

Kallo Inc.
Form DEF 14A
May 10, 2011

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

SCHEDULE 14A INFORMATION
Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934

Filed by the Registrant [X]

Filed by Party other than the Registrant []

- [] Preliminary Proxy Statement
 [] Confidential, for Use of the Commission Only [as permitted by Rule 14a-6(e)(2)]
 [X] Definitive Information Statement
 [] Definitive Additional Materials
 [] Soliciting Material Pursuant to Section 240.14a-11(c) or Section 240.14a-12

KALLO INC.
(Exact name of Registrant as specified in its charter.)

Commission File number 000-53183

Payment of Filing Fee (Check the appropriate box):

- [X] No fee required.
- [] Fee computed on table below per Exchange Act Rules 14c-5(g) and 0-11:
- | | |
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| 1. | Title of each class of securities to which transaction applies: |
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by registration statement number, or the Form or Schedule and the date of its filing.

1. Amount Previously Paid;
2. Form, Schedule or Registration Statement No.
3. Filing Party:
4. Date Filed:

KALLO INC.
15 Allstate Parkway, Suite 600
Markham, Ontario, Canada L3R 5B4
(416) 246-9997

To Our Stockholders:

On behalf of the Board of Directors and management of KALLO INC., I cordially invite you to attend a Special Meeting of stockholders of KALLO INC. to be held on Friday, May 27, 2011, at 11:00 a.m., Eastern Time, at 15 Allstate Parkway, Suite 600, Markham, Ontario, Canada L3R 5B4.

The matter to be considered at the meeting is an amendment to the Company's Articles of Incorporation to increase the number of authorized shares of Common Stock from one million (100,000,000) shares to five hundred million (500,000,000) shares, par value \$0.00001 per share.

It is extremely important that your shares be represented at the meeting. Whether or not you plan to attend the Special Meeting in person, you are requested to mark, sign, date and return the enclosed proxy promptly in the pre-addressed return envelope provided or give your proxy by scanning and emailing it or faxing it by following the instructions on the proxy card.

Sincerely,

JOHN CECIL
John Cecil
CEO

May 10, 2011

KALLO INC.
15 Allstate Parkway, Suite 600
Markham, Ontario, Canada L3R 5B4
(416) 246-9997

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

May 27, 2011 at 11a.m. (Eastern Time)

Notice is hereby given that a Special Meeting of Stockholders of KALLO INC. (the Company) will be held on Friday, May 27, 2011, at 11:00 a.m., Eastern Time, at 15 Allstate Parkway, Suite 600, Markham, Ontario, Canada L3R 5B4 to vote on the following proposal:

To amend our Articles of Incorporation to increase the number of authorized shares of Common Stock from one hundred million (100,000,000) to five hundred million (500,000,000), par value \$0.00001 per share.

The Special Meeting may be adjourned or postponed from time to time (including to obtain a quorum or solicit additional votes in favor of the proposal), and at any reconvened meeting action on the proposed amendments to the Articles of Incorporation may be taken without further notice to stockholders unless required by our Bylaws.

If you were a stockholder of record at the close of business on May 10, 2011, you are entitled to notice of and to vote at the Special Meeting and any adjournment or postponements thereof.

Sincerely,

JOHN CECIL
John Cecil
CEO

May 10, 2011

IMPORTANT: Whether or not you plan to attend, so that your vote will be counted at the Special Meeting, please mark, sign, date and return the enclosed proxy promptly, using the pre-addressed return envelope enclosed, or give your proxy by scanning and emailing it or faxing it by following the instructions on the proxy card.

KALLO INC.
15 Allstate Parkway, Suite 600
Markham, Ontario, Canada L3R 5B4
(416) 246-9997

PROXY STATEMENT
SPECIAL MEETING OF STOCKHOLDERS
TO BE HELD ON MAY 27, 2011 AT 11AM EASTERN TIME

Date of the Proxy Statement – May 10, 2011

GENERAL INFORMATION
Information About the Special Meeting

The Special Meeting will be held on Friday, May 27, at 11:00 a.m., Eastern Time, at 15 Allstate Parkway, Suite 600, Markham, Ontario, Canada L3R 5B4.

