

ASX Announcement

17 March 2010

Company Announcements Office
Australian Securities Exchange Limited
20 Bridge Street
SYDNEY NSW 2000



CHANGE IN LEADERSHIP

UnderCoverWear Limited (UCW) wishes to advise the market that the CEO of the Company, Mrs Elaine Vincent, will be leaving UCW on 30 June 2010. The Board has appointed Mr Simon Pervan, the National Sales and Marketing Manager of UCW, to succeed Elaine as CEO. This appointment will take place in April 2010. Stuart Richardson, the Chairman of UCW, stated that "Elaine, has committed 15 years to the Company, first as CFO and then as CEO for the last ten years. We, the Board of Directors, are grateful for her considerable contribution to UnderCoverWear. As in all successful organisations, changes in leadership are a part of corporate life. Elaine's current contract with the company expires on 30 June 2010 and the Board of Directors has now decided to appoint a new leadership team to take the Company forward. We take this opportunity to sincerely thank Elaine for her contribution to UnderCoverWear." The Board has negotiated a final payment in recognition of Elaine's long service to UCW which will be expensed in the 2H 2010. This figure is \$400,000.

Simon joined UCW in November 2008 having previously worked in the Direct Selling industry for 7 years. Simon brings to UCW an extensive experience of the direct selling industry and managing a national consultant field.

Simon's priority focus will be on;

- 1) Increasing the consultant count for the Group,
- 2) Driving changes to the product offering and branding of the business,
- 3) Focus on group profitability and cost focus

The Chairman noted that "The Board is excited at the prospect of someone with Simon's industry experience, energy and youth assuming the leadership of the Company." Simon is presently managing the release of the "new look" redesigned catalogue for UCW and early initial sales are encouraging. The

"Discover the UCW Home Shopping Experience"

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Company will, as customary, update the market in May as to the result outlook for the full year 2010.

By order of the Board

A handwritten signature in black ink, appearing to read "Nick Geddes". The signature is fluid and cursive, with a horizontal line underneath the name.

Nick Geddes
Company Secretary

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