

Please refer to the Explanatory Note

**5. Remuneration Report**

**Resolution 5 – Adoption of Remuneration Report**

To consider and, if thought fit, pass the following Ordinary Resolution:

*That the Remuneration Report contained in the Company's 2010 Annual Report in respect of the financial year ended 30 June 2010, be adopted.*

**(This resolution is advisory only and does not bind the Directors or the Company)**

By order of the Board



-----  
Mark E.H. Anning  
Company Secretary

27 September 2010

**EXPLANATORY NOTES****1. Financial Statements and Reports**

The Financial Statements and Reports are included in the Vita Group Limited Annual Report for 2010 which has been made available to Shareholders and can be found on the Company's website ([www.vitagroup.com.au](http://www.vitagroup.com.au)). Shareholders will be given a reasonable opportunity at the meeting to ask questions and make comments on these reports and on the business, operations, financial position, management, and prospects of the Company. The Company's external auditor, PricewaterhouseCoopers, will be in attendance to respond to questions in relation to the conduct of the audit and the preparation and content of the Auditor's Report.

There is no requirement for the Financial Statements and these Reports to be formally approved by Shareholders.

**2. Re-election of Directors who retire by Rotation**

Clause 59 of the Company's Constitution provides that at each AGM, at least one third of the total Directors of the Company (excluding the Managing Director) must retire from office. The Directors to retire are those who have spent the longest time in office. Each retiring Director is eligible for re-election in accordance with ASX Listing Rules and the Company's Constitution.

At this AGM, Ms Melinda Snowden and Mr Dick Simpson are retiring from office. Both Directors are seeking re-election. Their details are:

**Melinda Snowden  
Independent Non- Executive Director**

Melinda is a Non-Executive Director of MLC Limited and a number of its associated boards, a Non-Executive Director of NabInvest Holdings Limited and an Executive Director of corporate advisory firm Grant Samuel Debt Structuring & Advisory Pty Limited. She has advised on a variety of transactions including capital raisings, mergers and acquisitions, and the preparation of independent expert reports.

Prior to joining Grant Samuel, Melinda held corporate finance roles with Merrill Lynch and Goldman Sachs in Australia and New York and worked on numerous strategic advisory and financing assignments. She was also a solicitor with the corporate division of Freehills between 1991 and 1994.

Melinda's qualifications include Bachelor of Economics and Bachelor of Laws, Graduate Diploma in Applied Finance and Investment, GAICD, and Fellow of FINSIA.

Melinda became a Director of Vita Group in September 2008, and is a member of the Audit, Compliance & Risk Committee and the Remuneration & Nomination Committee.

Having received an acknowledgement from Melinda that she has sufficient time available to carry out the duties of a Director of Vita Group Limited, and having reviewed the performance of Melinda as a Director, and the required mix of skills and experience required by the Board, the Directors (excluding Ms Snowden) recommend that Shareholders vote in favour of Resolution 1.

**Dick Simpson**  
**Independent Non-Executive Director**

Dick brings considerable experience to the board. He has held roles as the Chief Executive Officer in both the Telecommunications and Computing industries. He has also been chairman of CSL (Hong Kong's biggest mobile carrier), Telstra Clear and REACH.

Dick started his career in IT, spending 20 years with IBM and then Unisys, in Australia as well as the USA. He then joined Optus and subsequently Telstra, where he was Group Managing Director, Mobiles in Australia, before moving to head up Telstra's international operations in Hong Kong.

Dick became a Director of Vita Group in September 2005, and was on the Remuneration & Nomination Committee, and the Audit, Compliance & Risk Committee. He retired from the committee roles on 24 May 2010 and remains Chairman of the Board. He is also a Director of Chevalier College in Bowral.

Having received an acknowledgement from Dick that he has sufficient time available to carry out the duties of a Director of Vita Group Limited, and having reviewed the performance of Dick as a Director, and the required mix of skills and experience required by the Board, the Directors (excluding Mr Simpson) recommend that Shareholders vote in favour of Resolution 2.

### **3. Re-election of Director appointed since the last AGM**

Clause 58 of the Company's Constitution provides that a Director appointed since the last AGM, will hold office until the end of the next Annual General Meeting of the Company, at which the Director may be re-elected.