Information About this Proxy Statement

We sent you this Proxy Statement and the enclosed proxy card because the Board of Directors of KALLO INC. is soliciting your proxy to vote your shares at the Special Meeting. If you own Kallo Inc. Common Stock in more than one account, such as individually and also jointly with your spouse, you may receive more than one set of these proxy materials. To assist us in saving money and to provide you with better stockholder services, we encourage you to have all your accounts registered in the same name and address. You may do this by contacting Vince Laitao, Kallo Inc.'s President at (416) 246-9997. This Proxy Statement summarizes information that we are required to provide to you under the rules of the Securities and Exchange Commission (the "SEC") and which is designed to assist you in voting your shares. On or about May 10, 2011, we will mail this Proxy Statement and the enclosed proxy card to all stockholders of record at the close of business on May 10, 2011.

Matters to be Voted on at the Special Meeting

An amendment to the Company's Articles of Incorporation to increase the number of authorized shares of Common Stock from An amendment to the Company's Articles of Incorporation ("Articles of Incorporation") to increase the number of authorized shares of Common Stock from one million (100,000,000) shares to five hundred million (500,000,000) shares, par value \$0.00001 per share. ("Share Increase Amendment");

The Board recommends that you vote FOR the Share Increase Amendment

Information About Voting

Stockholders can vote on matters presented at the Special Meeting in two ways:

(a) By Proxy. You can vote by signing, dating and returning the enclosed proxy card promptly using the pre-addressed return envelope or give your proxy by scanning and emailing it to: proxy@kalloinc.com. If you do this, the proxies will vote your shares in the manner you indicate. If you do not indicate instructions on the card, your shares will be voted FOR the proposed amendments.

(b) In Person. You may attend the Special Meeting and cast your vote in person.

You may revoke your proxy at any time before it is exercised by sending a written notice (or other verifiable form of communication) notice of revocation to Kallo Inc.'s President, Vince Leitao, prior to the Special Meeting, or by submitting a later-dated proxy to us.

Each share of our Common Stock is entitled to one vote. As of the record date, May 10, 2011, there were 43,086,666 shares of our Common Stock outstanding. Holders of a majority of the outstanding shares of our Common Stock must approve each of the proposal in order for it to pass.

Information Regarding Tabulation of the Vote

The Company will appoint one or more inspectors of election to act at the special meeting and to make a written report thereof. Prior to the special meeting, the inspectors will sign an oath to perform their duties in an impartial manner and according to the best of their ability. The inspectors will ascertain the number of shares of Common Stock outstanding and the voting power of each, determine the shares of Common Stock represented at the special meeting and the validity of proxies and ballots, count all votes and ballots and perform certain other duties as required by law. The determination of the inspectors as to the validity of proxies will be final and binding.

Dissenter's Rights

The Nevada General Corporation Law does not provide for dissenters' rights in connection with any of the actions described in this Proxy Statement, and we will not provide stockholders with any such right independently.

Quorum Requirement

A quorum of stockholders is necessary to hold a valid meeting. Under the Bylaws, holders of Common Stock entitled to exercise a majority of the voting power of us, present in person or by proxy, shall constitute a quorum. Abstentions and broker non-votes, if any, are counted as present for establishing a quorum.

Information About Votes Necessary for Proposal to be Adopted

Approval by holders of a majority of the outstanding Common Stock will be required to approve the amendment to increase in the authorized shares of Common Stock from from one million (100,000,000) shares to five hundred million (500,000,000) shares, par value \$0.00001 per share.

Abstentions and broker non-votes, if any, will be counted as votes against the amendments.

As of May 10, 2011, there were approximately 53 holders of record of outstanding shares of Common Stock.

