

16 December 2009

Listed Company Relations
New Zealand Exchange Limited
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The Board of Boty-Zen Limited (the Company) is pleased to announce that the Company has received a commitment from interests of an existing substantial shareholder and long time supporter of the Company to subscribe for \$500,000 pursuant a new Convertible Note issue. This is provided that shareholders eligible for the current Share Purchase Plan subscribe a minimum of \$750,000 and provided a total of \$2 million is raised from all sources.

The board has commissioned a report advising on the Convertible Note issue terms and their fairness to the Company and the existing shareholders. The Convertible Note issue will only proceed if the report advises the terms are fair.

The Company is in discussions with other parties who have indicated they have investors who may be interested in subscribing to the new Convertible Note issue on the same terms. The Convertible Note issue is a private placement available only to "Eligible Persons" or "habitual investors" in terms of the Securities Act.

This is a very positive step in our capital raising strategy which is focused on providing the resources required for the Company to capitalise on its achievements of the last year:

- Production performing above budget.
- Registration in USA opening the way for market development to begin.
- Interest from parties in Europe seeking to partner with the Company for distribution into new areas.

Stephen Higgs

Chairman

On behalf of the Board of Directors