

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 10-K/A

Amendment No. 1

(Mark One)

ANNUAL REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.

For the fiscal year ended June 30, 2009

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.

For the transition period from to

Commission file number: 000-30489

LIFEVANTAGE CORPORATION

(Exact name of registrant as specified in its charter)

Colorado

(State or other jurisdiction of  
incorporation or organization)

90-0224471

(IRS Employer  
Identification No.)

11545 W. Bernardo Court, Suite 301  
San Diego, California

(Address of principal executive offices)

92127

(Zip Code)

Registrant's telephone number: (858) 312-8000

Securities registered pursuant to Section 12(b) of the Act: None

Securities registered pursuant to Section 12(g) of the Act:  
Common Stock, \$0.001 par value per share  
(Title of Class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes  No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes  No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes  No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer  Non-accelerated filer  Smaller reporting company   
(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes  No

The aggregate market value of voting and non-voting Common Stock (par value \$0.001) held by non-affiliates as of the end of Company's second fiscal quarter, December 31, 2008, was \$3.9 million. Shares of the registrant's common stock held by each current executive officer and director and by each shareholder who is known by the registrant to own 10% or more of the outstanding common stock have been excluded from this computation in that such persons may be deemed to be affiliates of the registrant. Share ownership information of certain persons known by the registrant to own greater than 10% of the outstanding common stock for purposes of the preceding calculation is based solely on information on Schedules 13D and 13G, if any, filed with the Commission. This determination of affiliate status is not necessarily a conclusive determination for other purposes.

The number of shares of Common Stock (par value \$0.001) outstanding as of August 31, 2009, was 56,716,139 shares.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive Proxy Statement for the 2010 Annual Meeting of Shareholders, to be filed within 120 days after the end of the registrant's fiscal year ended June 30, 2009, are incorporated by reference into Part III of this Annual Report on Form 10-K, to the extent stated therein.

Note: This Amendment No. 1 on Form 10-K/A amends the registrant's Annual Report on Form 10-K for the year ended June 30, 2009, as filed by the registrant on September 28, 2009, and is being filed solely to include certain exhibits inadvertently omitted from the Annual Report. Except as otherwise stated herein, no other information contained in the Annual Report has been updated by this Amendment No. 1.

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## SIGNATURES

In accordance with Section 13 or 15(d) of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

LifeVantage Corporation.  
a Colorado corporation

By: /s/ David W. Brown

David W. Brown

Its: Chief Executive Officer

Date: October 28, 2009

In accordance with the Exchange Act, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<b>Signature</b>	<b>Date</b>	<b>Title</b>
<u>/s/ David W. Brown</u> David W. Brown	October 28, 2009	Chief Executive Officer; Director (Principal Executive Officer)
<u>/s/ Carrie E. Carlander</u> Carrie E. Carlander	October 28, 2009	Chief Financial Officer (Principal Financial Officer)
<u>*</u> Jack R. Thompson	October 28, 2009	Chairman of the Board and Chairman of the Audit Committee
<u>*</u> James D. Crapo	October 28, 2009	Director
<u>*</u> Joe M. McCord	October 28, 2009	Director
<u>*</u> Richard D. Jones	October 28, 2009	Director
<u>*</u> Garry Mauro	October 28, 2009	Director

\*By: /s/ David W. Brown

David W. Brown, Attorney-in-fact

## EXHIBIT INDEX

<b>Exhibit Number</b>	<b>Title</b>
2.1	Agreement and Plan of Reorganization between Lifeline Nutraceuticals Corporation and Yaak River Resources, Inc. dated September 21, 2004 (1)
2.2	Settlement and Release Agreement and Plan of Reorganization dated March 10, 2005, among Lifeline Therapeutics, Inc., Lifeline Nutraceuticals Corporation and Michael Barber (2)
3.1	Amended and Restated Articles of Incorporation (9)
3.2	Amended and Restated Bylaws (9)
4.01	Form of Warrant (6)
4.02	Form of Convertible Debenture (6)
4.03	Forms of 2009 Private Placement Warrant*
4.04	Forms of 2009 Unit Subscription Agreement*
10.1	Form of Unit Warrant Certificate (3)
10.2	Form of Bridge Warrant Certificate (3)
10.3	Form of Placement Agent Warrant Certificate (3)
10.4	Form of Placement Agent Warrant Certificate (5)
10.5	Lifevantage Corporation 2007 Long-Term Incentive Plan (8)#
10.19	Lease dated July 1, 2008 between Bernardo Regency, L.L.C. and LifeVantage Corporation (10)
10.20	Sublease dated March 1, 2009 between Broadweave Networks Inc. and LifeVantage Corporation *
10.21	Agreement between Cornerstone Research and Development and LifeVantage Corporation *
10.22	Confidential Termination Agreement and General Release of Claims dated February 14, 2007 between Gerald J. Houston and the Company (7)
10.23	Letter Agreement dated June 1, 2007 between Aspenwood Capital and Lifevantage Corporation (6)
10.24	Letter Agreement dated September 28, 2007 between Bolder Venture Partners and Lifevantage Corporation (6)
10.25	Purchase Agreement between General Nutrition Distribution, LP and Lifevantage Corporation, dated June 21, 2006 (3)
10.26	Employment Agreement, dated January 10, 2008, between Lifevantage Corporation and David W. Brown (11)#
10.27	Lifevantage compensation plan *
21.1	List of subsidiaries (4)
23.1	Consent of Ehrhardt Keefe Steiner & Hottman PC (12)

Exhibit Number	Title
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 *
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 *
32.1	Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (12)
32.2	Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (12)

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- (1) Filed as an exhibit to Yaak River Resources, Inc.'s Current Report on Form 8-K (File No. 000-30489), filed on September 28, 2004, and incorporated herein by reference.
- (2) Filed as an exhibit to LifeVantage Corporation's Current Report on Form 8-K (File No. 000-30489), filed on March 14, 2005, and incorporated herein by reference.
- (3) Filed as an exhibit to LifeVantage Corporation's Registration Statement on Form SB-2 (File No. 333-126288), filed on June 30, 2005, and incorporated herein by reference.
- (4) Filed as an exhibit to LifeVantage Corporation's Annual Report on Form 10-KSB (File No. 000-30489), filed on October 13, 2005, and incorporated herein by reference.
- (5) Filed as an exhibit to LifeVantage Corporation's Registration Statement on Form SB-2/A (File No. 333-126288), filed on February 6, 2006, and incorporated herein by reference.
- (6) Filed as an exhibit to LifeVantage Corporation's Registration Statement on Form SB-2 (File No. 333-148119), filed December 17, 2007, and incorporated herein by reference.
- (7) Filed as an exhibit to LifeVantage Corporation's Quarterly Report on Form 10-QSB (file No. 000-30489), filed on May 14, 2007, and incorporated herein by reference.
- (8) Filed with the LifeVantage Proxy on Form 14-A (File No. 000-30489) dated October 20, 2006, and incorporated herein by reference.
- (9) Filed as an exhibit to LifeVantage Corporation's Annual Report on Form 10-KSB (file No. 000-30489), filed on September 28, 2006, and incorporated herein by reference.
- (10) Filed as an exhibit to LifeVantage Corporation's Annual Report on Form 10-KSB (file No. 000-30489), filed on September 23, 2008, and incorporated herein by reference.
- (11) Filed as an exhibit to LifeVantage Corporation's Current Report on Form 8-K (File No. 000-30489), filed on January 16, 2008, and incorporated herein by reference.
- (12) Filed as an exhibit to LifeVantage Corporation's Annual Report on Form 10-K (File No. 000-30489), filed on September 28, 2009, and incorporated herein by reference.
- # Indicates a management contract or compensatory plan or arrangement required to be filed as an exhibit pursuant to Item 15(b) of this report.
- \* Filed herewith.

[March/April 2009 Closings]

**THIS WARRANT AND THE UNDERLYING SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"). THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT AS TO SUCH SECURITIES UNDER THE ACT OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED.**

**LIFEVANTAGE CORPORATION  
WARRANT TO PURCHASE COMMON STOCK**

No. CEW-[ ]

[ ], 2009

Void After [ ], 2012

**THIS CERTIFIES THAT**, for value received, [ ], with its principal office at [ ], or assigns (the "**Holder**" or "**Purchaser**"), is entitled to subscribe for and purchase at the Exercise Price (defined below) from Lifevantage Corporation, a Colorado corporation, with its principal office at 11545 W. Bernardo Court, Suite 301, San Diego, California 92127 (the "**Company**"), [ ] shares of Common Stock of the Company (the "**Common Stock**"), as provided herein.

This Warrant is one of the warrants ("**Warrant**" or collectively, the "**Warrants**") referred to in, and is executed and delivered in connection with, those certain Unit Subscription Agreements, dated on or about [ ], 2009 and executed by the Company and the Holder, among others (as the same may from time to time be amended, modified or supplemented or restated, the "**Subscription Agreements**"). Additional rights and obligations of the Holder and the Company are set forth in the Subscription Agreement. Capitalized terms not otherwise defined herein shall have the meanings set forth in the Subscription Agreement.

**1. DEFINITIONS.** As used herein, the following terms shall have the following respective meanings:

"**Equity Conditions**" means the following:

- a. The Company shall have exercised to Common Stock all Warrants from Holders thereof who have properly requested such exercise;
- b. The Common Stock is listed for trading on the American Stock Exchange, the New York Stock Exchange, the NASDAQ National Market, the NASDAQ Small Cap Market or the OTC Bulletin Board; and
- c. The Company shall have a sufficient number of authorized but unissued and otherwise unreserved Common Stock to satisfy all potential exercises of Warrants to Common Stock.

"**Exercise Period**" shall mean the time period commencing with the date of this Warrant and ending three years later.

"**Exercise Price**" shall mean \$0.50 per share, subject to adjustment pursuant to Section 5 below.

"**Exercise Shares**" shall mean the shares of the Company's Common Stock issuable upon exercise of this Warrant, subject to adjustment pursuant to the terms herein, including but not limited to adjustment pursuant to Section 5 below.

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**“Market Price”** shall mean (i) the last reported closing sale price for the Common Stock as officially reported by the OTC Bulletin Board, if the Common Stock is then traded on the OTC Bulletin Board; or (ii) the last reported closing sale price on the Nasdaq SmallCap or National Market or a national securities exchange, if the Common Stock is then traded on the Nasdaq SmallCap or National Market or a national securities exchange, in each case as officially reported by the Nasdaq SmallCap or National Market or such national securities exchange; or (iii) if the Common Stock is not then traded on the OTC Bulletin Board, the Nasdaq SmallCap Market, the Nasdaq National Market or a national securities exchange, but is then traded in the over-the-counter market, then the average of the last reported bid and asked prices of the Common Stock reported by the National Quotation Bureau, Inc. or similar bureau if the National Quotation Bureau, Inc. is no longer reporting such information.

**“Trading Day”** means a day on which the Common Stock is traded on a Trading Market.

**“Trading Market”** means the following markets or exchanges on which the Common Stock is listed or quoted for trading on the date in question: the Nasdaq SmallCap Market, the American Stock Exchange, the New York Stock Exchange or the Nasdaq National Market.

**“VWAP”** means, for any date, the price determined by the first of the following clauses that applies: (a) if the Common Stock is then listed or quoted on a Trading Market, the daily volume weighted average price of the Common Stock for such date (or the nearest preceding date) on the Trading Market on which the Common Stock is then listed or quoted as reported by Bloomberg Financial L.P. (based on a Trading Day from 9:30 a.m. Eastern Time to 4:02 p.m. Eastern Time); (b) if the Common Stock is not then listed or quoted on a Trading Market and if prices for the Common Stock are then quoted on the OTC Bulletin Board, the volume weighted average price of the Common Stock for such date (or the nearest preceding date) on the OTC Bulletin Board; (c) if the Common Stock is not then listed or quoted on the OTC Bulletin Board and if prices for the Common Stock are then reported in the “Pink Sheets” published by the Pink Sheets, LLC (or a similar organization or agency succeeding to its functions of reporting prices), the most recent bid price per share of the Common Stock so reported; or (d) in all other cases, the fair market value of a share of Common Stock as determined by an independent appraiser selected in good faith by the Purchasers and reasonably acceptable to the Company.

**2. EXERCISE OF WARRANT.** The rights represented by this Warrant may be exercised in whole or in part at any time during the Exercise Period, by delivery of the following to the Company at its address set forth above (or at such other address as it may designate by notice in writing to the Holder):

- (a) an executed notice of exercise in the form attached hereto (a “Notice of Exercise”);
- (b) payment of the Exercise Price in cash or by check; and
- (c) this Warrant.

Upon the exercise of the rights represented by this Warrant, a certificate or certificates for the Exercise Shares so purchased, registered in the name of the Holder or persons affiliated with the Holder, if the Holder so designates, shall be issued and delivered to the Holder within a reasonable time after the exercise rights represented by this Warrant shall have been so exercised. The person in whose name any certificate or certificates for Exercise Shares are to be issued upon exercise of this Warrant shall be deemed to have become the holder of record of such shares on the date on which this Warrant was surrendered and payment of the Exercise Price was made, irrespective of the date of delivery of such certificate or certificates.

**3. NET EXERCISE.** Notwithstanding any provisions herein to the contrary, if the fair market value of one share of the Company’s Common Stock is greater than the Exercise Price (at the date of calculation as set forth below), in lieu of exercising this Warrant by payment of cash, the Holder may

elect to receive shares equal to the value (as determined below) of this Warrant (or the portion thereof being canceled) by surrender of this Warrant at the principal office of the Company together with the properly endorsed Notice of Exercise in which event the Company shall issue to the Holder a number of shares of Common Stock computed using the following formula:

$$X = \frac{Y (A-B)}{A}$$

Where X = the number of shares of Common Stock to be issued to the Holder

Y = the number of shares of Common Stock purchasable under the Warrant or, if only a portion of the Warrant is being exercised, the portion of the Warrant being canceled (at the date of such calculation)

A = the VWAP on the Trading Day immediately preceding the date of such election

B = Exercise Price (as adjusted to the date of such calculation)

**4. COVENANTS OF THE COMPANY.** The Company covenants and agrees that all Exercise Shares that may be issued upon the exercise of the rights represented by this Warrant will, upon issuance, be validly issued and outstanding, fully paid and nonassessable, and free from all taxes, liens and charges with respect to the issuance thereof. The Company further covenants and agrees that the Company will at all times during the Exercise Period, have authorized and reserved, free from preemptive rights, a sufficient number of shares of its Common Stock to provide for the exercise of the rights represented by this Warrant. If at any time during the Exercise Period the number of authorized but unissued shares of Common Stock shall not be sufficient to permit exercise of this Warrant, the Company will take such corporate action as may, in the opinion of its counsel, be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purposes.

**5. REPRESENTATIONS, WARRANTIES AND COVENANTS OF HOLDER.**

**5.1. Acquisition of Warrant for Personal Account.** The Holder represents and warrants that it is acquiring the Warrant solely for its account for investment and not with a view to or for sale or distribution of said Warrant or any part thereof, other than potential transfers between affiliates (including affiliated funds). The Holder also represents that the entire legal and beneficial interests of the Warrant and Exercise Shares the Holder is acquiring is being acquired for, and will be held for, its account only.

**5.2. Securities Are Not Registered.**

**(a)** The Holder understands that the Warrant and the Exercise Shares have not been registered under the Securities Act of 1933, as amended (the “**Act**”) on the basis that no distribution or public offering of the stock of the Company is to be effected. The Holder realizes that the basis for the exemption may not be present if, notwithstanding its representations, the Holder has a present intention of acquiring the securities for a fixed or determinable period in the future, selling (in connection with a distribution or otherwise), granting any participation in, or otherwise distributing the securities. The Holder has no such present intention, other than potential transfers between affiliates (including affiliated funds).



(b) The Holder recognizes that the Warrant and the Exercise Shares must be held indefinitely unless they are subsequently registered under the Act or an exemption from such registration is available.

(c) The Holder is aware that neither the Warrant nor the Exercise Shares may be sold pursuant to Rule 144 adopted under the Act unless certain conditions are met, including, among other things, the existence of a public market for the shares, the availability of certain current public information about the Company, the resale following the required holding period under Rule 144 and the number of shares being sold during any three month period not exceeding specified limitations. Holder is aware that the conditions for resale set forth in Rule 144 have not been satisfied and that the Company presently has no plans to satisfy these conditions in the foreseeable future.

### 5.3. Disposition of Warrant and Exercise Shares.

(a) The Holder further agrees not to make any disposition of all or any part of the Warrant or Exercise Shares in any event unless and until:

(i) The Company shall have received a letter secured by the Holder from the Securities and Exchange Commission stating that no action will be recommended to the Commission with respect to the proposed disposition; or

(ii) There is then in effect a registration statement under the Act covering such proposed disposition and such disposition is made in accordance with said registration statement.

(iii) The Holder shall have notified the Company of the proposed disposition and shall have furnished the Company with a statement briefly describing the circumstances surrounding the proposed disposition, together with a written opinion of such holders counsel, if requested by the Company, to the effect that such offer, sale or other disposition may be effected without registration or qualification (under the Securities Act as then in effect or any federal or state law then in effect); provided, however, that such statement will not be required if the disposition is permitted under Rule 144 of the Securities Act.

(b) Notwithstanding the provisions of paragraph (a) above, the Holder may assign this Warrant and the Exercise Shares to (i) any partner of the Holder if Holder is a partnership, (ii) any member of the Holder if Holder is a limited liability company, (iii) any affiliate, including affiliated funds or (iv) any family member or trust for the benefit of the Holder if the Holder is an individual; provided that the Company is given written notice thereof.

(c) The Holder understands and agrees that all certificates evidencing the shares to be issued to the Holder may bear the following legend:

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"). THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT AS TO THE SECURITIES UNDER THE ACT OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED.

### 6. ADJUSTMENT OF EXERCISE PRICE; EFFECT OF ORGANIC CHANGES

**6.1. Adjustment of Exercise Price.** In the event of changes in the outstanding Common Stock of the Company by reason of stock dividends, splits, recapitalizations, reclassifications, combinations or exchanges of shares, separations, reorganizations, liquidations, or the like, the number and class of shares available under the Warrant in the aggregate and the Exercise Price shall be correspondingly adjusted to give the Holder of the Warrant, on exercise for the same aggregate Exercise

Price, the total number, class, and kind of shares as the Holder would have owned had the Warrant been exercised prior to the event and had the Holder continued to hold such shares until after the event requiring adjustment. This adjustment is intended to adjust for the pure anti-dilution effects of the shares issued. The form of this Warrant need not be changed because of any adjustment in the number of Exercise Shares subject to this Warrant.

**6.2. Acquisition.** Holder agrees that, in the event of an Acquisition, either (a) Holder shall exercise its purchase right under this Warrant prior to the consummation of such Acquisition and such exercise will be deemed effective immediately prior to the consummation of such Acquisition or (b) if Holder elects not to exercise the Warrant, this Warrant will expire upon the consummation of such Acquisition. The Company shall provide the Holder with written notice of an Acquisition, which is to be delivered to Holder not less than ten (10) days prior to the closing of the proposed Acquisition, and shall provide the Holder with such reasonable information as the Holder may request in connection with such contemplated Acquisition. For the purpose of this Warrant, "**Acquisition**" means any sale, license, or other disposition of all or substantially all of the assets of the Company, or any reorganization, consolidation, or merger of the Company where the holders of the Company's securities before the transaction beneficially own less than 50% of the outstanding voting securities of the surviving entity after the transaction.