Revocation of Proxies

If you give a proxy, you may revoke it at any time before it is exercised by giving notice to the Company's President in writing or by means of other verifiable communication prior to the Special Meeting or by submitting a later-dated proxy to us.

Costs of Proxy Solicitation

Kallo Inc. will pay all the costs of soliciting these proxies except for the costs of returning your proxy card. In addition to solicitation by mail, proxies may be solicited personally, by telephone or personal interview by an officer or regular employee of Kallo Inc. Kallo Inc. will also ask banks, brokers and nominees and fiduciaries to forward the proxy materials to their principals and to obtain authority to execute proxies, and reimburse them for expenses.

INFORMATION ABOUT KALLO INC.'S COMMON STOCK OWNERSHIP

Beneficial Ownership of Shares

The following table sets forth certain information regarding the beneficial ownership of our Common Stock as of May 10, 2011 of each officer and director and by each person or entity known by us to be the beneficial owner of more than 5% of the outstanding shares of Common Stock.

Where the Number of Shares Beneficially Owned includes shares which may be purchased upon the exercise of outstanding stock options or warrants which are or within sixty days will become exercisable ("Preferred Stock" or "Exercisable Warrants") the percentage of class reported in this column has been calculated assuming the exercise of such.

Name and Address Beneficial Owner	Number of Shares Owned	Percentage of Ownership
Vince Leitao [1] 15 Allstate Parkway, Suite 600 Markham, ON L3R 5B4	5,150,000	11.95%
Leonard Steinmetz [1] 312 Avenue J Brooklyn Brooklyn, New York 11230-3315	3,000,000	6.96%
Samuel Baker [1] [2] 255 Duncan Mill Road Unit 504, ON M3B 3H9	1,400,000	3.25%
John Cecil [1] [3] 15 Allstate Parkway, Suite 600 Markham, ON L3R 5B4	9,100,000	21.12%
All Officers and Directors as a Group (4 persons)	18,650,000	43.28%
Herb Adams 22 Daffodil Crescent Ancaster, ON L9K 1A3 (Resigned 10/27/09)	5,950,000	13.81%

Mary Kricfalusi [1] 2795 Barton Street, East Unit 5, ON L8E 2J8	8,000,000	18.57%
John Dow 261 Penn Drive Burlington, Ontario L7N 2B9 (Resigned 7/10/2008)	3,000,000	6.96%

[1] The persons named above may be deemed to be a "parent" and "promoter" of our company, within the meaning of such terms under the Securities Act of 1933, as amended, by virtue of their direct and indirect stock holdings.

[2] Includes 400,000 shares of common stock owned by Carol Baker, the wife of Samuel Baker.

[3] Includes 2,600,000 shares of common stock owned by Grace Cecil, the wife of John Cecil.

FIRST PROPOSAL

SHARE INCREASE AMENDMENT

The Board of Directors has approved, subject to stockholders' approval, an amendment to the Company's Articles of Incorporation ("Articles of Incorporation") to increase the number of authorized shares of Common Stock from one million (100,000,000) shares to five hundred million (500,000,000) shares, par value \$0.00001 per share. The Board of Directors has determined that this amendment is advisable and in the best interests of us and our stockholders.

At the Special Meeting, stockholders will be asked to consider and vote upon this amendment. The Board of Directors recommends that stockholders vote FOR the Share Increase Amendment.

Reasons for the Amendment

We are currently authorized to issue 100,000,000 shares of Common Stock. Currently, there are 43,086,666 shares of Common Stock outstanding. After the increase in the authorized number of shares of Common Stock, there will be available for issuance, 456,913,334 shares of our Common Stock. The par value of our Common Stock will be \$0.00001 per share. The terms of the additional shares of Common Stock will be identical to those of the currently outstanding shares of common stock. The Share Increase Amendment will not alter the current number of issued shares. The relative rights and limitations of the shares of Common Stock would remain unchanged under the Share Increase Amendment.