Ms Diana Ryall AM was appointed on 5 March 2010, and she holds office until the end of this meeting. Ms Ryall AM is seeking re-election. Her details are:

**Diana Ryall AM**  
**Independent Non-Executive Director**

Diana Ryall was Managing Director at Apple Computer Australia from 1997 to 2001. Diana stepped down from that position at the end of 2001 to expand her involvement in those areas in which she is passionate: inspiring leadership, supportive workplace cultures and the success of women.

Since leaving Apple, Diana founded the company "Xplore for Success" which offers services to organisations to support talented men and women to achieve personal success.

From 2005 to 2008, Diana led the Chief Executive Women's (CEW) Talent Development Program.

On January 26, 2010 Diana was awarded the Member of the Order of Australia (AM) for service to business through executive roles in the information technology industry, as a mentor to women, and to the community.

Diana became a Director of Vita Group in March 2010, and is a member of the Audit, Compliance & Risk Committee and the Remuneration & Nomination Committee.

Having received an acknowledgement from Diana that she has sufficient time available to carry out the duties of a Director of Vita Group Limited, and having reviewed the performance of Diana as a Director, and the required mix of skills and experience required by the Board, the Directors (excluding Ms Ryall) recommend that Shareholders vote in favour of Resolution 3.

#### **4. Constitution – Proportional Takeover Approval Provisions**

The Board seeks approval by Special Resolution of Shareholders to renew Clause 25 of the Company's Constitution for a further 3 year period in accordance with Part 6.5 of the Corporations Act 2001.

##### **Effect of renewing proportional takeover provisions**

The effect of renewing the provisions will be:

- If a proportional takeover offer is received, the Directors are required to convene a meeting of Shareholders to vote on a resolution to approve the offer. That meeting must be held at least 15 days before the offer closes;
- A majority of shares voted at the meeting, excluding the shares of the bidder and its associates, is required for the resolution to be passed;
- If no resolution is voted on at least 15 days before the close of the offer, a resolution to approve the proportional takeover bid is taken to have been approved;
- If the resolution is rejected, the registration of any transfer of shares resulting from the proportional offer will be prohibited and, under the Corporations Act 2001, the offer will be ineffective; and
- If the resolution is approved, the relevant transfer of shares will be registered provided they comply with the other provisions of the Company's Constitution.

The provisions do not apply to full takeover offers.

##### **Reasons for renewing the provisions**

The Board considers that Shareholders should have the opportunity to vote on a proposed proportional takeover scheme.

A proportional takeover bid for the Company may enable control of the Company to be acquired by a party holding less than a majority position and without Shareholders having the opportunity to dispose of all their shares, so that Shareholders could be at risk of being left as part of a minority interest in the Company.

This could place Shareholders under pressure to accept the bid. If the Constitution includes these proportional takeover provisions, it will minimize this risk to Shareholders by permitting Shareholders in the general meeting to decide whether a proportional takeover bid should be permitted to proceed.

##### **Present acquisition proposals**

As at the date of this Notice, no Director is aware of a proposal by any person to acquire, or increase the extent of, a substantial interest in the Company.

##### **Review of the advantages and disadvantages of the proportional takeover provisions during the period it was in effect previously**

The potential advantages and disadvantages of the proportional takeover provisions for the Directors and Shareholders are set out below. There has not been any proportional takeover bid during the period that the provisions were in effect previously.

**Potential advantages and disadvantages for the Directors and Shareholders of the Company associated with proportional takeover provisions**Advantages

- Enables the Board to formally ascertain the views of Shareholders in respect of a proportional takeover offer;
- Ensures that all Shareholders will have an opportunity to study a proportional takeover offer and then attend or be represented by proxy at a meeting of Shareholders called specially to vote on the offer;
- Enables Shareholders to prevent a proportional takeover bid from proceeding if they believe that control of the Company should not be permitted to pass under the bid; and
- Likely to encourage any proportional bid to be structured so as to be attractive to a majority of Shareholders.

Disadvantages

- May discourage proportional takeover bids for the Company;
- May as a result reduce any 'takeover speculation' element in the Company's share price or deny Shareholders the opportunity of selling some of their shares at a premium; and
- May restrict the ability of individual Shareholders to deal freely with their shares in some circumstances.