**7. FRACTIONAL SHARES.** No fractional shares shall be issued upon the exercise of this Warrant as a consequence of any adjustment pursuant hereto. All Exercise Shares (including fractions) issuable upon exercise of this Warrant may be aggregated for purposes of determining whether the exercise would result in the issuance of any fractional share.

**8. REDEMPTION.** The Company may redeem this Warrant at its option at a redemption price of \$0.01 per Exercise Share, at any time during the term of this Warrant, provided that: (i) the Equity Conditions have been met, (ii) the Market Price shall have equaled or exceeded 200% of the Exercise Price for any 20 consecutive Trading Days ending not later than the third day prior to the date on which the Notice of Redemption, as defined below, is given (the "**Calculation Period**"); and (iii) the average trading volume shall have exceeded 100,000 shares of Common Stock per day during the Calculation Period. Notice of redemption (the "**Notice of Redemption**") shall be given in writing by the Company not later than the 15th day before the date fixed for redemption. On and after the date fixed for redemption, the Holder shall have no rights with respect to the Warrants except to receive the \$0.01 per Exercise Share upon surrender of this Warrant. After Notice of Redemption is received by the Holder, but prior to the date fixed for redemption, the Holder may still exercise this Warrant.

**9. NO STOCKHOLDER RIGHTS.** This Warrant in and of itself shall not entitle the Holder to any voting rights or other rights as a stockholder of the Company.

**10. TRANSFER OF WARRANT.** Subject to applicable laws, this Warrant and all rights hereunder are transferable, by the Holder in person or by duly authorized attorney, upon delivery of this Warrant and the form of assignment attached hereto to any transferee designated by Holder.

**11. LOST, STOLEN, MUTILATED OR DESTROYED WARRANT.** If this Warrant is lost, stolen, mutilated or destroyed, the Company may, on such terms as to indemnity or otherwise as it may reasonably impose (which shall, in the case of a mutilated Warrant, include the surrender thereof), issue a new Warrant of like denomination and tenor as the Warrant so lost, stolen, mutilated or destroyed. Any such new Warrant shall constitute an original contractual obligation of the Company, whether or not the allegedly lost, stolen, mutilated or destroyed Warrant shall be at any time enforceable by anyone.

**12. NOTICES, ETC.** All notices required or permitted hereunder shall be in writing and shall be deemed effectively given: (a) upon personal delivery to the party to be notified, (b) when sent by confirmed telex, facsimile or electronic mail if sent during normal business hours of the recipient, if not,

then on the next business day, (c) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one (1) day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications shall be sent to the Company at the address listed on the signature page and to Holder at the address listed on the first page of this Warrant or at such other address as the Company or Holder may designate by ten (10) days advance written notice to the other parties hereto.

**13. ACCEPTANCE.** Receipt of this Warrant by the Holder shall constitute acceptance of and agreement to all of the terms and conditions contained herein.

**14. AMENDMENT AND WAIVER.** This Warrant may be amended, together with all similar Warrants purchased pursuant to the Subscription Agreements, as provided in Section M.3 of the Subscription Agreements.

**15. GOVERNING LAW.** This Warrant and all rights, obligations and liabilities hereunder shall be governed by the laws of the State of Colorado.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the Company has caused this Warrant to be executed by its duly authorized officer as of [ ], 2009.

**LIFEVANTAGE CORPORATION**

By: \_\_\_\_\_

Name: Brad Amman

Title: CFO

**NOTICE OF EXERCISE**

**TO:** LIFEVANTAGE CORPORATION

(1) o The undersigned hereby elects to purchase \_\_\_\_\_ shares of the Common Stock of LifeVantage Corporation (the “**Company**”) pursuant to the terms of the attached Warrant, and tenders herewith payment of the exercise price in full, together with all applicable transfer taxes, if any.

o (2) Please issue a certificate or certificates representing said shares of Common Stock in the name of the undersigned or in such other name as is specified below:

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
\_\_\_\_\_  
(Address)

(3) The undersigned represents that (i) the aforesaid shares of Common Stock are being acquired for the account of the undersigned for investment and not with a view to, or for resale in connection with, the distribution thereof and that the undersigned has no present intention of distributing or reselling such shares; (ii) the undersigned is aware of the Company’s business affairs and financial condition and has acquired sufficient information about the Company to reach an informed and knowledgeable decision regarding its investment in the Company; (iii) the undersigned is experienced in making investments of this type and has such knowledge and background in financial and business matters that the undersigned is capable of evaluating the merits and risks of this investment and protecting the undersigned’s own interests; (iv) the undersigned understands that the shares of Common Stock issuable upon exercise of this Warrant have not been registered under the Securities Act of 1933, as amended (the “**Securities Act**”), by reason of a specific exemption from the registration provisions of the Securities Act, which exemption depends upon, among other things, the bona fide nature of the investment intent as expressed herein, and, because such securities have not been registered under the Securities Act, they must be held indefinitely unless subsequently registered under the Securities Act or an exemption from such registration is available; (v) the undersigned is aware that the aforesaid shares of Common Stock may not be sold pursuant to Rule 144 adopted under the Securities Act unless certain conditions are met and until the undersigned has held the shares for the number of years prescribed by Rule 144, that among the conditions for use of the Rule is the availability of current information to the public about the Company and the Company has not made such information available and has no present plans to do so; and (vi) the undersigned agrees not to make any disposition of all or any part of the aforesaid shares of Common Stock unless and until there is then in effect a registration statement under the Securities Act covering such proposed disposition and such disposition is made in accordance with said registration statement, or the undersigned has provided the Company with an opinion of counsel satisfactory to the Company, stating that such registration is not required.

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print name)

**ASSIGNMENT FORM**

(To assign the foregoing Warrant,  
execute this form and supply required information.  
Do not use this form to purchase shares.)

**FOR VALUE RECEIVED**, the foregoing Warrant and all rights evidenced thereby are hereby assigned to

Name: \_\_\_\_\_  
(Please Print)

Address: \_\_\_\_\_  
(Please Print)

Dated: \_\_\_\_\_

Holder's  
Signature: \_\_\_\_\_

Holder's  
Address: \_\_\_\_\_

**NOTE:** The signature to this Assignment Form must correspond with the name as it appears on the face of the Warrant, without alteration or enlargement or any change whatever. Officers of corporations and those acting in a fiduciary or other representative capacity should file proper evidence of authority to assign the foregoing Warrant.

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[June 30, 2009 Closing]

THIS WARRANT AND THE UNDERLYING SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"). THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT AS TO SUCH SECURITIES UNDER THE ACT OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED.

LIFEVANTAGE CORPORATION  
FORM OF WARRANT TO PURCHASE COMMON STOCK

No. CW-[\_\_]

\_\_\_\_\_, 2009

Void After \_\_\_\_\_, 2012

THIS CERTIFIES THAT, for value received, \_\_\_\_\_, with its principal office at \_\_\_\_\_, or assigns (the "Holder" or "Purchaser"), is entitled to subscribe for and purchase at the Exercise Price (defined below) from Lifevantage Corporation, a Colorado corporation, with its principal office at 11545 W. Bernardo Court, Suite 301, San Diego, California 92127 (the "Company"), [\_\_\_\_\_] shares of Common Stock of the Company (the "Common Stock"), as provided herein.

This Warrant is one of a series of similar warrants dated on or about \_\_\_\_\_, 2009 (collectively, the "Warrants") referred to in, and is executed and delivered in connection with, those certain Subscription Agreements, dated on or about \_\_\_\_\_, 2009 and executed by the Company and the Holder, among others (as the same may from time to time be amended, modified or supplemented or restated, the "Subscription Agreements"). Additional rights and obligations of the Holder and the Company are set forth in the Subscription Agreement.

1. DEFINITIONS. As used herein, the following terms shall have the following respective meanings:

"Equity Conditions" means the following:

- a. The Company shall have exercised to Common Stock all Warrants from Holders thereof who have properly requested such exercise;
- b. The Common Stock is listed for trading on the American Stock Exchange, the New York Stock Exchange, the NASDAQ National Market, the NASDAQ Small Cap Market or the OTC Bulletin Board; and
- c. The Company shall have a sufficient number of authorized but unissued and otherwise unreserved Common Stock to satisfy all potential exercises of Warrants to Common Stock.

"Exercise Period" shall mean the time period commencing with the date of this Warrant and ending three years later.

"Exercise Price" shall mean \$0.50 per share, subject to adjustment pursuant to Section 5 below.

"Exercise Shares" shall mean the shares of the Company's Common Stock issuable upon exercise of this Warrant, subject to adjustment pursuant to the terms herein, including but not limited to adjustment pursuant to Section 5 below.

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“**Market Price**” shall mean (i) the last reported closing sale price for the Common Stock as officially reported by the OTC Bulletin Board, if the Common Stock is then traded on the OTC Bulletin Board; or (ii) the last reported closing sale price on the Nasdaq SmallCap or National Market or a national securities exchange, if the Common Stock is then traded on the Nasdaq SmallCap or National Market or a national securities exchange, in each case as officially reported by the Nasdaq SmallCap or National Market or such national securities exchange; or (iii) if the Common Stock is not then traded on the OTC Bulletin Board, the Nasdaq SmallCap Market, the Nasdaq National Market or a national securities exchange, but is then traded in the over-the-counter market, then the average of the last reported bid and asked prices of the Common Stock reported by the National Quotation Bureau, Inc. or similar bureau if the National Quotation Bureau, Inc. is no longer reporting such information.

“**Trading Day**” means a day on which the Common Stock is traded on a Trading Market.

“**Trading Market**” means the following markets or exchanges on which the Common Stock is listed or quoted for trading on the date in question: the Nasdaq SmallCap Market, the American Stock Exchange, the New York Stock Exchange or the Nasdaq National Market.

**2. EXERCISE OF WARRANT.** The rights represented by this Warrant may be exercised in whole or in part at any time during the Exercise Period, by delivery of the following to the Company at its address set forth above (or at such other address as it may designate by notice in writing to the Holder):

- (a) an executed notice of exercise in the form attached hereto (a “Notice of Exercise”);
- (b) payment of the Exercise Price in cash or by check; and
- (c) this Warrant.

Upon the exercise of the rights represented by this Warrant, a certificate or certificates for the Exercise Shares so purchased, registered in the name of the Holder or persons affiliated with the Holder, if the Holder so designates, shall be issued and delivered to the Holder within a reasonable time after the exercise rights represented by this Warrant shall have been so exercised. The person in whose name any certificate or certificates for Exercise Shares are to be issued upon exercise of this Warrant shall be deemed to have become the holder of record of such shares on the date on which this Warrant was surrendered and payment of the Exercise Price was made, irrespective of the date of delivery of such certificate or certificates.

**3. NET EXERCISE.** Notwithstanding any provisions herein to the contrary, if the fair market value of one share of the Company’s Common Stock is greater than the Exercise Price (at the date of calculation as set forth below), in lieu of exercising this Warrant by payment of cash, the Holder may elect to receive shares equal to the value (as determined below) of this Warrant (or the portion thereof being canceled) by surrender of this Warrant at the principal office of the Company together with the properly endorsed Notice of Exercise in which event the Company shall issue to the Holder a number of shares of Common Stock computed using the following formula:

$$X = \frac{Y(A-B)}{A}$$

Where X = the number of shares of Common Stock to be issued to the Holder



Y = the number of shares of Common Stock purchasable under the Warrant or, if only a portion of the Warrant is being exercised, the portion of the Warrant being canceled (at the date of such calculation)

A = the Market Price on the Trading Day immediately preceding the date of such election

B = Exercise Price (as adjusted to the date of such calculation)

**4. COVENANTS OF THE COMPANY.** The Company covenants and agrees that all Exercise Shares that may be issued upon the exercise of the rights represented by this Warrant will, upon issuance, be validly issued and outstanding, fully paid and nonassessable, and free from all taxes, liens and charges with respect to the issuance thereof. The Company further covenants and agrees that the Company will at all times during the Exercise Period, have authorized and reserved, free from preemptive rights, a sufficient number of shares of its Common Stock to provide for the exercise of the rights represented by this Warrant. If at any time during the Exercise Period the number of authorized but unissued shares of Common Stock shall not be sufficient to permit exercise of this Warrant, the Company will take such corporate action as may, in the opinion of its counsel, be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purposes.

**5. REPRESENTATIONS, WARRANTIES AND COVENANTS OF HOLDER.**

**5.1. Acquisition of Warrant for Personal Account.** The Holder represents and warrants that it is acquiring the Warrant solely for its account for investment and not with a view to or for sale or distribution of said Warrant or any part thereof, other than potential transfers between affiliates (including affiliated funds). The Holder also represents that the entire legal and beneficial interests of the Warrant and Exercise Shares the Holder is acquiring is being acquired for, and will be held for, its account only.

**5.2. Securities Are Not Registered.**

**(a)** The Holder understands that the Warrant and the Exercise Shares have not been registered under the Securities Act of 1933, as amended (the “Act”) on the basis that no distribution or public offering of the stock of the Company is to be effected. The Holder realizes that the basis for the exemption may not be present if, notwithstanding its representations, the Holder has a present intention of acquiring the securities for a fixed or determinable period in the future, selling (in connection with a distribution or otherwise), granting any participation in, or otherwise distributing the securities. The Holder has no such present intention, other than potential transfers between affiliates (including affiliated funds).

**(b)** The Holder recognizes that the Warrant and the Exercise Shares must be held indefinitely unless they are subsequently registered under the Act or an exemption from such registration is available.

**(c)** The Holder is aware that neither the Warrant nor the Exercise Shares may be sold pursuant to Rule 144 adopted under the Act unless certain conditions are met, including, among other things, the existence of a public market for the shares, the availability of certain current public information about the Company, the resale following the required holding period under Rule 144 and the number of shares being sold during any three month period not exceeding specified limitations. Holder is aware that the conditions for resale set forth in Rule 144 have not been satisfied and that the Company presently has no plans to satisfy these conditions in the foreseeable future.

### 5.3. Disposition of Warrant and Exercise Shares.

(a) The Holder further agrees not to make any disposition of all or any part of the Warrant or Exercise Shares in any event unless and until:

(i) The Company shall have received a letter secured by the Holder from the Securities and Exchange Commission stating that no action will be recommended to the Commission with respect to the proposed disposition; or

(ii) There is then in effect a registration statement under the Act covering such proposed disposition and such disposition is made in accordance with said registration statement.

(iii) The Holder shall have notified the Company of the proposed disposition and shall have furnished the Company with a statement briefly describing the circumstances surrounding the proposed disposition, together with a written opinion of such holders counsel, if requested by the Company, to the effect that such offer, sale or other disposition may be effected without registration or qualification (under the Securities Act as then in effect or any federal or state law then in effect); provided, however, that such statement will not be required if the disposition is permitted under Rule 144 of the Securities Act.

(b) Notwithstanding the provisions of paragraph (a) above, the Holder may assign this Warrant and the Exercise Shares to (i) any partner of the Holder if Holder is a partnership, (ii) any member of the Holder if Holder is a limited liability company, (iii) any affiliate, including affiliated funds or (iv) any family member or trust for the benefit of the Holder if the Holder is an individual; provided that the Company is given written notice thereof.

(c) The Holder understands and agrees that all certificates evidencing the shares to be issued to the Holder may bear the following legend:

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"). THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT AS TO THE SECURITIES UNDER THE ACT OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED.

### 6. ADJUSTMENT OF EXERCISE PRICE; EFFECT OF ORGANIC CHANGES

**6.1. Adjustment of Exercise Price.** In the event of changes in the outstanding Common Stock of the Company by reason of stock dividends, splits, recapitalizations, reclassifications, combinations or exchanges of shares, separations, reorganizations, liquidations, or the like, the number and class of shares available under the Warrant in the aggregate and the Exercise Price shall be correspondingly adjusted to give the Holder of the Warrant, on exercise for the same aggregate Exercise Price, the total number, class, and kind of shares as the Holder would have owned had the Warrant been exercised prior to the event and had the Holder continued to hold such shares until after the event requiring adjustment. This adjustment is intended to adjust for the pure anti-dilution effects of the shares issued. The form of this Warrant need not be changed because of any adjustment in the number of Exercise Shares subject to this Warrant.

**6.2. Acquisition.** Holder agrees that, in the event of an Acquisition, either (a) Holder shall exercise its purchase right under this Warrant prior to the consummation of such Acquisition and such exercise will be deemed effective immediately prior to the consummation of such Acquisition or (b) if Holder elects not to exercise the Warrant, this Warrant will expire upon the consummation of such Acquisition. The Company shall provide the Holder with written notice of an Acquisition, which is to be delivered to Holder not less than ten (10) days prior to the closing of the proposed Acquisition, and shall provide the Holder with such reasonable information as the Holder may request in connection with such contemplated Acquisition. For the purpose of this Warrant, "**Acquisition**" means any sale, license, or

other disposition of all or substantially all of the assets of the Company, or any reorganization, consolidation, or merger of the Company where the holders of the Company's securities before the transaction beneficially own less than 50% of the outstanding voting securities of the surviving entity after the transaction.

**7. FRACTIONAL SHARES.** No fractional shares shall be issued upon the exercise of this Warrant as a consequence of any adjustment pursuant hereto. All Exercise Shares (including fractions) issuable upon exercise of this Warrant may be aggregated for purposes of determining whether the exercise would result in the issuance of any fractional share.

**8. REDEMPTION.** The Company may redeem this Warrant at its option at a redemption price of \$0.01 per Exercise Share, at any time during the term of this Warrant, provided that: (i) the Equity Conditions have been met, (ii) the Market Price shall have equaled or exceeded 200% of the Exercise Price for any 20 consecutive Trading Days ending not later than the third day prior to the date on which the Notice of Redemption, as defined below, is given (the "**Calculation Period**"); and (iii) the average trading volume shall have exceeded 100,000 shares of Common Stock per day during the Calculation Period. Notice of redemption (the "**Notice of Redemption**") shall be given in writing by the Company not later than the 15th day before the date fixed for redemption. On and after the date fixed for redemption, the Holder shall have no rights with respect to the Warrants except to receive the \$0.01 per Exercise Share upon surrender of this Warrant. After Notice of Redemption is received by the Holder, but prior to the date fixed for redemption, the Holder may still exercise this Warrant.

**9. NO STOCKHOLDER RIGHTS.** This Warrant in and of itself shall not entitle the Holder to any voting rights or other rights as a stockholder of the Company.

**10. TRANSFER OF WARRANT.** Subject to applicable laws, this Warrant and all rights hereunder are transferable, by the Holder in person or by duly authorized attorney, upon delivery of this Warrant and the form of assignment attached hereto to any transferee designated by Holder.

