



1 July 2008

Scott Evans  
General Manager  
National Stock Exchange of Australia  
PO Box 283  
Newcastle NSW 2300

Email: [scott.evans@nsxa.com.au](mailto:scott.evans@nsxa.com.au)

Dear Scott

**Re: Price Query**

We refer to your letter of today dealing with a price query in relation to the Company's shares.

As requested, we respond to your questions as follows: -

1. No, the Company is not aware of any information that has not been announced which could explain the recent trading in its securities.
2. The Company announced two acquisitions on 10 June 2008.

The HairFX acquisition completed on that date. The Kistani acquisition is subject to a Shareholders' vote at an upcoming Extraordinary General Meeting (documents currently being finalized and to be announced and mailed in the near future).

We note that the Kistani acquisition includes a compulsory \$500,000 equity placement at 18 cents per share (some 3 cents higher than the last trade in the Company's shares on 24 June 2008 of 15 cents).

In addition, we note that the Kistani acquisition also includes a \$2.3 million equity placement at 20 cents per share (some 5 cents higher than the last trade in the Company's shares on 24 June 2008 of 15 cents).

We highlight that this second placement has an eighteen month window and is at the option of the current Kistani shareholders.

Additionally, the abovementioned placements are subject to shareholder approval of the Kistani acquisition.

3. We confirm that the Company is in compliance with the listing rules.

If you have any further queries in this regard please do not hesitate to contact me on 02 9210 7000.

Yours sincerely

A handwritten signature in black ink, appearing to read 'AF', with a horizontal line extending to the right.

Andrew Fairfull  
Chairman