The Directors consider that it is in the interest of Shareholders to have a continuing right to vote on any proportional takeover and recommend you vote in favour of Resolution 4.

Note: A copy of the Company's Constitution is available for review on the Company's website at [www.vitagroup.com.au](http://www.vitagroup.com.au) under *Investor Relations*.

**5. Remuneration Report**

The Remuneration Report is included in the Company's Annual Report. It sets out the Board's remuneration policies, and the remuneration of Directors and Key Managers for the financial year.

Shareholders will be given a reasonable opportunity at the meeting to ask questions and make comments on the report.

The Resolution is advisory only and does not bind the Directors or the Company.

The Directors recommend that Shareholders vote in favour of Resolution 5.

**ENTITLEMENT TO VOTE**

For the purposes of the meeting, shares will be taken to be held by the persons who are registered as Shareholders as at 7.00pm Brisbane time on 25 October 2010.

**PROXIES**

If you are a Shareholder entitled to attend and vote, you are entitled to appoint one or two proxies. Where two proxies are appointed, you may specify the number or proportion of votes that each may exercise, failing which each may exercise half of the votes. A proxy need not be a Shareholder of the company.

If you want to appoint one proxy, you can use the form provided. If you want to appoint two proxies, please follow the instructions on the front of the proxy form.

The Company's Constitution provides that, on a show of hands, every person present and qualified to vote shall have one vote. If you appoint one proxy, that proxy may vote on a show of hands, but if you appoint two proxies, neither proxy may vote on a show of hands.

If you appoint a proxy who is also a Shareholder or is also a proxy for another Shareholder, your directions may not be effective on a show of hands. Your directions will be effective if a poll is required and your proxy votes.

You may lodge a proxy online at Computershare's internet address below by following the instructions set out on the website. Shareholders who elected to receive their notice of meeting and proxy electronically will have received an e-mail with a link to the Computershare site. To be effective, the proxy form or electronic proxy appointment must be received by Computershare Investor Services Pty Limited at the address, facsimile number or internet address below, or by Vita Group at its registered office, Level 3, 77 Hudson Road, Albion, Queensland, 4010 not later than 10.00am Brisbane time on 25 October 2010.

**WHERE TO LODGE A PROXY**

Vita Group Limited share registry:

Computershare Investor Services Pty Limited  
GPO Box 242, Melbourne Vic 3001  
*(Please use enclosed reply envelope)*

Facsimile (within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

Lodge proxy electronically at:  
[www.investorvote.com.au](http://www.investorvote.com.au)

For Intermediary Online subscribers only (custodians):  
[www.intermediaryonline.com](http://www.intermediaryonline.com)

You can arrange to receive Shareholder information electronically, or obtain a replacement or second proxy form, by contacting Computershare on 1300 552 270 (within Australia) or +61 3 9415 4000 (outside Australia) or go to [www.computershare.com.au](http://www.computershare.com.au) (Investor Centre).

## **ADMISSION TO MEETING**

Shareholders who will be attending the Vita Group Annual General Meeting and who will not be appointing a proxy, are asked to bring the proxy form (if they have one) to the meeting to help speed admission.

Shareholders who do not plan to attend the meeting are encouraged to complete and return a proxy form or lodge a proxy online, for each of their holdings of Vita Group shares.

## **SHAREHOLDER QUESTIONS**

Vita Group encourages Shareholders to submit written questions in advance of the meeting. To submit a written question, please complete and return the accompanying form, or submit the question online, in accordance with the instructions on the form.

The question must be received by the Company no later than Wednesday 20 October 2010 (five business days before the meeting). Questions should relate to matters that are relevant to the business of the meeting as outlined in the Notice of Meeting.

Questions will be collated and, during the meeting, the Chairman will endeavour to address as many of the more frequently asked questions as possible and, where appropriate, will give the representative of the auditor, PricewaterhouseCoopers, the opportunity to answer written questions submitted to the auditor. However, there may not be sufficient time available at the meeting to address all questions.

As soon as practicable after the meeting, a summary of the questions and answers will be made available and posted on the Company's website under the *Investor Relations* section, and where it is not possible to address a question at the meeting, an individual response will be sent to the Shareholder who raised the question.