**11. LOST, STOLEN, MUTILATED OR DESTROYED WARRANT.** If this Warrant is lost, stolen, mutilated or destroyed, the Company may, on such terms as to indemnity or otherwise as it may reasonably impose (which shall, in the case of a mutilated Warrant, include the surrender thereof), issue a new Warrant of like denomination and tenor as the Warrant so lost, stolen, mutilated or destroyed. Any such new Warrant shall constitute an original contractual obligation of the Company, whether or not the allegedly lost, stolen, mutilated or destroyed Warrant shall be at any time enforceable by anyone.

**12. NOTICES, ETC.** All notices required or permitted hereunder shall be in writing and shall be deemed effectively given: (a) upon personal delivery to the party to be notified, (b) when sent by confirmed telex, facsimile or electronic mail if sent during normal business hours of the recipient, if not, then on the next business day, (c) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one (1) day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications shall be sent to the Company at the address listed on the signature page and to Holder at the address listed on the first page of this Warrant or at such other address as the Company or Holder may designate by ten (10) days advance written notice to the other parties hereto.

**13. ACCEPTANCE.** Receipt of this Warrant by the Holder shall constitute acceptance of and agreement to all of the terms and conditions contained herein.

**14. AMENDMENT AND WAIVER.** Any term of this Warrant may be amended or waived with the written consent of the Company and holders of Warrants representing at least a majority of the shares of Common Stock for which the Warrants are exercisable; provided, however, that any amendment or

waiver that treats the Holder of a Warrant in a materially unequal fashion as compared to all Holders of the Warrant will require the consent of the Holder receiving such unequal treatment.

**15. GOVERNING LAW.** This Warrant shall be governed by and construed under the laws of the State of Colorado as applied to agreements among Colorado residents, made and to be performed entirely within the State of Colorado.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the Company has caused this Warrant to be executed by its duly authorized officer as of \_\_\_\_\_, 2009.

LIFEVANTAGE CORPORATION

By: \_\_\_\_\_

Name: Brad Amman

Title: Chief Financial Officer

**NOTICE OF EXERCISE**

**TO:** LIFEVANTAGE CORPORATION

(1) o The undersigned hereby elects to purchase \_\_\_\_\_ shares of the Common Stock of LifeVantage Corporation (the “**Company**”) pursuant to the terms of the attached Warrant, and tenders herewith payment of the exercise price in full, together with all applicable transfer taxes, if any.

o (2) Please issue a certificate or certificates representing said shares of Common Stock in the name of the undersigned or in such other name as is specified below:

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
\_\_\_\_\_  
(Address)

(3) The undersigned represents that (i) the aforesaid shares of Common Stock are being acquired for the account of the undersigned for investment and not with a view to, or for resale in connection with, the distribution thereof and that the undersigned has no present intention of distributing or reselling such shares; (ii) the undersigned is aware of the Company’s business affairs and financial condition and has acquired sufficient information about the Company to reach an informed and knowledgeable decision regarding its investment in the Company; (iii) the undersigned is experienced in making investments of this type and has such knowledge and background in financial and business matters that the undersigned is capable of evaluating the merits and risks of this investment and protecting the undersigned’s own interests; (iv) the undersigned understands that the shares of Common Stock issuable upon exercise of this Warrant have not been registered under the Securities Act of 1933, as amended (the “**Securities Act**”), by reason of a specific exemption from the registration provisions of the Securities Act, which exemption depends upon, among other things, the bona fide nature of the investment intent as expressed herein, and, because such securities have not been registered under the Securities Act, they must be held indefinitely unless subsequently registered under the Securities Act or an exemption from such registration is available; (v) the undersigned is aware that the aforesaid shares of Common Stock may not be sold pursuant to Rule 144 adopted under the Securities Act unless certain conditions are met and until the undersigned has held the shares for the number of years prescribed by Rule 144, that among the conditions for use of the Rule is the availability of current information to the public about the Company and the Company has not made such information available and has no present plans to do so; and (vi) the undersigned agrees not to make any disposition of all or any part of the aforesaid shares of Common Stock unless and until there is then in effect a registration statement under the Securities Act covering such proposed disposition and such disposition is made in accordance with said registration statement, or the undersigned has provided the Company with an opinion of counsel satisfactory to the Company, stating that such registration is not required.

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print name)

**ASSIGNMENT FORM**

(To assign the foregoing Warrant, execute this form and supply required information. Do not use this form to purchase shares.)

**FOR VALUE RECEIVED**, the foregoing Warrant and all rights evidenced thereby are hereby assigned to

Name: \_\_\_\_\_  
(Please Print)

Address: \_\_\_\_\_  
(Please Print)

Dated: \_\_\_\_\_

Holder's Signature: \_\_\_\_\_

Holder's Address: \_\_\_\_\_

**NOTE:** The signature to this Assignment Form must correspond with the name as it appears on the face of the Warrant, without alteration or enlargement or any change whatever. Officers of corporations and those acting in a fiduciary or other representative capacity should file proper evidence of authority to assign the foregoing Warrant.

[March/April Closings]

## UNIT SUBSCRIPTION AGREEMENT

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Lifevantage Corporation

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To: Lifevantage Corporation  
Attn: Brad Amman  
1449 W. Littleton Blvd.  
Suite 200  
Littleton, Colorado 80120

**via facsimile transmission: (303) 797-9688**

This Subscription Agreement (the "Agreement") is made between Lifevantage Corporation (the "Company"), and the undersigned prospective purchaser (the "Purchaser") who is subscribing hereby for \_\_\_ Units. Each Unit consists of (1) 50,000 shares of Common Stock at a price per share of \$0.20 per share, and (2) a warrant to purchase 50,000 shares of Common Stock of the Company at \$0.50 per share, substantially in the form attached hereto as **Exhibit C** (the "Warrant" or collectively "Warrants"). The purchase price is \$10,000 per Unit (the "Purchase Price"). The Company is offering up to \$2,000,000 of the Units with an option to offer an additional \$500,000 of the Units in the Company's discretion (the "Offering"). Closings and Settlements of one or more subscriptions may occur from time to time at the discretion of the Company at any time prior to March 6, 2009 ("Closing Date"). The Company may extend the offering period beyond the Closing Date at the discretion of the Company. This subscription is submitted to you in accordance with, and subject to, the terms and conditions described in this Agreement.

In consideration of the Company's agreement to sell the Units to the Purchaser upon the terms and conditions contained herein, the Purchaser agrees and represents as follows:

**A. Terms of Subscription.**

1. Subject to the terms herein, the Purchaser hereby irrevocably subscribes for and agrees to purchase the number of Units set forth on **Exhibit B** hereto at a Purchase Price of \$10,000 per Unit (the "Subscription"). The Purchaser agrees to make payment in the manner set forth on **Exhibit A** hereto or otherwise designated by the Company in the full amount of the Purchase Price of the Units for which the Purchaser is subscribing and take delivery of the Units.

2. Upon settlement of the Subscription, including receipt by the Company of the Purchase Price ("Settlement"), the portion of the Subscription accepted by the Company will be issued in the name of the Purchaser, and the name of the Purchaser will be entered on the record books of the Company as the record owner of such Units. The Company, its agents or assigns will deliver to the Purchaser a stock certificate and Warrant representing the Units purchased.

3. The Purchaser hereby agrees to be bound thereby upon the (i) execution and delivery to the Company of this Agreement and (ii) acceptance by the Company of the Purchaser Subscription.

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4. The Purchaser agrees that the Company may, directly or through an agent, in its sole and absolute discretion and for any reason whatsoever, reduce the Purchaser's Subscription to any number of Units, including zero, that in the aggregate does not exceed the number of Units hereby applied for without any prior notice to or further consent by the Purchaser, and in order to facilitate the collection of Subscriptions, the Company may also, directly or through an agent, amend the Settlement dates, not to exceed the date set forth in Section A(5) below.

5. Settlement shall occur once the Subscription has been accepted by the Company and the conditions thereto set forth in this Agreement have occurred. The Company retains the right to reject the Subscription in whole or in part or to terminate this Agreement at any time and for any reason prior to Settlement.

**B. Purchaser's Representations.** In connection with the Purchaser's purchase of the Units, the Purchaser makes the following representations and warranties on which the Company and the Company's legal counsel are entitled to rely:

1. The Subscription and subsequent private placement is being conducted pursuant to one or more exemptions from the securities registration requirements provided by the rules promulgated under Section 4(2) of the Securities Act of 1933, as amended (the "Securities Act"). To qualify for the Subscription and subsequent private placement the Purchaser must be an *Accredited Investor*. The Purchaser hereby represents that the Purchaser is an *Accredited Investor* as such term is defined in Regulation D under the Securities Act, for the following reason(s) **(Please initial one or more)**:

**(i)** If an individual, the Purchaser has a net worth, either individually or upon a joint basis with the Purchaser's spouse, of at least \$1,000,000 (within the meaning of such terms as used in the definition of "accredited investor" contained in Rule 501 under the Securities Act).

**(ii)** If an individual, the Purchaser has had an individual income in excess of \$200,000 for each of the two most recent years, or a joint income with the Purchaser's spouse in excess of \$300,000 in each of those years, and has a reasonable expectation of reaching the same income level in the current year.

**(iii)** The Purchaser is an *irrevocable* trust with total assets in excess of \$5,000,000 whose purchase is directed by a person with such knowledge and experience in financial and business matters that such person is capable of evaluating the merits and risks of the prospective investment.

**(iv)** The Purchaser is a corporation, business trust or limited liability company, not formed for the purpose of acquiring an Interest, or an organization described in section 501(c)(3) of the Internal Revenue Code of 1986, as amended, in each case with total assets in excess of \$5,000,000.

**(v)** The Purchaser is a director or executive officer of the Company.

**(vi)** The Purchaser cannot make any of the representations set forth in clauses (i) through (v) above.

2. The Purchaser has such knowledge and experience in financial and business matters to evaluate the merits and risks of an investment in the Units and to make an informed decision relating thereto. The Purchaser has the financial capability to make and protect itself from the investment and can afford a complete loss of the investment. The investment is a suitable one for the Purchaser.

3. The Purchaser acknowledges that it is not purchasing the Units as a result of any General Solicitation or General Advertising (as such terms are used and defined in Rule 502(c) of Regulation D under the Securities Act) and the Purchaser is acquiring the Units for the Purchaser's own account, for the purpose of investment and not with a view to, or for resale in connection with, the distribution thereof, nor with an intention of distributing or selling the Units and further still, the Purchaser understands that the Units have not been registered under the Securities Act or the securities laws of any state.

4. The Purchaser represents and warrants that if required by applicable securities legislation, regulatory policy or order by any securities commission, stock exchange or other regulatory authority, it will execute, deliver, file and otherwise assist the Company in filing reports, questionnaires, undertakings, and other documents with respect to the issuance of the Units.

5. The Purchaser understands that the Company has not made any assurances that any market will ever exist for the Units and that, even if any market exists in the future, the Purchaser may not readily be able to sell the Units on said market.

6. The Purchaser represents and warrants that it is entitled to subscribe for the Units under the laws of all relevant jurisdictions which apply to it, and that it has not taken any action or omitted to take any action which will or may result in the Company or any of its respective directors, officers, agents, employees or advisers acting in breach of the legal and regulatory requirements of any jurisdiction in connection with the placement or your acceptance of the Units.

7. The Purchaser represents and warrants that it is resident in the state or country (if outside the United States) set forth below and is receiving the Units in that state or country (outside the United States).

8. The Purchaser represents that the amounts to be invested by it in the Units were not and are not directly or indirectly derived from activities that contravene federal, state or international laws and regulations, including anti-money laundering laws and regulations. Federal regulations and Executive Orders administered by Office of Foreign Assets Control ("OFAC") prohibit, among other things, the engagement in transactions with, and the provision of services to, certain foreign countries, territories, entities and individuals. The lists of OFAC prohibited countries, territories, persons and entities can be found on the OFAC website at <http://www.treas.gov/ofac>. The Purchaser agrees to promptly notify the Company should the Purchaser become aware of any change in the information set forth in these representations. The Purchaser understands and acknowledges that, by law, the Company may be obligated to "freeze the account" of the Purchaser, either by prohibiting additional subscriptions from the Purchaser, declining any redemption requests and/or segregating the assets in the account in compliance with governmental regulations, and the Company may also be required to report such action and to disclose the Purchaser's identity to OFAC.

9. The Purchaser acknowledges that the representations and warranties contained in this Agreement are made by it, and each person for which the Purchaser is acting, with the intent that they may be relied upon by the Company and its agents in determining its eligibility to purchase the Units.

10. The Purchaser represents and warrants that it is authorized by each person for which it is acting, if any, (i) to acquire the Units under the terms and conditions described herein and (ii) to execute and deliver this letter on behalf of each such person.

11. The Purchaser is aware that this investment may not be readily liquidated in case of a financial emergency and that the Units being purchased may have to be held for an indefinite period of time. The Purchaser's overall commitment to investments which are not readily marketable is not excessive in view of its net worth and financial circumstances and the purchase of the Units will not cause such commitment to become excessive. In view of such facts, the Purchaser has adequate means of providing for any current needs, anticipated future needs and possible contingencies and emergencies and has no need for liquidity in the investment in the Units. The Purchaser is able to bear the economic risk of this investment, including a complete loss of its investment or the possibility that there may never be any liquidity in this investment. 12. The Purchaser has had the opportunity to ask questions of, and receive answers from, representatives of the Company concerning the terms and conditions of this transaction, and the finances, operations, business and prospects of the Company. The Purchaser has also had the opportunity to ask questions and obtain additional information necessary to verify the accuracy of information furnished about the Company. Accordingly, the Purchaser has independently evaluated the

risks of purchasing the Units, and the Purchaser has received information with respect to all matters which the Purchaser considers material to the Purchaser's decision to make this investment.

12. The Purchaser hereby represents that the Purchaser has been furnished by the Company during the course of this transaction with all information regarding the Company which the Purchaser has reasonably requested or desired to know and has received any such information which the Purchaser has requested. In making the decision to invest in the Units, the Purchaser has relied solely upon the information contained in the Company's periodic reports filed with the Securities and Exchange Commission (the "SEC"). To the extent necessary, the Purchaser has retained, at its own expense, and relied upon the advice of appropriate professionals regarding the investment, tax and legal merits and consequences of this Agreement and its purchase of the Units hereunder. 14. The Purchaser has carefully considered the potential risks relating to the Company and a purchase of the Units, including but not limited to, those risks identified in the Company's annual report on Form 10-KSB for the year ended June 30, 2008 (the "Annual Report"), and has received all of the information the Purchaser deems necessary to assess the risks inherent in an investment in the Company's Units. The Purchaser is aware that no public market exists for the Units and that the Units may not be sold without compliance with applicable federal and state securities laws. The Purchaser understands that the Company has made no assurances that a public market will ever exist for the Units and that, even if a public market exists in the future, the Purchaser may not readily be able to sell the Units. The Purchaser has considered each of these risks regarding an investment in the Company and the Units, and has carefully reviewed the description of certain risk factors described in the Annual Report. The Purchaser understands that the risks described in the Annual Report are not a complete list of risks involved in an investment in the Company. This is a speculative investment. Many of the factors which may affect the Company are subject to change or are not within the control of the Company, and the extent to which such factors could adversely affect the value of the Units is not currently ascertainable.

13. The Purchaser represents and warrants that the foregoing representations and warranties are true at the time of Settlement with the same force and effect as if they had been made by it at the time of Settlement and that they shall survive the purchase of the Units and shall continue in full force and effect notwithstanding any subsequent disposition of the Units.

**C. Forward Looking Statements.** This Agreement and the information in the Company's periodic reports filed with the SEC contain forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. For this purpose, any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements. Without limiting the generality of the foregoing, words such as "may," "anticipate," "estimate," "expects," "projects," "intends," "plans," "believes" and words and terms of similar substance used in connection with any discussion of future operating or financial performance, identify forward-looking statements. The Purchaser acknowledges that all forward-looking statements are the Company's present expectations of future events and are subject to a number of risks and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. The Purchaser further acknowledges that by making these forward-looking statements, the Company is not intending to become obligated to update or revise any forward-looking statements whether as a result of new information, future events or other changes and that the Purchaser has not placed undue reliance on any forward-looking statements, which speak only as of the date of the report or document containing the statements.

**D. Restrictions on Transfer.**

i. The Purchaser agrees not to make any disposition of all or any portion of the Common Stock or Warrant comprising the Units or the shares of the Common Stock underlying the Warrant (collectively, the "Securities") unless and until:

(a) there is then in effect a registration statement under the Securities Act of 1933, as amended, or other applicable law covering such proposed disposition and such disposition is made in accordance with such registration statement; or

(b) (A) The transferee has agreed in writing to be bound by the terms of this Agreement, (B) the Purchaser shall have notified the Company of the proposed disposition, shall have furnished the Company with a detailed statement of the circumstances surrounding the proposed disposition, and (C) if reasonably requested by the Company, the Purchaser shall have furnished the Company with an opinion of counsel, reasonably satisfactory to the Company, that such disposition will not require registration of such shares under the Securities Act.

ii. Notwithstanding the provisions of subsection (a) above, no such restriction shall apply to a transfer by the Purchaser that is (A) a partnership transferring to its partners or former partners in accordance with partnership interests, (B) a corporation transferring to a wholly-owned subsidiary or a parent corporation that owns all of the capital stock of the Purchaser, (C) a limited liability company transferring to its members or former members in accordance with their interest in the limited liability company, or (D) an individual transferring to such individual's family member or trust for the benefit of such individual; provided that in each case the transferee will agree in writing to be subject to the terms of this Agreement to the same extent as if he were the Purchaser hereunder.

(iii) The Purchaser understands that until the Securities have been registered under the Securities Act and applicable state securities laws the following legend is applicable and each certificate representing such Securities shall bear a legend substantially similar to the following:

THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR ANY STATE SECURITIES LAWS, HAVE BEEN ACQUIRED FOR INVESTMENT, AND DATE NOT BE SOLD, PLEDGED, HYPOTHECATED OR OTHERWISE TRANSFERRED UNLESS A REGISTRATION STATEMENT UNDER THE ACT AND APPLICABLE STATE LAW IS IN EFFECT WITH REGARD THERETO OR UNLESS THE COMPANY HAS RECEIVED AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY AND ITS COUNSEL THAT SUCH REGISTRATION IS NOT REQUIRED.

**E. No Regulatory Approval of Merits.** The Purchaser understands that neither the SEC nor the commissioner or any department of securities or attorney general of any state has passed upon the merits or qualifications of, nor recommended nor approved, the Securities. Any representation to the contrary is a criminal offense.

**F. Independent Advice.** The Purchaser understands that the Purchaser is urged to seek independent advice from professional advisors relating to the suitability for the Purchaser of an investment in the Company in view of the Purchaser's overall financial needs and with respect to the legal and tax implications of such an investment.

**G. Indemnification.**

1. The Purchaser understands the meaning and legal consequences of this Agreement and agrees to indemnify and hold harmless the Company and each director and officer thereof from and against any and all loss, damage or liability due to or arising out of a breach of any representation, warranty or agreement of the Purchaser contained in this Agreement. Specifically, legal fees, interest regarding any trades that have not settled and all other reasonable expenses will be available to the Company in the event this Agreement is breached in any manner whatsoever.

