



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 2007 Annual General Meeting of the shareholders of UnderCoverWear Limited (the "Company") will be held on Tuesday 30th October 2007, commencing at 11.30am at Grant Thornton NSW, Level 17, 383 Kent Street, Sydney NSW.

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 2007.

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 2007."

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".

4. Re-election of Director – Mr Geoffrey Hill

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

"That Mr Geoffrey Hill, being a director of the Company appointed by the Directors during the year and holding office until this Meeting in accordance with clause 54.2 of the Company's Constitution and, having offered himself for re-election and being eligible, is re-elected a director 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

Tania Thomson
Company Secretary

28 September 2007

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 5pm (AEST) on 26th October 2007 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 Limited, GPO Box 1903, Adelaide SA 5001;
- Faxing it to Computershare Investor Services Pty Limited (08) 8236 2305 or the Company (02) 9836 0052;
- 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 2007 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 2007 is set out in the Directors' Report on pages 24-26 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 and was last re-elected on 3 November 2005. He retires by rotation at the end of the meeting and, being eligible, offers himself for re-election.

Pursuant to clause 54.2 of the Company's constitution, a director appointed to fill a casual vacancy or as an addition to the Board must not hold office (without re-election) past the end of the next AGM of the entity. This rule does not apply to the Chief Executive Officer.

Mr Geoffrey Hill was appointed a director during the year and in accordance with this clause, and being eligible, offers himself for re-election.

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.



All correspondence to:
 Computershare Investor Services Pty Limited
 GPO Box 242 Melbourne
 Victoria 3001 Australia
 Enquiries (within Australia) 1300 556 161
 (outside Australia) 61 3 9415 4000
 Facsimile 61 8 8236 2305
 www.computershare.com

Mark this box with an 'X' if you have made any changes to your address details (see reverse)



Appointment of Proxy

I/We being a member/s of UnderCoverWear Limited and entitled to attend and vote hereby appoint



the Chairman
 of the Meeting
 (mark with an 'X')

OR

If you are not appointing the Chairman of the Meeting as your proxy please write here the full name of the individual or body corporate (excluding the registered Securityholder) you are appointing as your proxy.

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 Grant Thornton NSW, Level 17, 383 Kent Street, Sydney, NSW on Tuesday 30 October 2007 at 11.30am and at any adjournment of that meeting.

Voting directions to your proxy - please mark to indicate your directions

	For	Against	Abstain*
2. To adopt the Remuneration Report.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. To re-elect Mr John Everett as a Director of the Company.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. To re-elect Mr Geoffrey Hill as a Director of the Company.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

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

Appointing a second Proxy

I/We wish to appoint a second proxy



Mark with an 'X' if you wish to appoint a second proxy.

AND

 %

OR

State the percentage of your voting rights or the number of securities for this Proxy Form.

PLEASE SIGN HERE This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Securityholder 1

Individual/Sole Director and
 Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

In addition to signing the Proxy Form in the above box(es) please provide the information below in case we need to contact you.

Contact Name

Contact Daytime Telephone

Date

/ /



How to complete the Proxy Form

1 Your Address

This is your address as it appears on the company's Securities register. If this information is incorrect, please mark the box and make the correction on the form. Securityholders sponsored by a broker (in which case your reference number overleaf will commence with an 'x') should advise your broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

2 Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the individual or body corporate you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the full name of that individual or body corporate in the space provided. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

3 Votes on Items of Business

You may direct your proxy how to vote by placing a mark in one of the three boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

4 Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's Securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) indicate that you wish to appoint a second proxy by marking the box.
- (b) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (c) return both forms together in the same envelope.

5 Signing Instructions

You must sign this form as follows in the spaces provided:

- Individual: where the holding is in one name, the holder must sign.
- Joint Holding: where the holding is in more than one name, all of the securityholders should sign.
- Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the registry. If you have not previously lodged this document for notation, 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 indicate the office held by signing in the appropriate place.

If a representative of a corporate Securityholder or proxy is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the company's Securities registry or at www.computershare.com.

Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below no later than 48 hours before the commencement of the meeting at 11.30am on Tuesday 30 October 2007. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Documents may be lodged:

- IN PERSON Registered Office - 8 Solent Circuit, Baulkham Hills NSW 2153 Australia
Share Registry - Computershare Investor Services Pty Limited, Level 5, 115 Grenfell Street, Adelaide SA 5000 Australia
- BY MAIL Registered Office - 8 Solent Circuit, Baulkham Hills NSW 2153 Australia
Share Registry - Computershare Investor Services Pty Limited, GPO Box 1903, Adelaide SA 5001 Australia
- BY FAX 61 8 8236 2305