2. If for any reason the foregoing indemnification is unavailable to the Company and each director and officer thereof or it is insufficient to hold the Company and each director and officer thereof harmless, then the Purchaser shall contribute to the amount paid or payable by the Company and each director and officer thereof as a result of such expense, loss, claim, damage or liability in such proportion as is appropriate to reflect not only the relative benefits received by the Purchaser on the one hand and the Company and each director and officer thereof on the other hand but also the relative fault of the Purchaser and the Company and each director and officer thereof, as well as any relevant equitable considerations provided that the Purchaser shall in any event contribute to the amount paid or payable by the Company and each director and officer thereof as a result of such expense, loss, claim, damage or liability.

**H. Authority and Noncontravention.** The execution and performance hereof violates no order, judgment, injunction, agreement or controlling document to which the Purchaser is a party or by which the Purchaser is bound. If an organization, (i) the Purchaser is duly organized, validly existing and in good standing under the laws of the jurisdiction in which it has been formed; (ii) the Purchaser has the right and power under its organizational instruments to execute, deliver and perform its obligations hereunder; and (iii) this Agreement has been duly authorized by all necessary action on the part of all officers, directors, partners, stockholders and trustees and will not violate any agreement to which the Purchaser is a party; and (iv) the individual executing and delivering this Agreement has the requisite right, power, capacity and authority to do so on behalf of the organization. The Purchaser has not been organized for the purpose of subscribing for the Units.

**I. Duration and Restrictions on Trading.** The Purchaser understands that the Purchaser may not cancel, terminate or revoke this Agreement or any agreement made by the Purchaser hereunder and that this Agreement shall survive the Purchaser's death or disability and shall be binding upon the Purchaser's heirs, executors, administrators, successors and assigns. The Purchaser and its affiliates thereof will not trade in the Company's Common Stock until the earlier of (i) the announcement of the closing of the transactions contemplated hereby or (ii) the termination of the offering by the Company.

**J. Representations By The Company.**

The Company hereby represents and warrants to the Purchaser that:

1. **Organization, Good Standing and Qualification.** The Company is a corporation duly organized, validly existing and in good standing under the laws of Colorado and has full corporate power and lawful authority to conduct its business as it is currently being conducted. The Company is duly qualified to do business as a foreign corporation and is in good standing in each jurisdiction in which the nature of the business conducted by it or the properties owned, leased or operated by it, makes such qualification or licensing necessary and where the failure to be so qualified or licensed would have a material adverse effect upon the business or financial condition of the Company.

2. **Authorization; Enforceability.** The Company has all corporate right, power and authority to enter into this Agreement and to consummate the transactions contemplated hereby. All corporate action on the part of the Company necessary for the authorization, execution, delivery and performance of this Agreement by the Company, the authorization, sale, issuance and delivery of the Units and the performance of the Company's obligations hereunder has been taken. This Agreement has been duly executed and delivered by the Company and constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, subject to laws of general application relating to bankruptcy, insolvency and the relief of debtors and rules of law governing specific performance, injunctive relief or other equitable remedies, and to limitations of public policy. The Units have been duly and validly authorized and, upon the issuance and delivery thereof and payment therefor as contemplated by this Agreement, will be free and clear of liens, duly and validly authorized and issued, fully paid and nonassessable. The issuance and sale of the Units contemplated hereby will not give rise to

any preemptive rights or rights of first refusal on behalf of any person that have not been properly waived or complied with.

3. No Conflict; Governmental Consents.

(a) The execution and delivery by the Company of this Agreement, the consummation of the transactions contemplated hereby and the offer and sale of the Units will not, to the knowledge of the Company, result in the violation of any law, statute, rule, regulation, order, writ, injunction, judgment or decree of any court or governmental authority to or by which the Company is bound, or of any provision of the Certificate of Incorporation and bylaws of the Company, and will not conflict with, or result in a breach or violation of, any of the terms or provisions of, or constitute (with due notice or lapse of time or both) a default under, any lease, loan agreement, mortgage, security agreement, trust indenture or other agreement or instrument to which the Company is a party or by which it is bound or to which any of its properties or assets is subject where such default would have a material adverse effect upon the business, prospects or financial condition of the Company, nor result in the creation or imposition of any lien upon any of the properties or assets of the Company.

(b) No consent, waiver, approval, authorization or other order of any governmental authority or other third-party is required to be obtained by the Company in connection with the authorization, execution and delivery of this Agreement or with the authorization, issuance and sale of the Units, except such filings as may be required to be made, and which shall have been made at or prior to the required time, with any state or foreign blue sky or securities regulatory authority.

**K. Additional Shares of Common Stock.**

1. Qualifying Dilutive Issuance. If at any time or from time to time on or before March 6, 2011 the Company issues or sells, or is deemed by the express provisions of this Section K to have issued or sold, Additional Shares of Common Stock (as defined below) for a price below \$0.20 per share (the "Issue Price"), then and in each such case, the Company shall issue to the Purchaser for no additional consideration (*provided, however,* that a portion of the Purchase Price in an amount equal to the par value of each share of Common Stock issued under this Section K shall be deemed allocated to such issuance) within ten (10) days of such issuance that number of shares of the Company's Common Stock such that the aggregate number of shares of Common Stock issued to the Purchaser under this Agreement after such adjustment shall be equal to the aggregate number of shares of Common Stock purchased by the Purchaser at the Issue Price under this Agreement at the Closing multiplied by the Adjustment Ratio (as defined below); *provided, however,* that if the Company issues or sells Additional Shares of Common Stock for a price below \$0.10 per share, the Company shall only be required to issue to the Purchaser shares of the Company's Common Stock under this Section K.1 as if such Additional Shares of Common Stock were issued or sold at \$0.10 per share.

For the purposes of this Section K, the "Adjustment Ratio" shall mean a fraction:

(A) the numerator of which shall be the number of shares of Common Stock deemed outstanding (as determined below) immediately prior to such issue or sale plus the total number of Additional Shares of Common Stock so issued, and

(B) the denominator of which shall be the sum of (x) the number of shares of Common Stock deemed outstanding (as determined below) immediately prior to such issue or sale, plus (y) the number of shares of Common Stock which the aggregate consideration received by the Company for the total number of Additional Shares of Common Stock so issued would purchase at the Issue Price.

For the purposes of this Section K, the number of shares of Common Stock deemed to be outstanding as of a given date shall be the sum of (A) the number of shares of Common Stock outstanding and (B) the number of shares of Common Stock which are issuable upon the exercise or conversion of all other rights, options and convertible securities outstanding on the day immediately preceding the given date.

2. **Additional Shares of Common Stock.** “Additional Shares of Common Stock” shall mean all shares of Common Stock issued by the Company or deemed to be issued pursuant to this Section K, other than “Excluded Securities.” “Excluded Securities” shall mean:

(a) shares of Common Stock and/or options, warrants or other Common Stock purchase rights and the Common Stock issued pursuant to such options, warrants or other rights (as adjusted for any stock dividends, combinations, splits, recapitalizations and the like after the filing date hereof) to employees, officers or directors of, or consultants or advisors to, the Company or any subsidiary pursuant to stock purchase or stock option plans or other arrangements;

(b) shares of Common Stock issued pursuant to the exercise of convertible securities outstanding on the Closing Date;

(c) shares of Common Stock or convertible securities issued for consideration other than cash pursuant to a merger, consolidation, acquisition, strategic alliance or similar business combination approved by the Board of Directors of the Company;

(d) shares of Common Stock or convertible securities issued pursuant to any equipment loan or leasing arrangement, real property leasing arrangement or debt financing from a bank or similar financial or lending institution approved by the Board of Directors of the Company; and

(e) any Common Stock or convertible securities issued in connection with strategic transactions involving the Company and other entities, including joint ventures, manufacturing, marketing or distribution arrangements or technology transfer or development arrangements approved by the Board of Directors of the Company.

#### **L. Right of First Refusal.**

1. **Subsequent Offerings.** Subject to applicable securities laws, the Purchaser shall have a right of first refusal to purchase its *pro rata* share of all Equity Securities (as defined below) that the Company may, from time to time, propose to sell and issue after the Closing Date, other than the Equity Securities excluded by Section L(5) below. The Purchaser’s *pro rata* share is equal to the ratio of (a) the number of shares of the Company’s Common Stock (including all shares of Common Stock issuable or issued upon the exercise of outstanding warrants or options) of which the Purchaser is deemed to be a holder immediately prior to the issuance of such Equity Securities to (b) the total number of shares of the Company’s outstanding Common Stock (including all shares of Common Stock issued or issuable upon the exercise of any outstanding warrants or options) immediately prior to the issuance of the Equity Securities. The term “Equity Securities” shall mean (i) any Common Stock, Preferred Stock or other equity security of the Company or (ii) any security convertible into or exercisable or exchangeable for, with or without consideration, any Common Stock or Preferred Stock or other equity security (including any option or warrant to purchase Common Stock or Preferred Stock or other equity security).

2. **Exercise of Rights.** If the Company proposes to issue any Equity Securities, it shall give the Purchaser written notice of its intention, describing the Equity Securities, the price and the terms and conditions upon which the Company proposes to issue the same. The Purchaser shall have ten (10) days from the giving of such notice to agree to purchase its *pro rata* share of the Equity Securities for the price and upon the terms and conditions specified in the notice by giving written notice to the Company and stating therein the quantity of Equity Securities to be purchased. Notwithstanding the foregoing, the Company shall not be required to offer or sell such Equity Securities to the Purchaser if such offer or sale would cause the Company to be in violation of applicable federal securities laws.

3. Sale Without Notice. In lieu of giving notice to the Purchaser prior to the issuance of Equity Securities as provided in Section L(2), the Company may elect to give notice to the Purchaser within thirty (30) days after the issuance of Equity Securities. Such notice shall describe the type, price and terms of the Equity Securities. The Purchaser shall have fifteen (15) days from the date of receipt of such notice to elect to purchase up to the number of shares that would, if purchased by the Purchaser, maintain the Purchaser's *pro rata* share (as set forth in Section L(1)) of the Company's equity securities. The closing of such sale shall occur within sixty (60) days of the date of notice to the Purchaser.

4. Termination and Waiver of Rights of First Refusal. The rights of first refusal established by this Section L shall not apply to, and shall terminate upon the earlier of (a) an Acquisition (as defined in the Warrants) and (b) March 6, 2011. The rights of first refusal established by this Section L may be amended, or any provision in this Section L waived, with the written consent of the Company and the holders of a majority of Units purchased in the Offering.

5. Excluded Securities. The rights of first refusal established by this Section L shall have no application to any of the following Equity Securities:

(a) Excluded Securities (as defined in Section K(2) above);

(b) stock issued or issuable pursuant to any rights or agreements, options, warrants or convertible securities outstanding as of the date of this Agreement; and stock issued pursuant to any such rights or agreements granted after the date of this Agreement, so long as the rights of first refusal established by this Section L were complied with, waived, or were inapplicable pursuant to any provision of this Section L(5) with respect to the initial sale or grant by the Company of such rights or agreements; and

(c) Equity Securities issued by the Company in the Offering.

#### **M. Miscellaneous.**

1. Settlement Conditions. Settlement will not occur until acceptance by the Company of the Subscription and the fulfillment, at or prior to Settlement, of the following closing conditions: (a) the representations and warranties of the Purchaser contained in this Agreement shall be true and correct at the time of Settlement; (b) all proceedings in connection with the transactions contemplated hereby and all documents and instruments incident to such transactions shall be satisfactory in substance and form to the Company; (c) the Company shall have received all such counterpart originals or certified or other copies of such documents as the Company may request; and (d) the transactions contemplated by this Agreement shall have been approved by the Company's Board of Directors.

2. Notices. Notices required or permitted to be given hereunder shall be in writing and shall be deemed to be sufficiently given when personally delivered or sent by registered mail, return receipt requested, addressed:

- i. if to Company, to LifeVantage Corporation, Attn: Brad Amman, 1449 W. Littleton Blvd., Suite 200, Littleton, Colorado 80120, or
- ii. if to the Purchaser, at the address set forth on the signature page hereto or at such other address as may have been specified by written notice given in accordance with this paragraph.
- iii. Entire Agreement. This Agreement and Exhibits hereto embody the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and supersede all prior oral or written agreements and understandings relating to the subject matter hereof. No



statement, representation, warranty, covenant or agreement of any kind not expressly set forth in this Agreement shall affect, or be used to interpret, change or restrict, the express terms and provisions of this Agreement.

3. Modifications; Amendments; Waivers and Consents. Except as otherwise expressly provided, this Agreement, the Common Stock and the Warrant may be amended or modified, either prospectively or retrospectively and either in general or with respect to any particular matter, only upon the written consent of the Company and the holders of at least a majority of the Units, Common Stock or Warrant, as applicable. Any such amendment shall be binding on all parties whether or not such party consents to such amendment. Except as otherwise expressly provided, the obligations of the Company and the rights of the Purchaser under this Agreement, the Common Stock or Warrant may be waived, either prospectively or retrospectively and either in general or with respect to any particular matter, only with the written consent of the holders of at least a majority of the Units, Common Stock or Warrant, as applicable. Any such waiver shall be binding on all parties whether or not such party consents to such waiver.

4. Governing Law. This Agreement shall be enforced, governed and construed in all respects in accordance with the laws of the State of Colorado, as such laws are applied by its courts to agreements entered into and to be performed in Colorado as if by and between residents of Colorado, and shall be binding upon the Purchaser, the Purchaser's heirs, estate, legal representatives, successors and assigns and shall inure to the benefit of the Company its successors and assigns. The Purchaser and the Company further agree that venue for any such action shall lie exclusively with courts sitting in Denver, Colorado, unless the Purchaser and Company agrees to the contrary in writing. The Purchaser and the Company waive their right to jury trial in any action or proceeding arising out of or related to this Agreement. If any provision of this Agreement is invalid or unenforceable under any applicable statute or rule of law, then such provision shall be deemed inoperative to the extent that it may conflict therewith and shall be deemed modified to conform with such statute or rule of law. Any provision hereof that may prove invalid or unenforceable under any law shall not affect the validity or enforceability of any other provision hereof.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

The Purchaser is purchasing the Units:

Purchaser Name: \_\_\_\_\_

Address (Please no P.O. Boxes!): \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Federal Income Tax I.D. No. \_\_\_\_\_

If Purchaser is an Entity:

Portfolio Manager or Analyst Name: \_\_\_\_\_

Portfolio Manager or Analyst Phone Number: \_\_\_\_\_

Portfolio Manager or Analyst Fax Number: \_\_\_\_\_

Portfolio Manager or Analyst E-mail Address: \_\_\_\_\_

**Under penalties of perjury, the Purchaser certifies that:**

1. The number shown above is my correct Taxpayer Identification Number;

2. The Purchaser has the authority to make the above representation as to the investing person or entity's financial status;

3. The Purchaser is not subject to backup withholding either because the Purchaser has not been notified by the Internal Revenue Service (IRS) that the Purchaser is subject to backup withholding as a result of a failure to report all interest or dividends, or the IRS has notified the Purchaser that the Purchaser is no longer subject to backup withholding.

IN WITNESS WHEREOF, the Purchaser has executed this Subscription Agreement as of this \_\_\_\_ day of \_\_\_\_, 2009.

(For Co-owners, if applicable)

\_\_\_\_\_  
Purchaser Signature

\_\_\_\_\_  
Purchaser Signature

\_\_\_\_\_  
Purchaser Title

\_\_\_\_\_  
Purchaser Title

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name

<sup>1</sup> Units will be delivered via Federal Express unless otherwise indicated.

*Exhibit A*

**Manner of Payment**

If payment is made by check, the check should be made out to **Lifevantage Corporation** and delivered to Lifevantage Corporation, Attention: Brad Amman, 1449 W. Littleton Blvd., Suite 200, Littleton, Colorado 80120.

If payment is made by wire transfer, the funds should be wired to the following account:

**Account Name: LIFEVANTAGE CORPORATION**

**Account Number: 193362322**

**Bank Name: JP Morgan Chase Bank, N.A.**

**ABA Number: 021000021**

**Exhibit B**

**TRADE CONFIRMATION**

The foregoing subscription for Units of the Company is hereby accepted.

Purchase Box

YOU HAVE PURCHASED:

\_\_\_\_\_  
Units of Lifevantage Corporation, at  
\$10,000 per Unit, of your original  
subscription for \_\_\_ Units.

Settlement Date: \_\_\_, 2009

Total Settlement Amount: \$\_\_\_\_\_

**Account Registration Information:**

\_\_\_\_\_

(Name)

\_\_\_\_\_

(Account Reference, if applicable)

\_\_\_\_\_

(Address, including Postal Code)

**Delivery Instructions as set forth below:**

\_\_\_\_\_

(Name)

\_\_\_\_\_

(Account Reference, if applicable)

\_\_\_\_\_

(Address)

\_\_\_\_\_

(Contact Name) (Telephone  
Number)

Lifevantage Corporation

By: \_\_\_\_\_

Name: David W. Brown

Title: Chief Executive Officer

Date: \_\_ \_\_, 2009

**EXHIBIT C: FORM OF WARRANT**

[June 30, 2009 Closing]

SUBSCRIPTION AGREEMENT

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**Lifevantage Corporation**

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To: Lifevantage Corporation  
Attn: Brad Amman  
1449 W. Littleton Blvd.  
Suite 200  
Littleton, Colorado 80120

**via facsimile transmission: (303) 797-9688**

This Subscription Agreement (the "Agreement") is made between Lifevantage Corporation (the "Company"), and the undersigned prospective purchaser (the "Purchaser") who is subscribing hereby for shares of Common Stock of the Company and a warrant to purchase shares of Common Stock of the Company (the "Subscription"). This Agreement is one of a series of similar agreements that the Company may be entering into with one or more additional Purchasers (collectively, the "Offering"). The Company currently anticipates the Offering to be up to \$1,500,000 of shares of Common Stock of the Company issued and sold in the Offering. The Company may accept this Agreement at any time prior to \_\_\_\_\_, 2009 ("Closing Date"). The Company may, in its discretion, (i) extend the Closing Date, (ii) hold one or more Closing Dates with other Purchasers in connection with the Offering or (iii) increase or decrease the size of the Offering.

In consideration of the Company's agreement to sell the shares of Common Stock and warrant to the Purchaser upon the terms and conditions contained herein, the Purchaser agrees and represents as follows:

**A. Terms of Subscription.**

1. Subject to the terms herein, the Purchaser hereby irrevocably subscribes for and agrees to purchase that number of shares of Common Stock of the Company, at a purchase price of \$0.35 per share (the "Shares"), as set forth on the signature page hereto, which shall in no event be an amount less than \$50,000 (the "Purchase Price"). The Purchaser agrees to make payment in the manner set forth on **Exhibit A** hereto or otherwise designated by the Company in the full amount of the Purchase Price.
  2. Subject to the terms herein, the Company agrees to issue to the Purchaser a warrant, in substantially the form attached hereto as **Exhibit C** (the "Warrant"), to purchase that number of shares of Common Stock of the Company equal to (a) the Purchase Price multiplied by 20% (b) divided by \$0.35.
  3. Upon settlement of the Subscription, including receipt by the Company of the Purchase Price ("Settlement"), the portion of the Subscription accepted by the Company will be issued in the name of the Purchaser, and the Company, its agents or assigns will deliver to the Purchaser (i) a stock certificate representing the Shares and (ii) the Warrant.
  4. The Purchaser hereby agrees to be bound thereby upon the (i) execution and delivery to the Company of this Agreement and (ii) acceptance by the Company of the Subscription.
-

4. The Purchaser agrees that the Company may, directly or through an agent, in its sole and absolute discretion and for any reason whatsoever, reduce the Purchaser's Subscription to any amount, including zero, without any prior notice to or further consent by the Purchaser, and the Company may also, directly or through an agent, amend the Settlement date.

5. Settlement shall occur once the Subscription has been accepted by the Company and the conditions thereto set forth in this Agreement have occurred. The Company retains the right to reject the Subscription in whole or in part or to terminate this Agreement at any time and for any reason prior to Settlement.

**B. Purchaser's Representations.** In connection with the Purchaser's purchase of the Shares and the Warrant, the Purchaser makes the following representations and warranties on which the Company and the Company's legal counsel are entitled to rely:

1. The Subscription and subsequent private placement is being conducted pursuant to one or more exemptions from the securities registration requirements provided by the rules promulgated under Section 4(2) of the Securities Act of 1933, as amended (the "Securities Act"). To qualify for the Subscription and subsequent private placement the Purchaser must be an *Accredited Investor*. The Purchaser hereby represents that the Purchaser is an *Accredited Investor* as such term is defined in Regulation D under the Securities Act, for the following reason(s) **(Please initial one or more)**:

o **(i)** If an individual, the Purchaser has a net worth, either individually or upon a joint basis with the Purchaser's spouse, of at least \$1,000,000 (within the meaning of such terms as used in the definition of "accredited investor" contained in Rule 501 under the Securities Act).

o **(ii)** If an individual, the Purchaser has had an individual income in excess of \$200,000 for each of the two most recent years, or a joint income with the Purchaser's spouse in excess of \$300,000 in each of those years, and has a reasonable expectation of reaching the same income level in the current year.

o **(iii)** The Purchaser is an *irrevocable* trust with total assets in excess of \$5,000,000 whose purchase is directed by a person with such knowledge and experience in financial and business matters that such person is capable of evaluating the merits and risks of the prospective investment.

o **(iv)** The Purchaser is a corporation, business trust or limited liability company, not formed for the purpose of acquiring an Interest, or an organization described in section 501(c)(3) of the Internal Revenue Code of 1986, as amended, in each case with total assets in excess of \$5,000,000.

o **(v)** The Purchaser is a director or executive officer of the Company.

o **(vi)** The Purchaser cannot make any of the representations set forth in clauses (i) through (v) above.

2. The Purchaser has such knowledge and experience in financial and business matters to evaluate the merits and risks of an investment in the Shares and the Warrant and to make an informed decision relating thereto. The Purchaser has the financial capability to make and protect itself from the investment and can afford a complete loss of the investment. The investment is a suitable one for the Purchaser.

3. The Purchaser acknowledges that it is not purchasing the Shares or the Warrant as a result of any General Solicitation or General Advertising (as such terms are used and defined in Rule 502(c) of Regulation D under the Securities Act) and the Purchaser is acquiring the Shares and the Warrant for the Purchaser's own account, for the purpose of investment and not with a view to, or for resale in connection with, the distribution thereof, nor with an intention of distributing or selling the Shares or the Warrant and further still, the Purchaser understands that the Shares and the Warrant have not been registered under the Securities Act or the securities laws of any state.

4. The Purchaser represents and warrants that if required by applicable securities legislation, regulatory policy or order by any securities commission, stock exchange or other regulatory authority, it will execute, deliver, file and otherwise assist the Company in filing reports, questionnaires, undertakings, and other documents with respect to the issuance of the Shares and the Warrant.

5. The Purchaser understands that the Company has not made any assurances that any market will exist for the Shares or the Warrant or the shares of the Common Stock underlying the Warrant (collectively, the "Securities") and that, even if any market exists now or in the future, the Purchaser may not readily be able to sell the Securities on said market.

6. The Purchaser represents and warrants that it is entitled to subscribe for the Shares and the Warrant under the laws of all relevant jurisdictions which apply to it, and that it has not taken any action or omitted to take any action which will or may result in the Company or any of its respective directors, officers, agents, employees or advisers acting in breach of the legal and regulatory requirements of any jurisdiction in connection with the placement or acceptance of the Shares and the Warrant.

7. The Purchaser represents and warrants that it is resident in the state or country (if outside the United States) set forth below and is receiving the Shares and the Warrant in that state or country (outside the United States).

8. The Purchaser represents that the amounts to be invested by it in the Shares and the Warrant were not and are not directly or indirectly derived from activities that contravene federal, state or international laws and regulations, including anti-money laundering laws and regulations. Federal regulations and Executive Orders administered by Office of Foreign Assets Control ("OFAC") prohibit, among other things, the engagement in transactions with, and the provision of services to, certain foreign countries, territories, entities and individuals. The lists of OFAC prohibited countries, territories, persons and entities can be found on the OFAC website at <http://www.treas.gov/ofac>. The Purchaser agrees to promptly notify the Company should the Purchaser become aware of any change in the information set forth in these representations. The Purchaser understands and acknowledges that, by law, the Company may be obligated to "freeze the account" of the Purchaser, either by prohibiting additional subscriptions from the Purchaser, declining any redemption requests and/or segregating the assets in the account in compliance with governmental regulations, and the Company may also be required to report such action and to disclose the Purchaser's identity to OFAC.

9. The Purchaser acknowledges that the representations and warranties contained in this Agreement are made by it, and each person for which the Purchaser is acting, with the intent that they may be relied upon by the Company and its agents in determining its eligibility to purchase the Shares and the Warrant.

10. The Purchaser represents and warrants that it is authorized by each person for which it is acting, if any, (i) to acquire the Shares and the Warrant under the terms and conditions described herein and (ii) to execute and deliver this Agreement on behalf of each such person.

11. The Purchaser is aware that this investment may not be readily liquidated in case of a financial emergency and that the Shares and the Warrant being purchased may have to be held for an indefinite period of time. The Purchaser's overall commitment to investments which are not readily marketable is not excessive in view of its net worth and financial circumstances and the purchase of the Shares and the Warrant will not cause such commitment to become excessive. In view of such facts, the Purchaser has adequate means of providing for any current needs, anticipated future needs and possible contingencies and emergencies and has no need for liquidity in the investment in the Shares and the Warrant. The Purchaser is able to bear the economic risk of this investment, including a complete loss of its investment or the possibility that there may never be any liquidity in this investment.

12. The Purchaser has had the opportunity to ask questions of, and receive answers from, representatives of the Company concerning the terms and conditions of this transaction, and the finances,



operations, business and prospects of the Company. The Purchaser has also had the opportunity to ask questions and obtain additional information necessary to verify the accuracy of information furnished about the Company. Accordingly, the Purchaser has independently evaluated the risks of purchasing the Shares and the Warrant, and the Purchaser has received information with respect to all matters which the Purchaser considers material to the Purchaser's decision to make this investment.

13. The Purchaser hereby represents that the Purchaser has been furnished by the Company during the course of this transaction with all information regarding the Company which the Purchaser has reasonably requested or desired to know and has received any such information which the Purchaser has requested. In making the decision to invest in the Shares and the Warrant, the Purchaser has relied solely upon the information contained in the Company's periodic reports filed with the Securities and Exchange Commission (the "SEC"). To the extent necessary, the Purchaser has retained, at its own expense, and relied upon the advice of appropriate professionals regarding the investment, tax and legal merits and consequences of this Agreement and its purchase of the Shares and the Warrant hereunder.

14. The Purchaser has carefully considered the potential risks relating to the Company and a purchase of the Shares and the Warrant, including but not limited to, those risks identified in the Company's annual report on Form 10-KSB for the year ended June 30, 2008 (the "Annual Report"), and has received all of the information the Purchaser deems necessary to assess the risks inherent in an investment in the Shares and the Warrant. The Purchaser is aware that no public market exists for the Securities and that the Securities may not be sold without compliance with applicable federal and state securities laws. The Purchaser understands that the Company has made no assurances that a public market will ever exist for the Securities and that, even if a public market exists in the future, the Purchaser may not readily be able to sell the Securities. The Purchaser has considered each of these risks regarding an investment in the Company and the Shares and the Warrant, and has carefully reviewed the description of certain risk factors described in the Annual Report. The Purchaser understands that the risks described in the Annual Report are not a complete list of risks involved in an investment in the Company. This is a speculative investment. Many of the factors which may affect the Company are subject to change or are not within the control of the Company, and the extent to which such factors could adversely affect the value of the Securities is not currently ascertainable.

15. The Purchaser represents and warrants that the foregoing representations and warranties are true at the time of Settlement with the same force and effect as if they had been made by it at the time of Settlement and that they shall survive the purchase of the Shares and the Warrant and shall continue in full force and effect notwithstanding any subsequent disposition of the Securities.

**C. Forward Looking Statements.** This Agreement and the information in the Company's periodic reports filed with the SEC contain forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. For this purpose, any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements. Without limiting the generality of the foregoing, words such as "may," "anticipate," "estimate," "expects," "projects," "intends," "plans," "believes" and words and terms of similar substance used in connection with any discussion of future operating or financial performance, identify forward-looking statements. The Purchaser acknowledges that all forward-looking statements are the Company's present expectations of future events and are subject to a number of risks and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. The Purchaser further acknowledges that by making these forward-looking statements, the Company is not intending to become obligated to update or revise any forward-looking statements whether as a result of new information, future events or other changes and that the Purchaser has not placed undue reliance on any forward-looking statements, which speak only as of the date of the report or document containing the statements.

**D. Restrictions on Transfer.**

i. The Purchaser agrees not to make any disposition of all or any portion of the Securities unless and until:

(a) there is then in effect a registration statement under the Securities Act or other applicable law covering such proposed disposition and such disposition is made in accordance with such registration statement; or

(b) (A) The transferee has agreed in writing to be bound by the terms of this Agreement, (B) the Purchaser shall have notified the Company of the proposed disposition, shall have furnished the Company with a detailed statement of the circumstances surrounding the proposed disposition, and (C) if reasonably requested by the Company, the Purchaser shall have furnished the Company with an opinion of counsel, reasonably satisfactory to the Company, that such disposition will not require registration of such shares under the Securities Act. Notwithstanding the foregoing, the Company will not require any transferee of the Securities to be bound by the terms of the Agreement if such transfer was made by the Purchaser in compliance with the terms of Rule 144.

ii. Notwithstanding the provisions of subsection (a) above, no such restriction shall apply to a transfer by the Purchaser that is (A) a partnership transferring to its partners or former partners in accordance with partnership interests, (B) a corporation transferring to a wholly-owned subsidiary or a parent corporation that owns all of the capital stock of the Purchaser, (C) a limited liability company transferring to its members or former members in accordance with their interest in the limited liability company, or (D) an individual transferring to such individual's family member or trust for the benefit of such individual; provided that in each case the transferee will agree in writing to be subject to the terms of this Agreement to the same extent as if he were the Purchaser hereunder.

(iii) The Purchaser understands that until the Securities have been registered under the Securities Act and applicable state securities laws the following legend is applicable and each certificate representing such Securities shall bear a legend substantially similar to the following:

THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR ANY STATE SECURITIES LAWS, HAVE BEEN ACQUIRED FOR INVESTMENT, AND DATE NOT BE SOLD, PLEDGED, HYPOTHECATED OR OTHERWISE TRANSFERRED UNLESS A REGISTRATION STATEMENT UNDER THE ACT AND APPLICABLE STATE LAW IS IN EFFECT WITH REGARD THERETO OR UNLESS THE COMPANY HAS RECEIVED AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY AND ITS COUNSEL THAT SUCH REGISTRATION IS NOT REQUIRED.

E. **No Regulatory Approval of Merits.** The Purchaser understands that neither the SEC nor the commissioner or any department of securities or attorney general of any state has passed upon the merits or qualifications of, nor recommended nor approved, the Securities. Any representation to the contrary is a criminal offense.

F. **Independent Advice.** The Purchaser understands that the Purchaser is urged to seek independent advice from professional advisors relating to the suitability for the Purchaser of an investment in the Company in view of the Purchaser's overall financial needs and with respect to the legal and tax implications of such an investment.

G. **Indemnification.**

1. The Purchaser understands the meaning and legal consequences of this Agreement and agrees to indemnify and hold harmless the Company and each director and officer thereof from and against any and all loss, damage or liability due to or arising out of a breach of any representation, warranty or agreement of the Purchaser contained in this Agreement. Specifically, legal fees, interest regarding any trades that have not settled and all other reasonable expenses will be available to the Company in the event this Agreement is breached in any manner whatsoever.

2. If for any reason the foregoing indemnification is unavailable to the Company and each director and officer thereof or it is insufficient to hold the Company and each director and officer thereof harmless, then the Purchaser shall contribute to the amount paid or payable by the Company and each director and officer thereof as a result of such expense, loss, claim, damage or liability in such proportion as is appropriate to reflect not only the relative benefits received by the Purchaser on the one hand and the Company and each director and officer thereof on the other hand but also the relative fault of the Purchaser and the Company and each director and officer thereof, as well as any relevant equitable considerations provided that the Purchaser shall in any event contribute to the amount paid or payable by the Company and each director and officer thereof as a result of such expense, loss, claim, damage or liability.

**H. Authority and Noncontravention.** The execution and performance hereof violates no order, judgment, injunction, agreement or controlling document to which the Purchaser is a party or by which the Purchaser is bound. If an organization, (i) the Purchaser is duly organized, validly existing and in good standing under the laws of the jurisdiction in which it has been formed; (ii) the Purchaser has the right and power under its organizational instruments to execute, deliver and perform its obligations hereunder; and (iii) this Agreement has been duly authorized by all necessary action on the part of all officers, directors, partners, stockholders and trustees and will not violate any agreement to which the Purchaser is a party; and (iv) the individual executing and delivering this Agreement has the requisite right, power, capacity and authority to do so on behalf of the organization. The Purchaser has not been organized for the purpose of subscribing for the Shares and the Warrant.

**I. Duration and Restrictions on Trading.** The Purchaser understands that the Purchaser may not cancel, terminate or revoke this Agreement or any agreement made by the Purchaser hereunder and that this Agreement shall survive the Purchaser's death or disability and shall be binding upon the Purchaser's heirs, executors, administrators, successors and assigns. The Purchaser and its affiliates thereof will not trade in the Company's Common Stock until the earlier of (i) the announcement of the closing of the transactions contemplated hereby or (ii) the termination of the offering by the Company.

**J. Representations By The Company.**

The Company hereby represents and warrants to the Purchaser that:

1. **Organization, Good Standing and Qualification.** The Company is a corporation duly organized, validly existing and in good standing under the laws of Colorado and has full corporate power and lawful authority to conduct its business as it is currently being conducted. The Company is duly qualified to do business as a foreign corporation and is in good standing in each jurisdiction in which the nature of the business conducted by it or the properties owned, leased or operated by it, makes such qualification or licensing necessary and where the failure to be so qualified or licensed would have a material adverse effect upon the business or financial condition of the Company.

2. **Authorization; Enforceability.** The Company has all corporate right, power and authority to enter into this Agreement and to consummate the transactions contemplated hereby. All corporate action on the part of the Company necessary for the authorization, execution, delivery and performance of this Agreement by the Company, the authorization, sale, issuance and delivery of the Shares and the Warrant and the performance of the Company's obligations hereunder has been taken. This Agreement has been duly executed and delivered by the Company and constitutes a legal, valid and binding

obligation of the Company, enforceable against the Company in accordance with its terms, subject to laws of general application relating to bankruptcy, insolvency and the relief of debtors and rules of law governing specific performance, injunctive relief or other equitable remedies, and to limitations of public policy. The Shares and the Warrant have been duly and validly authorized and, upon the issuance and delivery thereof and payment therefor as contemplated by this Agreement, will be free and clear of liens, duly and validly authorized and issued, fully paid and nonassessable. The issuance and sale of the Shares and the Warrant contemplated hereby will not give rise to any preemptive rights or rights of first refusal on behalf of any person that have not been properly waived or complied with.

3. No Conflict; Governmental Consents.

(a) The execution and delivery by the Company of this Agreement, the consummation of the transactions contemplated hereby and the offer and sale of the Shares and the Warrant will not, to the knowledge of the Company, result in the violation of any law, statute, rule, regulation, order, writ, injunction, judgment or decree of any court or governmental authority to or by which the Company is bound, or of any provision of the Articles of Incorporation and bylaws of the Company, and will not conflict with, or result in a breach or violation of, any of the terms or provisions of, or constitute (with due notice or lapse of time or both) a default under, any lease, loan agreement, mortgage, security agreement, trust indenture or other agreement or instrument to which the Company is a party or by which it is bound or to which any of its properties or assets is subject where such default would have a material adverse effect upon the business, prospects or financial condition of the Company, nor result in the creation or imposition of any lien upon any of the properties or assets of the Company.

(b) No consent, waiver, approval, authorization or other order of any governmental authority or other third-party is required to be obtained by the Company in connection with the authorization, execution and delivery of this Agreement or with the authorization, issuance and sale of the Shares and the Warrant, except such filings as may be required to be made, and which shall have been made at or prior to the required time, with any state or foreign blue sky or securities regulatory authority.

K. Miscellaneous.

1. Settlement Conditions. Settlement will not occur until acceptance by the Company of the Subscription and the fulfillment, at or prior to Settlement, of the following closing conditions: (a) the representations and warranties of the Purchaser contained in this Agreement shall be true and correct at the time of Settlement; (b) all proceedings in connection with the transactions contemplated hereby and all documents and instruments incident to such transactions shall be satisfactory in substance and form to the Company; (c) the Company shall have received all such counterpart originals or certified or other copies of such documents as the Company may request; and (d) the transactions contemplated by this Agreement shall have been approved by the Company's Board of Directors.

2. Notices. Notices required or permitted to be given hereunder shall be in writing and shall be deemed to be sufficiently given when personally delivered or sent by registered mail, return receipt requested, addressed:

- i. if to Company, to LifeVantage Corporation, Attn: Brad Amman, 1449 W. Littleton Blvd., Suite 200, Littleton, Colorado 80120, or
- ii. if to the Purchaser, at the address set forth on the signature page hereto or at such other address as may have been specified by written notice given in accordance with this paragraph.

3. Entire Agreement. This Agreement and Exhibits hereto embody the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and supersede all prior oral or written agreements and understandings relating to the subject matter hereof. No statement,

representation, warranty, covenant or agreement of any kind not expressly set forth in this Agreement shall affect, or be used to interpret, change or restrict, the express terms and provisions of this Agreement.

4. Modifications; Amendments; Waivers and Consents. Except as otherwise expressly provided, this Agreement and the Warrant may be amended or modified, either prospectively or retrospectively and either in general or with respect to any particular matter, only upon the written consent of the Company and the holders of at least a majority of the Shares or the Warrants, as applicable, issued in the Offering. Any such amendment shall be binding on all parties participating in the Offering whether or not such party consents to such amendment. Except as otherwise expressly provided, the obligations of the Company and the rights of the Purchaser under this Agreement or the Warrant may be waived, either prospectively or retrospectively and either in general or with respect to any particular matter, only with the written consent of the holders of at least a majority of the Shares or the Warrant, as applicable, issued in the Offering. Any such waiver shall be binding on all parties whether or not such party consents to such waiver.

5. Governing Law. This Agreement shall be enforced, governed and construed in all respects in accordance with the laws of the State of Colorado, as such laws are applied by its courts to agreements entered into and to be performed in Colorado as if by and between residents of Colorado, and shall be binding upon the Purchaser, the Purchaser's heirs, estate, legal representatives, successors and assigns and shall inure to the benefit of the Company its successors and assigns. The Purchaser and the Company further agree that venue for any such action shall lie exclusively with courts sitting in Denver, Colorado, unless the Purchaser and Company agrees to the contrary in writing. The Purchaser and the Company waive their right to jury trial in any action or proceeding arising out of or related to this Agreement. If any provision of this Agreement is invalid or unenforceable under any applicable statute or rule of law, then such provision shall be deemed inoperative to the extent that it may conflict therewith and shall be deemed modified to conform to such statute or rule of law. Any provision hereof that may prove invalid or unenforceable under any law shall not affect the validity or enforceability of any other provision hereof.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

**Purchaser:**

Purchaser Name: \_\_\_\_\_  
Address (Please no P.O. Boxes<sup>1</sup>): \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
Federal Income Tax I.D. No. \_\_\_\_\_

If Purchaser is an Entity: \_\_\_\_\_  
Portfolio Manager or Analyst Name: \_\_\_\_\_  
Portfolio Manager or Analyst Phone Number: \_\_\_\_\_  
Portfolio Manager or Analyst Fax Number: \_\_\_\_\_  
Portfolio Manager or Analyst E-mail Address: \_\_\_\_\_

**Investment Amount:** \$ \_\_\_\_\_

**Under penalties of perjury, the Purchaser certifies that:**

1. The number shown above is my correct Taxpayer Identification Number;
2. The Purchaser has the authority to make the above representation as to the investing person or entity's financial status;
3. The Purchaser is not subject to backup withholding either because the Purchaser has not been notified by the Internal Revenue Service (IRS) that the Purchaser is subject to backup withholding as a result of a failure to report all interest or dividends, or the IRS has notified the Purchaser that the Purchaser is no longer subject to backup withholding.

IN WITNESS WHEREOF, the Purchaser has executed this Subscription Agreement as of this \_\_\_\_ day of \_\_\_\_, 2009.

(For Co-owners, if applicable)

\_\_\_\_\_  
Purchaser Signature

\_\_\_\_\_  
Purchaser Signature

\_\_\_\_\_  
Purchaser Title

\_\_\_\_\_  
Purchaser Title

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name

1. The Shares and the Warrant will be delivered via Federal Express unless otherwise indicated.

*Exhibit A*

**Manner of Payment**

If payment is made by check, the check should be made out to **Lifevantage Corporation** and delivered to Lifevantage Corporation, Attention: Brad Amman, 1449 W. Littleton Blvd., Suite 200, Littleton, Colorado 80120.

If payment is made by wire transfer, the funds should be wired to the following account:

**Account Name: LIFEVANTAGE CORPORATION**

**Account Number: 193362322**

**Bank Name: JP Morgan Chase Bank, N.A.**

**ABA Number: 021000021**

**Exhibit B**

**Trade Confirmation**

The Subscription is hereby accepted by the Company.

Purchase Box

YOU HAVE PURCHASED:

\_\_\_\_\_ shares of Common Stock  
of Lifevantage Corporation

Total Settlement Amount:  
\$ \_\_\_\_\_

**Account Registration Information:**

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Account Reference, if applicable)

\_\_\_\_\_  
(Address, including Postal Code)

**Delivery Instructions as set forth below:**

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Account Reference, if applicable)

\_\_\_\_\_  
(Address)

\_\_\_\_\_  
(Contact Name) (Telephone Number)

Lifevantage Corporation

By: \_\_\_\_\_

Name: David W. Brown

Title: Chief Executive Officer

Date: \_\_\_\_\_, 2009



*Exhibit C*  
**Form of Warrant**

THIS WARRANT AND THE UNDERLYING SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"). THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT AS TO SUCH SECURITIES UNDER THE ACT OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED.

LIFEVANTAGE CORPORATION  
FORM OF WARRANT TO PURCHASE COMMON STOCK

No. CW-[ ]

\_\_\_\_\_, 2009

Void After \_\_\_\_\_, 2012

THIS CERTIFIES THAT, for value received, \_\_\_\_\_, with its principal office at \_\_\_\_\_, or assigns (the "Holder" or "Purchaser"), is entitled to subscribe for and purchase at the Exercise Price (defined below) from Lifevantage Corporation, a Colorado corporation, with its principal office at 11545 W. Bernardo Court, Suite 301, San Diego, California 92127 (the "Company"), [ ] shares of Common Stock of the Company (the "Common Stock"), as provided herein.

This Warrant is one of a series of similar warrants dated on or about \_\_\_\_\_, 2009 (collectively, the "Warrants") referred to in, and is executed and delivered in connection with, those certain Subscription Agreements, dated on or about \_\_\_\_\_, 2009 and executed by the Company and the Holder, among others (as the same may from time to time be amended, modified or supplemented or restated, the "Subscription Agreements"). Additional rights and obligations of the Holder and the Company are set forth in the Subscription Agreement.

1. DEFINITIONS. As used herein, the following terms shall have the following respective meanings:

"Equity Conditions" means the following:

- a. The Company shall have exercised to Common Stock all Warrants from Holders thereof who have properly requested such exercise;
- b. The Common Stock is listed for trading on the American Stock Exchange, the New York Stock Exchange, the NASDAQ National Market, the NASDAQ Small Cap Market or the OTC Bulletin Board; and
- c. The Company shall have a sufficient number of authorized but unissued and otherwise unreserved Common Stock to satisfy all potential exercises of Warrants to Common Stock.

"Exercise Period" shall mean the time period commencing with the date of this Warrant and ending three years later.

"Exercise Price" shall mean \$0.50 per share, subject to adjustment pursuant to Section 5 below.

"Exercise Shares" shall mean the shares of the Company's Common Stock issuable upon exercise of this Warrant, subject to adjustment pursuant to the terms herein, including but not limited to adjustment pursuant to Section 5 below.

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“**Market Price**” shall mean (i) the last reported closing sale price for the Common Stock as officially reported by the OTC Bulletin Board, if the Common Stock is then traded on the OTC Bulletin Board; or (ii) the last reported closing sale price on the Nasdaq SmallCap or National Market or a national securities exchange, if the Common Stock is then traded on the Nasdaq SmallCap or National Market or a national securities exchange, in each case as officially reported by the Nasdaq SmallCap or National Market or such national securities exchange; or (iii) if the Common Stock is not then traded on the OTC Bulletin Board, the Nasdaq SmallCap Market, the Nasdaq National Market or a national securities exchange, but is then traded in the over-the-counter market, then the average of the last reported bid and asked prices of the Common Stock reported by the National Quotation Bureau, Inc. or similar bureau if the National Quotation Bureau, Inc. is no longer reporting such information.

“**Trading Day**” means a day on which the Common Stock is traded on a Trading Market.

“**Trading Market**” means the following markets or exchanges on which the Common Stock is listed or quoted for trading on the date in question: the Nasdaq SmallCap Market, the American Stock Exchange, the New York Stock Exchange or the Nasdaq National Market.

**2. EXERCISE OF WARRANT.** The rights represented by this Warrant may be exercised in whole or in part at any time during the Exercise Period, by delivery of the following to the Company at its address set forth above (or at such other address as it may designate by notice in writing to the Holder):

- (a) an executed notice of exercise in the form attached hereto (a “Notice of Exercise”);
- (b) payment of the Exercise Price in cash or by check; and
- (c) this Warrant.

Upon the exercise of the rights represented by this Warrant, a certificate or certificates for the Exercise Shares so purchased, registered in the name of the Holder or persons affiliated with the Holder, if the Holder so designates, shall be issued and delivered to the Holder within a reasonable time after the exercise rights represented by this Warrant shall have been so exercised. The person in whose name any certificate or certificates for Exercise Shares are to be issued upon exercise of this Warrant shall be deemed to have become the holder of record of such shares on the date on which this Warrant was surrendered and payment of the Exercise Price was made, irrespective of the date of delivery of such certificate or certificates.

**3. NET EXERCISE.** Notwithstanding any provisions herein to the contrary, if the fair market value of one share of the Company’s Common Stock is greater than the Exercise Price (at the date of calculation as set forth below), in lieu of exercising this Warrant by payment of cash, the Holder may elect to receive shares equal to the value (as determined below) of this Warrant (or the portion thereof being canceled) by surrender of this Warrant at the principal office of the Company together with the properly endorsed Notice of Exercise in which event the Company shall issue to the Holder a number of shares of Common Stock computed using the following formula:

$$X = \frac{Y(A-B)}{A}$$

Where X = the number of shares of Common Stock to be issued to the Holder

Y = the number of shares of Common Stock purchasable under the Warrant or, if only a portion of the Warrant is being exercised, the portion of the Warrant being canceled (at the date of such calculation)

A = the Market Price on the Trading Day immediately preceding the date of such election

B = Exercise Price (as adjusted to the date of such calculation)

**4. COVENANTS OF THE COMPANY.** The Company covenants and agrees that all Exercise Shares that may be issued upon the exercise of the rights represented by this Warrant will, upon issuance, be validly issued and outstanding, fully paid and nonassessable, and free from all taxes, liens and charges with respect to the issuance thereof. The Company further covenants and agrees that the Company will at all times during the Exercise Period, have authorized and reserved, free from preemptive rights, a sufficient number of shares of its Common Stock to provide for the exercise of the rights represented by this Warrant. If at any time during the Exercise Period the number of authorized but unissued shares of Common Stock shall not be sufficient to permit exercise of this Warrant, the Company will take such corporate action as may, in the opinion of its counsel, be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purposes.

**5. REPRESENTATIONS, WARRANTIES AND COVENANTS OF HOLDER.**

**5.1. Acquisition of Warrant for Personal Account.** The Holder represents and warrants that it is acquiring the Warrant solely for its account for investment and not with a view to or for sale or distribution of said Warrant or any part thereof, other than potential transfers between affiliates (including affiliated funds). The Holder also represents that the entire legal and beneficial interests of the Warrant and Exercise Shares the Holder is acquiring is being acquired for, and will be held for, its account only.

**5.2. Securities Are Not Registered.**

(a) The Holder understands that the Warrant and the Exercise Shares have not been registered under the Securities Act of 1933, as amended (the “Act”) on the basis that no distribution or public offering of the stock of the Company is to be effected. The Holder realizes that the basis for the exemption may not be present if, notwithstanding its representations, the Holder has a present intention of acquiring the securities for a fixed or determinable period in the future, selling (in connection with a distribution or otherwise), granting any participation in, or otherwise distributing the securities. The Holder has no such present intention, other than potential transfers between affiliates (including affiliated funds).

(b) The Holder recognizes that the Warrant and the Exercise Shares must be held indefinitely unless they are subsequently registered under the Act or an exemption from such registration is available.

(c) The Holder is aware that neither the Warrant nor the Exercise Shares may be sold pursuant to Rule 144 adopted under the Act unless certain conditions are met, including, among other things, the existence of a public market for the shares, the availability of certain current public information about the Company, the resale following the required holding period under Rule 144 and the number of shares being sold during any three month period not exceeding specified limitations. Holder is aware that the conditions for resale set forth in Rule 144 have not been satisfied and that the Company presently has no plans to satisfy these conditions in the foreseeable future.

### 5.3. Disposition of Warrant and Exercise Shares.

(a) The Holder further agrees not to make any disposition of all or any part of the Warrant or Exercise Shares in any event unless and until:

(i) The Company shall have received a letter secured by the Holder from the Securities and Exchange Commission stating that no action will be recommended to the Commission with respect to the proposed disposition; or

(ii) There is then in effect a registration statement under the Act covering such proposed disposition and such disposition is made in accordance with said registration statement.

(iii) The Holder shall have notified the Company of the proposed disposition and shall have furnished the Company with a statement briefly describing the circumstances surrounding the proposed disposition, together with a written opinion of such holders counsel, if requested by the Company, to the effect that such offer, sale or other disposition may be effected without registration or qualification (under the Securities Act as then in effect or any federal or state law then in effect); provided, however, that such statement will not be required if the disposition is permitted under Rule 144 of the Securities Act.

(b) Notwithstanding the provisions of paragraph (a) above, the Holder may assign this Warrant and the Exercise Shares to (i) any partner of the Holder if Holder is a partnership, (ii) any member of the Holder if Holder is a limited liability company, (iii) any affiliate, including affiliated funds or (iv) any family member or trust for the benefit of the Holder if the Holder is an individual; provided that the Company is given written notice thereof.

(c) The Holder understands and agrees that all certificates evidencing the shares to be issued to the Holder may bear the following legend:

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"). THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT AS TO THE SECURITIES UNDER THE ACT OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED.

### 6. ADJUSTMENT OF EXERCISE PRICE; EFFECT OF ORGANIC CHANGES

**6.1. Adjustment of Exercise Price.** In the event of changes in the outstanding Common Stock of the Company by reason of stock dividends, splits, recapitalizations, reclassifications, combinations or exchanges of shares, separations, reorganizations, liquidations, or the like, the number and class of shares available under the Warrant in the aggregate and the Exercise Price shall be correspondingly adjusted to give the Holder of the Warrant, on exercise for the same aggregate Exercise Price, the total number, class, and kind of shares as the Holder would have owned had the Warrant been exercised prior to the event and had the Holder continued to hold such shares until after the event requiring adjustment. This adjustment is intended to adjust for the pure anti-dilution effects of the shares issued. The form of this Warrant need not be changed because of any adjustment in the number of Exercise Shares subject to this Warrant.

**6.2. Acquisition.** Holder agrees that, in the event of an Acquisition, either (a) Holder shall exercise its purchase right under this Warrant prior to the consummation of such Acquisition and such exercise will be deemed effective immediately prior to the consummation of such Acquisition or (b) if Holder elects not to exercise the Warrant, this Warrant will expire upon the consummation of such Acquisition. The Company shall provide the Holder with written notice of an Acquisition, which is to be delivered to Holder not less than ten (10) days prior to the closing of the proposed Acquisition, and shall

provide the Holder with such reasonable information as the Holder may request in connection with such contemplated Acquisition. For the purpose of this Warrant, “**Acquisition**” means any sale, license, or other disposition of all or substantially all of the assets of the Company, or any reorganization, consolidation, or merger of the Company where the holders of the Company’s securities before the transaction beneficially own less than 50% of the outstanding voting securities of the surviving entity after the transaction.

**7. FRACTIONAL SHARES.** No fractional shares shall be issued upon the exercise of this Warrant as a consequence of any adjustment pursuant hereto. All Exercise Shares (including fractions) issuable upon exercise of this Warrant may be aggregated for purposes of determining whether the exercise would result in the issuance of any fractional share.

**8. REDEMPTION.** The Company may redeem this Warrant at its option at a redemption price of \$0.01 per Exercise Share, at any time during the term of this Warrant, provided that: (i) the Equity Conditions have been met, (ii) the Market Price shall have equaled or exceeded 200% of the Exercise Price for any 20 consecutive Trading Days ending not later than the third day prior to the date on which the Notice of Redemption, as defined below, is given (the “**Calculation Period**”); and (iii) the average trading volume shall have exceeded 100,000 shares of Common Stock per day during the Calculation Period. Notice of redemption (the “**Notice of Redemption**” ) shall be given in writing by the Company not later than the 15th day before the date fixed for redemption. On and after the date fixed for redemption, the Holder shall have no rights with respect to the Warrants except to receive the \$0.01 per Exercise Share upon surrender of this Warrant. After Notice of Redemption is received by the Holder, but prior to the date fixed for redemption, the Holder may still exercise this Warrant.

**9. NO STOCKHOLDER RIGHTS.** This Warrant in and of itself shall not entitle the Holder to any voting rights or other rights as a stockholder of the Company.

**10. TRANSFER OF WARRANT.** Subject to applicable laws, this Warrant and all rights hereunder are transferable, by the Holder in person or by duly authorized attorney, upon delivery of this Warrant and the form of assignment attached hereto to any transferee designated by Holder.

**11. LOST, STOLEN, MUTILATED OR DESTROYED WARRANT.** If this Warrant is lost, stolen, mutilated or destroyed, the Company may, on such terms as to indemnity or otherwise as it may reasonably impose (which shall, in the case of a mutilated Warrant, include the surrender thereof), issue a new Warrant of like denomination and tenor as the Warrant so lost, stolen, mutilated or destroyed. Any such new Warrant shall constitute an original contractual obligation of the Company, whether or not the allegedly lost, stolen, mutilated or destroyed Warrant shall be at any time enforceable by anyone.

**12. NOTICES, ETC.** All notices required or permitted hereunder shall be in writing and shall be deemed effectively given: (a) upon personal delivery to the party to be notified, (b) when sent by confirmed telex, facsimile or electronic mail if sent during normal business hours of the recipient, if not, then on the next business day, (c) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one (1) day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications shall be sent to the Company at the address listed on the signature page and to Holder at the address listed on the first page of this Warrant or at such other address as the Company or Holder may designate by ten (10) days advance written notice to the other parties hereto.

**13. ACCEPTANCE.** Receipt of this Warrant by the Holder shall constitute acceptance of and agreement to all of the terms and conditions contained herein.

**14. AMENDMENT AND WAIVER.** Any term of this Warrant may be amended or waived with the written consent of the Company and holders of Warrants representing at least a majority of the shares of Common Stock for which the Warrants are exercisable; provided, however, that any amendment or waiver that treats the Holder of a Warrant in a materially unequal fashion as compared to all Holders of the Warrant will require the consent of the Holder receiving such unequal treatment.

**15. GOVERNING LAW.** This Warrant shall be governed by and construed under the laws of the State of Colorado as applied to agreements among Colorado residents, made and to be performed entirely within the State of Colorado.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the Company has caused this Warrant to be executed by its duly authorized officer as of \_\_\_\_\_, 2009.

**LIFEVANTAGE CORPORATION**

By: \_\_\_\_\_

Name: Brad Amman

Title: Chief Financial Officer



**NOTICE OF EXERCISE**

**TO:** LIFEVANTAGE CORPORATION

(1) o The undersigned hereby elects to purchase \_\_\_\_\_ shares of the Common Stock of LifeVantage Corporation (the “*Company*”) pursuant to the terms of the attached Warrant, and tenders herewith payment of the exercise price in full, together with all applicable transfer taxes, if any.

o (2) Please issue a certificate or certificates representing said shares of Common Stock in the name of the undersigned or in such other name as is specified below:

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
\_\_\_\_\_  
(Address)

(3) The undersigned represents that (i) the aforesaid shares of Common Stock are being acquired for the account of the undersigned for investment and not with a view to, or for resale in connection with, the distribution thereof and that the undersigned has no present intention of distributing or reselling such shares; (ii) the undersigned is aware of the Company’s business affairs and financial condition and has acquired sufficient information about the Company to reach an informed and knowledgeable decision regarding its investment in the Company; (iii) the undersigned is experienced in making investments of this type and has such knowledge and background in financial and business matters that the undersigned is capable of evaluating the merits and risks of this investment and protecting the undersigned’s own interests; (iv) the undersigned understands that the shares of Common Stock issuable upon exercise of this Warrant have not been registered under the Securities Act of 1933, as amended (the “*Securities Act*”), by reason of a specific exemption from the registration provisions of the Securities Act, which exemption depends upon, among other things, the bona fide nature of the investment intent as expressed herein, and, because such securities have not been registered under the Securities Act, they must be held indefinitely unless subsequently registered under the Securities Act or an exemption from such registration is available; (v) the undersigned is aware that the aforesaid shares of Common Stock may not be sold pursuant to Rule 144 adopted under the Securities Act unless certain conditions are met and until the undersigned has held the shares for the number of years prescribed by Rule 144, that among the conditions for use of the Rule is the availability of current information to the public about the Company and the Company has not made such information available and has no present plans to do so; and (vi) the undersigned agrees not to make any disposition of all or any part of the aforesaid shares of Common Stock unless and until there is then in effect a registration statement under the Securities Act covering such proposed disposition and such disposition is made in accordance with said registration statement, or the undersigned has provided the Company with an opinion of counsel satisfactory to the Company, stating that such registration is not required.

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print name)

**ASSIGNMENT FORM**

(To assign the foregoing Warrant, execute this form and supply required information. Do not use this form to purchase shares.)

**FOR VALUE RECEIVED**, the foregoing Warrant and all rights evidenced thereby are hereby assigned to

Name: \_\_\_\_\_  
(Please Print)

Address: \_\_\_\_\_  
(Please Print)

Dated: \_\_\_\_\_

Holder's Signature: \_\_\_\_\_

Holder's Address: \_\_\_\_\_

**NOTE:** The signature to this Assignment Form must correspond with the name as it appears on the face of the Warrant, without alteration or enlargement or any change whatever. Officers of corporations and those acting in a fiduciary or other representative capacity should file proper evidence of authority to assign the foregoing Warrant.

**SUBLEASE AGREEMENT**

This SUBLEASE AGREEMENT (this "Sublease") is entered into as of February \_\_, 2009 (the "Effective Date"), between Broadweave Networks, Inc. ("Tenant") and Life Vantage, Inc. ("Subtenant"), with reference to the following:

A. "**Riverpark Four, LLC.**", as Landlord, and Broadweave Networks, Inc., as Tenant, entered into that certain Office Lease dated September 5, 2006 (the "Original Lease") whereby certain premises located at Suite 525 at 10813 South Riverfront Parkway, Salt Lake City, UT 84095 (the "Building"), and more particularly described in the Original Lease (the "Premises"), were leased to Tenant. A copy of the Original Lease, and any amendments (the Original Lease, as amended, is referred to in this Sublease as the "Primary Lease"), is attached and incorporated by reference for all purposes into this Sublease as **Exhibit "B"**.

B. Tenant desires to sublease the Premises to Subtenant, and Subtenant wishes to sublease the Premises from Tenant.

For good and valuable consideration, the receipt and sufficiency of which are acknowledged, Tenant and Subtenant agree as follows:

**1. Sublease.** Tenant subleases to Subtenant, and Subtenant subleases from Tenant, upon the terms and conditions set forth in this Sublease, the Premises consisting of approximately 9,631 rentable square feet as shown on the drawing attached to this Sublease as **Exhibit "A"** and incorporated by reference for all purposes (the "Subleased Premises").

**2. Term.** The term of the Sublease shall be for a period of thirty-nine (39) months commencing on March 1, 2009 ("Commencement Date") and terminate on May 31, 2012 (the "Expiration Date"); provided, however, that this Sublease shall terminate earlier upon termination, for any cause whatsoever, of the Primary Lease.

**3. Base Rent.** Subtenant agrees to pay Tenant for the use of the Subleased Premises the monthly sum of seventeen thousand two hundred fifty-five dollars and fifty-four cents (\$17,255.54) per month or twenty one dollars and fifty cents (\$21.50) annually per rentable square foot ("Base Rent") during the term of the lease. Such Base Rent shall be increased by three percent (3%) on each anniversary thereafter. Tenant agrees to pay the Base Rent for March 2009, in full, upon Sublease execution. Tenant agrees to pay Landlord all additional rent, operating expenses, and other costs that Tenant remains responsible for in the Original Lease in excess of the actual costs for the calendar year 2009. Subtenant's failure to pay any installment of Operating Expenses or other items of additional Rent, upon the date when payment is due and failure to cure within five (5) days after receipt of written notice from Tenant specifying the failure, shall constitute an event of default.

**4. Security Deposit.** On the date of this Sublease being executed, Subtenant shall deposit with Tenant seventeen thousand two hundred fifty-five dollars and fifty-four cents (\$17,255.54) as security for the full and faithful performance of every provision of this Sublease to be performed by Subtenant. If Subtenant defaults with respect to any provision of this Sublease, including but not limited to, the provisions relating to the payment of rent, Tenant may use, apply or retain all of any part of said security deposit for the payment of any rent and any other sum in default, or for the payment of any other amount which Tenant may spend or become obligated to spend by reason of Subtenant's default

or to compensate Tenant for any other loss or damage which Tenant may suffer by reason of Subtenant's default. If any portion of said security deposit is so used or applied, Subtenant shall, within five (5) days after written demand therefore, deposit cash with Tenant in an amount sufficient to restore the security deposit to its original amount, and Subtenant's failure to do so shall be a material breach of this Sublease. Except to the extent required by law, Tenant shall not be required to keep said security deposit separate from its general funds, and Subtenant shall not be entitled to interest on any security deposit. If Subtenant shall fully and faithfully perform every provision of this Sublease to be performed by it, said security deposit or any balance thereof shall be returned to Subtenant (or, at Tenant's option, to the last assignee of Subtenant's interest hereunder) within sixty (60) days after the expiration of the term and Subtenant's vacation of the Premises. Nothing herein shall be construed to limit the amount of damages recoverable by Tenant or any other remedy to the amount of the security deposit.

#### **5. Primary Lease.**

(a) The terms and conditions of the Primary Lease are incorporated into this Sublease by reference for all purposes. Subtenant, by Subtenant's execution of this Sublease, acknowledges that Tenant has furnished Subtenant with a copy of the Primary Lease and Amendment, Subtenant has examined the Primary Lease and is familiar with its terms. Except as otherwise expressly provided in this Sublease, Subtenant agrees to comply in all respects with the terms and conditions of the Primary Lease insofar as the same are applicable to the Subleased Premises.

(b) As between Tenant and Subtenant, Tenant shall be entitled to all of the rights and remedies reserved by and granted to the landlord in the Primary Lease as if Tenant was the "Landlord" under the Primary Lease and Subtenant was the "Tenant" under the Primary Lease. Such rights and remedies are incorporated into this Sublease by reference for all purposes.

(c) This Sublease is subject and subordinate to all of the terms, covenants and conditions of the Primary Lease and to all of the rights of Landlord under the Primary Lease. If the Primary Lease terminates for any reason prior to the expiration or termination of this Sublease, Subtenant shall not have any claim whatsoever against Tenant arising or resulting from such termination of the Primary Lease.

**6. Limitation of Liability and Indemnity.** Notwithstanding any provision of the Primary Lease to the contrary, neither Landlord nor the Tenant shall be liable to Subtenant, or any of its agents, employees, servants or invitees, for any damage to persons or property due to the condition or design or any defect in the Building or its mechanical systems which may exist or subsequently occur. Subtenant with respect to itself and its agents, employees, servants and invitees, expressly assumes all risks and damage to persons and property, either proximate or remote, by the reason of the present or future condition of the Subleased Premises or the Building. All indemnification, hold harmless and release provisions contained in the Primary Lease running to the benefit of Landlord are incorporated into this Sublease by reference for the benefit of Tenant as if Tenant was the "Landlord" and Subtenant was the "Tenant" under the Primary Lease. Except as otherwise expressly provided in this Sublease, all indemnification, hold harmless and release provisions contained in the Primary Lease running to the benefit of the Tenant are incorporated into this Sublease by reference for the benefit of Subtenant as if Subtenant was the "Tenant" under the Primary Lease and Tenant was the "Landlord" under the Primary Lease. This paragraph is for the benefit of the Subtenant, Tenant and Landlord only, and no right of action shall accrue under this paragraph to any other party by way of subrogation or otherwise.

**7. Furniture.** Subtenant shall have the right of use of the existing furniture within the Sublease Premises for the Sublease Term. If Subtenant is not in default, Subtenant may elect to purchase such furniture at market value upon expiration of the Sublease Term. Subtenant shall give Tenant ninety (90) days prior written notice of Subtenant's election to purchase the furniture. If such notice is not given within the above timeframe, Tenant may elect to dispose of the furniture at its sole discretion.

**8. Alterations.** Subtenant may not make any alterations, improvements or additions to the Subleased Premises (collectively, "Improvements") without the express prior written consent of Landlord and Tenant. Any Improvements to which Landlord and Tenant consent must be constructed and installed in accordance with (i) all requirements contained in the Primary Lease and (ii) any requirements imposed by Tenant to protect Tenant's interest in the Primary Lease and/or in the Subleased Premises. Further, upon termination of this Sublease, any Improvements to the Subleased Premises shall remain in the Subleased Premises, and Subtenant shall not have the right to remove such Improvements.

**9. Damage and Destruction.**

(a) If the Subleased Premises, or any portion of the Subleased Premises, are damaged or destroyed by any cause whatsoever, such that the Primary Lease is terminated, this Sublease shall terminate immediately upon termination of the Primary Lease. Rent and any other payments for which Subtenant is liable shall be apportioned and paid to the date of such damage or destruction, and Subtenant shall immediately deliver possession of the Subleased Premises to Tenant.

(b) If any portion of the Building is damaged or destroyed by any cause whatsoever, and such damage or destruction is not significant enough to cause a termination of the Primary Lease, Tenant agrees, subject to Paragraph 16 of the Primary Lease, to use good faith efforts to cause Landlord to repair such damage. Notwithstanding any such damage, Subtenant shall continue to be obligated to pay all rent under this Sublease during the period of restoration.

**10. Condemnation.** Upon any taking by condemnation or other eminent domain proceeding of all or a portion of the Premises which results in the termination of the Primary Lease, this Sublease shall terminate concurrently with the Primary Lease. As between Tenant and Subtenant, any awards or damages payable as a result of such taking by condemnation or other eminent domain proceeding shall be the sole property of Tenant, and Subtenant shall have no claim to any part of such awards or damages.

**11. Certificates.** Subtenant agrees to furnish to Tenant or to Landlord certificates certifying as to any information reasonably requested by either Tenant or Landlord.

**12. Condition of Subleased Premises and Surrender of the Subleased Premises.** Subtenant acknowledges that (a) Subtenant has fully inspected the Subleased Premises and accepts the same in their present condition, "as is, where is", with all faults, and (b) Tenant has made no warranties or representations to Subtenant whatsoever with respect to the condition of the Subleased Premises. Upon the expiration or termination of this Sublease, Subtenant agrees to return the Subleased Premises to Tenant and Landlord in the condition required by the Primary Lease.

**13. Certificates, Licenses and/or Permits.** Subtenant shall, at Subtenant's sole expense, obtain all necessary certificates, licenses or permits to do business in the Subleased Premises, which may be required by any governmental authorities.

**14. Attorneys' Fees and Costs of Enforcement.** If either party to this Sublease commences an action to enforce any of the provisions of this Sublease, the prevailing party in such action shall be entitled to collect all of the costs of such action (including, without limitation, attorneys' fees and court costs) from the other party. Subtenant shall also pay all reasonable attorneys' fees and other expenses incurred by Tenant incident to the negotiation and preparation of this Sublease.

**15. Cumulative Rights and Remedies.** No right or remedy contained in this Sublease, in the Primary Lease, or provided by law is intended to be exclusive of any other right or remedy, but shall be cumulative and in addition to every other right or remedy.

**16. Assignment and Subletting.** Subtenant may not assign Subtenant's rights under this Sublease or sublet all or any portion of the Subleased Premises without Tenant's prior written consent, which may not be unreasonably withheld.

**17. General Provisions.** This Sublease sets forth the complete agreement between Tenant and Subtenant regarding the subject matter of this Sublease. This Sublease may not be terminated, amended or modified in any respect except by agreement in writing executed by both Tenant and Subtenant. All duties and obligations of Subtenant under this Sublease that are unperformed shall survive the termination or expiration of this Sublease. Except as limited by this Paragraph, this Sublease, and all the terms and conditions of this Sublease, shall be binding upon and inure to the benefit of Tenant and Subtenant and their respective successors, representatives and assigns.

**18. Server Room.** Tenant shall have thirty (30) days to stage the removal of equipment from the Server Room, so long as reasonable notice and access is given to Subtenant, and such removal and access does not have an adverse effect on Subtenant's occupancy. Furthermore, it is agreed and understood that Tenant and Subtenant may (at each party's sole discretion) enter into a separate agreement relative to telecommunications connectivity within the space, and that Tenant shall maintain a rack in that room for a period of at least one year.

ACCORDINGLY, the parties have executed this Sublease as of the date first set forth above.

**TENANT:**

Broadweave Networks, Inc.

By: \_\_\_\_\_  
Name/Title:

**SUBTENANT:**

Life Vantage, Inc.

By: \_\_\_\_\_  
Name/Title: \_\_\_\_\_

## MANUFACTURING AND SUPPLY AGREEMENT

THIS MANUFACTURING AND SUPPLY AGREEMENT (the "Agreement") shall be effective on the 1st day of July, 2008 (the "Effective Date") by and between:

LifeVantage Corporation  
6400 South Fiddler's Green Circle  
Suite 1970  
Greenwood Village, CO 80111  
(Customer)

and CornerStone Research & Development, Inc.  
218 South 200 West, P.O. Box 617  
Farmington, Utah 84025  
("Manufacturer")

Customer and Manufacturer are sometimes hereinafter referred to as "Party" or "Parties."

### RECITALS:

- A. Customer is in the business of marketing nutritional products;
- B. Manufacturer is in the business of manufacturing, packaging, and supplying nutritional products.
- C. Customer and Manufacturer mutually desire that Manufacturer will manufacture, package, and supply defined products listed on Schedule 1 and that Customer will purchase defined Products (as hereinafter listed as defined products in Section 1) in accordance with the terms and conditions of this Agreement.

### AGREEMENT

NOW, THEREFORE, for and in consideration of the promises and agreements that follow, the Parties agree as follows:

1 **DEFINED TERMS.** As used in this Agreement:

- 1.1 **Affiliate** shall mean any Person that directly or indirectly through one or more intermediaries controls, is controlled by, or is under common control with, another Person.
- 1.2 **Control** shall mean the right to exercise, directly or indirectly, the power to direct or materially influence the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, or otherwise.
- 1.3 **Confidential Information** shall include any formulae, revisions of formulae, know-how, processes and methods, business plans, financial data, product development plans,

marketing plans and strategies, distributor lists, supplier lists, customer lists, vendor lists, manufacturing methodologies, research data, and similar information of either Customer or Manufacturer that are valuable, special, unique and proprietary assets of either Customer or Manufacturer.

- 1.4 **Dollars or \$** shall mean the legal tender of the United States of America.
- 1.5 **Person** shall mean an individual, partnership, joint venture, corporation, limited liability company, trust, unincorporated organization, or other entity.
- 1.6 **Product(s)** shall mean those Products specified on Schedule 1, as said schedule may be amended from time to time as provided herein.
- 1.7 **Specifications** shall mean the specifications set forth in Manufacturer's "Master Formula" form for each Product, as agreed upon in writing by both Parties and as amended from time to time.
- 1.8 **Third Party** shall mean any Person who is not a Party to this Agreement.
- 1.9 **Trademarks** shall mean those trademarks and the trade names, distinctive package and label designs, electronic and printed promotional and advertising materials, and all other communications belonging to Customer used in connection with its business.

## 2 **TRADEMARKS.**

- 2.1 Manufacturer will use (and has the limited right to use) the Trademarks of Customer in conjunction with packaging and labeling. The Products will be packaged under Customer's label and Trademarks.
- 2.2 This Agreement shall not be construed to give Manufacturer any vested right, title, or interest in any of the Trademarks or copyrighted material of Customer except to the extent and in the manner, time, and places Manufacturer is authorized and permitted under this Agreement to use the Trademarks.

3 **TERM.** Subject to other provisions of this Agreement, the term of this Agreement is two (2) years, commencing on the Effective Date. Thereafter, the term shall continue year by year until and unless either Party gives written notice of termination to the other Party at least 120 days prior to the end of the then current term.

## 4 **PURCHASE.**

- 4.1 Customer shall order and purchase the Products (see schedule 1) on an exclusive basis from Manufacturer. Customer shall provide purchase orders to Manufacturer for the purchase of Products. Schedule 1 lists the Products, price and the minimum order quantities which must be ordered on purchase orders. A purchase order will not be considered a valid order until Manufacturer receives a hard copy or facsimile-transmitted copy and until Manufacturer accepts the purchase order in writing. The terms and conditions of this Agreement shall supersede any inconsistent terms contained in any purchase order, order acknowledgement, packing slip, or invoice.
- 4.2 Except for price modifications under Section 4.2.1 below, pricing for the Products, shown on Schedule 1, shall remain firm for the initial 12 months of this Agreement:



4.2.1 Manufacturer may increase or decrease prices at any time during the term of this Agreement to compensate Manufacturer for increases in the cost of raw materials or components. However, except in the case of price increases resulting from an extraordinary increase in raw materials or components, price changes under this Section 4.2.1 shall not exceed plus or minus 5% of the then current pricing. If Manufacturer experiences what it considers to be an extraordinary increase in raw materials, then Manufacturer shall give written notice that Manufacturer believes that a price increase in excess of the 5% limitation is justified, whereupon the parties will negotiate pricing modifications, in good faith.

4.3 Payment terms will be net 30 days. All past-due invoice balances shall bear interest at the rate of 1.5% per month until paid in full. If at any time Customer is in default with respect to any of its obligations under this Agreement, or Customer is insolvent or the subject of an insolvency or bankruptcy proceeding, then in addition to its other rights and remedies hereunder for breach Manufacturer may suspend all production and shipment.

4.4 The Products will be manufactured, tested, and delivered, in accordance with agreed upon Specifications. Any changes to Specifications must be agreed to in writing by both Parties.

4.5 Subject to pre-existing contractual obligations, Manufacturer's compliance with this Agreement and Manufacturer's capacity, during the term of this Agreement, Customer covenants and agrees to purchase from Cornerstone a minimum of 100% of Customer's requirements of the type of Products and reformulations of or improvements to those Products described in Schedule 1.

## 5 **NEW PRODUCTS**

5.1 During the term of this Agreement, Manufacturer and Customer may work together to develop new products and new technology, or to make improvements to existing Products. In addition, Customer may desire from time to time to terminate a supply relationship with another manufacturer for an existing product of Customer. Such new or other products may be added to this Agreement and to Schedule 1 upon the mutual written agreement of the Parties regarding issues such as pricing, manufacturing, packaging, reimbursement to Manufacturer for costs of research and development, etc.

5.2 When a product is added to Schedule 1, its manufacture and sale by Manufacturer to Customer shall be subject to all of the terms and conditions of this Agreement for the remaining term of this Agreement, except as otherwise specified in writing by the Parties

## 6 **RESEARCH AND DEVELOPMENT**

Unless otherwise contractually prohibited, if at any time during the term of this Agreement Customer desires to offer for sale new or additional dietary supplements or natural healing products in tablet, capsule, effervescent 'fizzy' or dry-powder stick-pack dosage form, or if Customer desires to discontinue a supply relationship with another manufacturer for an existing product of Customer, Customer hereby grants to Cornerstone a first right of negotiation with respect to such product as follows:

- 6.1 Customer shall give Cornerstone a written product specification and formulation sheet as notice of the product which Customer is interested in marketing or with respect to which product Customer desires to discontinue a supply relationship with another manufacturer (the "First Notice"). The First Notice shall describe the product in reasonable detail and shall include detailed information about any previous relationship with another manufacturer for said product, including product formulation, product specifications, etc.
- 6.2 Within 30 days after receiving the First Notice, Cornerstone must give written notice of Cornerstone's desire to supply said product to Customer (the "Second Notice"). If Cornerstone fails to give the Second Notice within said 30-day period, its first right of negotiation hereunder shall expire. If Cornerstone timely gives the Second Notice, then the parties shall enter into good faith negotiations for the manufacturing and pricing of said product with the intent that it be added to the list of Products in Exhibit A to this Agreement. For a period of 45 days after the date of the Second Notice, Customer shall refrain from contacting or negotiating with any other potential manufacturer for the product which is the subject of the Second Notice. If the parties are unable to reach a mutual agreement on manufacturing and pricing terms for said product within said 45-day period, then Cornerstone's right to negotiate to supply said product hereunder to Customer shall expire.
- 6.3 When a product is added to Exhibit A, its manufacture and sale by Cornerstone to Customer shall be subject to all of the terms and conditions of this Agreement for the remaining term of this Agreement, except as otherwise specified in writing by the parties.

7 **MANUFACTURING, PACKAGING, LABELING, AND SHIPPING.**

Manufacturer shall manufacture, package, label, and ship the Products in compliance with the Specifications, applicable provisions of the Federal Food, Drug, and Cosmetic Act and applicable regulations found in Title 21 of the Code of Federal Regulations, and any other applicable industry, state or federal regulations.

- 7.1 **Manufacturing.** In consideration of Customer's willingness to enter into this Agreement, Manufacturer agrees to purchase from Customer any raw ingredients and packaging materials that Customer may have already purchased and held in storage with another Manufacturer for each purchase order received. Customer agrees to provide such ingredients and materials to Manufacturer at the same price as Customer originally paid. Manufacturer will accept said raw ingredient and packaging materials at the cost Customer originally paid to the extent the costs do not exceed the current cost of like raw ingredients and packaging materials used in quoting the specified product(s). Customer further agrees to certify to Manufacturer that such raw ingredients and packaging materials shall meet all of Customer's specifications for the manufacture of the Products and agrees to hold Manufacturer harmless for its use of such materials as long as the provisions of this Section 7 are otherwise complied with. To the extent that such ingredients and materials are insufficient for Customer's requirements, Manufacturer shall furnish all raw ingredients and provide all labor, materials and equipment to manufacture the Products unless mutually agreed otherwise.
- 7.2 **Packaging and Labeling:** Manufacturer shall package and label the Products according to the Specifications. Packaging components (bottles, caps, etc.) shall be purchased by

either Customer or Manufacturer, as shall be determined by the Parties on a Product-by-Product basis and agreed to by the Parties.

7.3 **Shipping:**

7.3.1 All product pricing is F.O.B. Farmington, Utah

7.3.2 A variation of plus or minus 5% from the purchase order quantity may be invoiced and will be accepted by Customer based upon the actual production run amount. Customer must give Manufacturer written notice within 60 days after shipment date of Product items not received as part of the shipment but for which Manufacturer invoices Customer. Failure to give such timely notice will preclude Customer from later seeking or claiming a credit, refund, or reimbursement for such Product items which Customer may allege were not received.

7.3.3 Product will be shipped approximately 6 to 8 weeks after Manufacturer's written acceptance of a purchase order.

8 **PRODUCT RETURNS.** Customer shall have the right to return Product to Manufacturer if the Product does not conform to the Specifications or to Manufacturer's warranties herein or if the Product was shipped in error. Products so rejected may be returned to Manufacturer at its expense. However, Products not rejected within 30 days after shipping date shall be deemed to have been accepted by Customer. Customer's sole remedy for nonconforming Products shall be to receive replacement Product from Manufacturer.

9 **REPRESENTATIONS, WARRANTIES, AND COVENANTS.**

9.1 Manufacturer represents and warrants the following:

9.1.1 Prior to shipment, Products will be manufactured, and shipped in accordance with the Specifications, free from defect in materials and workmanship, and fit for human consumption.

9.1.2 All of the following will be done in accordance with applicable law and applicable Good Manufacturing Practices established for food products and/or dietary supplements: Warehousing of ingredients, components, and packaging materials for the Products; warehousing of finished goods; and processing, manufacturing, and packaging of Products.

9.1.3 Manufacturer's entering into and performing this Agreement will not violate any contract to which it is a party or any court order to which it is subject.

**THERE IS NO WARRANTY OF MERCHANTABILITY, FITNESS FOR USE, OR OTHER WARRANTIES OF MANUFACTURER, EXPRESS OR IMPLIED, OR ANY AFFIRMATION OF FACT OR REPRESENTATION, WHICH EXTENDS BEYOND THE EXPRESS WARRANTIES HEREIN AND ON PRODUCT LABELING.**

9.2 Customer represents and warrants the following:

- 9.2.1 It is the exclusive owner of the Trademarks and all goodwill associated therewith free and clear of all liens, encumbrances, security interests, and rights of any Third Party whatsoever.
- 9.2.2 Customer has the right to use the formulations furnished by Customer to Manufacturer for certain of the Products being purchased and sold under this Agreement, without infringing the intellectual property rights or trade secret rights of any person or entity.
- 9.2.3 Customer's entering into and performing this Agreement will not violate any contract to which it is a party or any court order to which it is subject.
- 9.3 Manufacturer shall indemnify and hold harmless Customer and its Affiliates and their respective owners, agents, officers, and employees from and against any and all liability, loss, cost, expense (including reasonable attorneys fees), judgments, and damages which may arise from (i) any material breach of this Agreement by Manufacturer; and (ii) the negligence or intentional misconduct of Manufacturer or its agents or employees.
- 9.4 Customer shall indemnify and hold harmless Manufacturer and its Affiliates and their respective owners, agents, officers, and employees from and against any and all liability, loss, cost, expense (including reasonable attorneys fees), judgments, and damages which arise from (a) any representations or claims (other than as made by Manufacturer in this Agreement) made to Third Parties by Customer or its Affiliates or their respective agents or employees with respect to the Products, whether contained in Customer advertising, on the labels, or otherwise; (b) sales of Products sold after their guaranteed freshness date; (c) Customer's not shipping, warehousing, and distributing finished Product as per the shipping and storage conditions which are specified after the Product has shipped from Manufacturer; (d) damaging or tampering with the Products by anyone other than Manufacturer, its employees, agents, contractors, licensees, or invitees; (e) any material breach of this Agreement by Customer; (f) the negligence of Customer or its agents or employees; and (g) any claim of infringement by the Products or the Trademarks of any intellectual property rights or trade secrets of a third party.

10 **CONFIDENTIALITY.**

- 10.1 Each Party shall consider all Confidential Information (as defined herein) furnished by the other Party to be confidential and shall not disclose any such information to any other person, or use such information itself for any purpose other than performing this Agreement, unless the Party using such information obtains written permission from the other Party to do so. However, the above restrictions shall not apply to information which:
  - 10.1.1 was known to the receiving Party prior to disclosure by the disclosing Party;
  - 10.1.2 was publicly known prior to disclosure, or later becomes so without breach of this section by the receiving Party;
  - 10.1.3 becomes known to the receiving Party from a Third Party not under obligation of secrecy to the disclosing Party; or

10.1.4 is developed by the receiving Party without the use of Confidential Information received from the other Party.

10.2 Each Party agrees that its relationship with the other Party is confidential and that it will take all necessary steps to ensure that all employees or agents who require information regarding the relationship between the Parties are advised of and shall protect the confidentiality thereof and shall not disclose the relationship nor discuss the relationship with Third Parties, including Customer distributors, without the express written consent of the other Party.

10.3 Each Party hereby acknowledges that unauthorized disclosure or use of the Confidential Information will cause substantial and irreparable injury to the other Party, that money damages will not be adequately compensate for such injury, and that the Party harmed is entitled to, among other remedies, immediate injunctive and other equitable relief for any breach of this Section.

11 **INSURANCE.** Each Party will maintain (and provide proof to the other of the existence of) comprehensive commercial general liability and product liability insurance (including product recall coverage) of not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate, with a reputable insurance company. Each Party will name the other as an additional insured on such liability insurance policy and will, if requested, provide to the other a certificate of insurance.

12 **RELATIONSHIP BETWEEN THE PARTIES.** Nothing in this Agreement shall be construed to create an agency relationship between Manufacturer and Customer. Manufacturer is an independent contractor. Accordingly, neither Party shall be liable for any debts, accounts, obligations, or other liabilities or torts of the other Party or its agents or employees, except as this Agreement may otherwise expressly provide.

13 **DEFAULT.** If either Party breaches any material provision of this Agreement and fails to cure such breach within the cure period specified herein after a written demand for performance by the other Party, the non-breaching Party shall have the right to pursue any and all remedies available at law or in equity, including without limitation the right to terminate this Agreement, the right to pursue specific performance, the right to pursue money damages, and the right to pursue remedies set forth elsewhere in this Agreement. The cure period for payment of invoices hereunder shall be 10 days. The cure period for all other breaches hereunder shall be 60 days.

**NOTWITHSTANDING THE FOREGOING, IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR ANY SPECIAL, CONSEQUENTIAL, OR INCIDENTAL DAMAGES.**

14 **GENERAL.**

14.1 **Incorporation.** All schedules and exhibits attached hereto are incorporated herein by this reference.

14.2 **Effect of Invalidity.** The invalidity of any portion of this Agreement will not and shall not be deemed to affect the validity of any other provision. In the event that any provision of this Agreement is held by a court of competent jurisdiction to be invalid, the Parties agree that the remaining provisions shall be deemed to be in full force and

effect as if they had been executed by both Parties subsequent to the expungement of the invalid provision.

- 14.3 **Force Majeure.** Failure of either Party to perform any of the provisions of this Agreement by reason of any of the following shall not constitute an event of default or breach of this Agreement: strikes, picket lines, boycott efforts, fires, floods, accidents, war (whether or not declared), revolution, riots, insurrections, acts of God, acts of government (including without limitation any agency or department of the United States of America), acts of the public enemy, scarcity or rationing of gasoline or other fuel or vital products, inability to obtain materials or labor, or other causes which are reasonably beyond the control of the defaulting Party.
- 14.4 **Notices.** Unless otherwise stated herein, all notices and other communications from either Party to the other hereunder shall be in writing and shall be deemed given when delivered personally or when deposited in the U.S. mail, certified or registered, return receipt requested, postage paid and properly addressed to the Party to whom notice is being given at the Party's address shown in the initial paragraph of this Agreement. Either Party may change the address for notices herein by giving notice to the other in accordance with this Section.
- 14.5 **Entire Agreement.** This Agreement (including Schedule 1 hereto) contains the entire agreement of the Parties. It supersedes any and all contracts, arrangements, commitments and offers, oral and written, heretofore made by the Parties with reference to the subject matter hereof. It may not be changed orally but only in writing signed by both Parties.
- 14.6 **No waiver.** Any failure by either Party hereto to exercise any of its rights hereunder shall not be construed as a waiver of such rights, nor shall any such failure preclude exercise of such rights, nor shall any such failure preclude exercise of such rights at any later time.
- 14.7 **Taxes.** Any and all taxes, excises, assessments, levies, imports, duties, costs, charges, and penalties which may be assessed, levied, demanded, or imposed by any governmental agency in connection with this Agreement shall be paid by the Party upon which they are imposed and shall be the sole obligation of such Party.
- 14.8 **Governing Law.** The validity of this Agreement and the interpretation and performance of all of its terms shall be governed by the substantive and procedural laws of the State of Utah.
- 14.9 **Place of Suit.** If Manufacturer brings legal action to enforce or interpret any provision of this Agreement, such action shall be filed only in courts of proper jurisdiction in the state where Customer's principal executive offices are located. If Customer brings legal action to enforce or interpret any provision of this Agreement, such action shall be filed only in courts of proper jurisdiction in Salt Lake or Davis County, Utah. All parties submit themselves to the jurisdiction of courts specified herein and agree that service of process may be effected by registered mail (with return receipt requested) sent to the address specified in paragraph (a) above or by any other means appropriate under the laws of the state where the legal action is filed.
- 14.10 **Assignment.** Neither this Agreement, nor any right or interest herein may be assigned by either Party without the express written consent of the other Party. This restriction shall not apply in the event of the sale or merger of the business of either Party.

14.11 **Headings.** Section headings are for convenience only and are not to be construed as part of this Agreement.

14.12 **Attorneys Fees.** If any action or lawsuit is brought by either Party to enforce or interpret this Agreement, the prevailing party will be entitled to recover reasonable attorneys fees and costs of suit.

14.13 **Authority.** Each Person executing this Agreement represents and warrants that he or she has authority to execute and deliver this Agreement as a binding contract of the Party for whom he or she is signing.

14.14 **Counterparts/Facsimile Signatures.** For convenience of the Parties, this Agreement may be executed in one or more counterparts, all of which taken together shall constitute one Agreement. Signatures transmitted by facsimile shall constitute original signatures.

IN WITNESS WHEREOF, the Parties have executed this Agreement effective the day and year first above written.

Customer: LifeVantage Corporation

By:



Title: Brad Amman  
CFO

Manufacturer:

CORNERSTONE RESEARCH & DEVELOPMENT, INC.

By:



Its: Mike Beardall  
CFO

# 5 WAYS TO realize true prosperity with Lifevantage.

## 1 FAST START BONUS (PAID WEEKLY)\*

Be rewarded with a bonus on the new people that you enroll.

If your Personal Volume (PV) is between 100-199  
**30%**

If your PV is 200 or more  
**40%**

### EXAMPLE OF THE FAST START BONUS (AT 200 PV)

In your first month you enroll three people at \$1000 (850 PV). By enrolling three people at the \$1000 pack you have quickly recouped your initial investment.

Mike \$1,000 (850 PV) \$340 Fast Start Bonus

Nicole \$1,000 (850 PV) \$340 Fast Start Bonus

Natalie \$1,000 (850 PV) \$340 Fast Start Bonus

Enroll 10 people at the \$1000 pack and your Fast Start Bonus total will be **\$3,400.**

**=\$1,020**

## 2 FAST START BONUS POOL (PAID MONTHLY)

5% of total sales volume creates this bonus pool, which is then divided into shares. Receive 1 share in this pool for every 5 personal enrollments per month with a minimum of 100 PV.



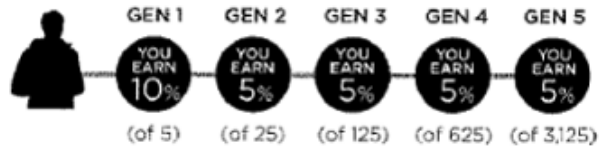
## 3 UNILEVEL COMMISSION (PAID MONTHLY)

	Level	%	# of people
Earn long-term residual income on product sales within your entire organization. Paid nine dynamically compressed levels. Make sure you understand how dynamic compression works this is not simple compression).	1	2%	5
	2	5%	25
	3	9%	125
	4	5%	625
	5	5%	3,125
	6	5%	15,625
	7	5%	78,125
	8	5%	390,625
	9	2%	1,953,125

## 4 GENERATIONAL MATCHING BONUS (PAID MONTHLY)\*\*

Earn a 10% match on the unilevel checks of your personal enrollments. Earn an additional 5% down 4 enrollment generations of your personal enrollments. (You must enroll 1 person per month with 100 PV in order to earn the monthly Matching Bonus through Pro 6.)

**EXAMPLE** If you enroll 5, you are matching 10% of their unilevel. If they enroll 5, you are matching 5% of 25 distributors' unilevel checks. If they each enroll 5, you are matching 5% of 125 distributors' unilevel checks. If they each enroll 5, you are matching 5% of 625 distributors' unilevel checks. If they each enroll 5, you are matching 5% of 3,125 distributors' unilevel checks.



## 5 LEADERSHIP BONUS POOL

4% of the commissionable sales are paid to qualified Pro 7 through Pro 10 distributors.



- 25% of the pool is shared by Pro 10s
- 25% of the pool is shared by Pro 9s and 10s
- 25% of the pool is shared by Pro 8s, 9s and 10s
- 25% of the pool is shared by Pro 7s, 8s, 9s and 10s

## 3 SIMPLE STEPS TO GET STARTED

1 Decide which entry level fits your level of participation [ ] \$1,000 [ ] \$500 [ ] \$350

2 Enroll in autoship

3 Tell your friends

Copyright © 2009. For additional information, visit [www.lifevantage.com](http://www.lifevantage.com). Any residual statement presented in conjunction with the LifeVantage compensation plan. In order to qualify for the 40% Fast Start Bonus, you must purchase one of the 3 sales packs (\$300 or \$1,000). This can be done at any time or we will upgrade at a later date.



**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER**

I, David W. Brown, certify that:

1. I have reviewed this Amendment No. 1 to the annual report on Form 10-K (this "Report") of Lifevantage Corporation (the "Registrant"); and  
Based on my knowledge, this Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Report;

Date: October 28, 2009

*/s/ David W. Brown*  
\_\_\_\_\_  
David W. Brown  
President & Chief Executive Officer  
(Principal Executive Officer)

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER

I, Carrie E. Carlander, certify that:

1. I have reviewed this Amendment No. 1 to the annual report on Form 10-K (this "Report") of Lifevantage Corporation (the "Registrant"); and
2. Based on my knowledge, this Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Report;

Date: October 28, 2009

/s/ Carrie E. Carlander

Carrie E. Carlander

Chief Financial Officer

(Principal Financial Officer)