The availability of additional authorized shares of Common Stock will enable us (i) to satisfy our obligation to Jarr Capital to increase our authorized capital in order that we can proceed to raise capital required in the short term and long term and mitigate the risk of our business continuance due to lack of sufficient capital and (ii) to allow us to issue additional shares of common stock in the future as needed. Currently we have no plans to issue additional shares of common stock at this time, except the management of the company. We elected to increase our authorized shares of Common Stock to 500,000,000 shares to cover the foregoing contract condition and for other possible contingencies.

We are currently authorized to issue 100,000,000 shares of Preferred Stock. Currently, there are no shares of Preferred Stock outstanding. The relative rights and limitations of the shares of Preferred Stock would remain unchanged under the Share Increase Amendment.

More generally, the increase in the authorized number of shares of Common and Preferred Stock will enable us to engage in (i) possible future financings and (ii) such other corporate purposes as the Board of Directors determines in its discretion. These corporate purposes may include future stock splits, stock dividends or other distributions, future financings, acquisitions and stock options and other equity benefits under our employee benefit plans. Currently we have no plans to issue shares for the foregoing.

Certain Effects of the Amendment

The increase in authorized shares of Common or Preferred Stock is not being proposed as a means of preventing or dissuading a change in control or takeover of us. However, use of these shares for such a purpose is possible. Authorized but unissued or unreserved Common Stock and Preferred Stock, for example, could be issued in an effort to dilute the stock ownership and voting power of persons seeking to obtain control of us or could be issued to purchasers who would support the Board of Directors in opposing a takeover proposal. In addition, the increase in authorized shares of Common and Preferred Stock, if approved, may have the effect of discouraging a challenge for control or make it less likely that such a challenge, if attempted, would be successful. The Board of Directors and our executive officers have no knowledge of any current effort to obtain control of us or to accumulate large amounts of shares of our Common Stock.

The holders of shares of our Common and Preferred Stock are not entitled to preemptive rights with respect to the issuance of additional shares of Common and Preferred Stock or securities convertible into or exercisable for shares of Common Stock. Accordingly, the issuance of additional shares of our Common and Preferred Stock or such other securities might dilute the ownership and voting rights of stockholders.

The proposed amendment to the Articles of Incorporation does not change the terms of the Common and Preferred Stock. The additional shares of Common Stock for which authorization is sought will have the same voting rights, the same rights to dividends and distributions and will be identical in all other respects to the Common Stock now authorized. Voting rights of preferred stock is determined when the preferred shares have been designated for issuance.

We could also use the additional shares of Common and Preferred Stock for potential strategic transactions, including, among other things, acquisitions, spin-offs, strategic partnerships, joint ventures, restructurings, divestitures, business combinations and investments. We cannot provide assurances that any such transactions will be consummated on favorable terms or at all, that they will enhance stockholder value or that they will not adversely affect our business or the trading price of the Common Stock. Preferred Stock will not be listed for trading. Any such transaction may require us to incur non-recurring or other charges and may pose significant integration challenges and/or management and business disruptions, any of which could materially and adversely affect our business and financial results.

If approved by stockholders, it is anticipated that the amendment to the Articles of Incorporation will become effective upon the filing of a Articles of amendment with the Secretary of State for the State of Nevada, which filing is expected to occur as soon as practicable after the Special Meeting.

The Board of Directors recommends a vote FOR the proposal to amend our Articles of Incorporation to increase the number of authorized shares of Common Stock to five hundred million (500,000,000) shares, par value \$0.00001 per share.

Sincerely,

JOHN CECIL
John Cecil
CEO

May 10, 2011

PROXY
SPECIAL MEETING OF STOCKHOLDERS OF
KALLO INC.

May 27, 2011, 11:00 a.m. Eastern Time

PLEASE COMPLETE, SIGN, DATE AND RETURN THIS PROXY CARD PROMPTLY IN THE ENCLOSED PRE-ADDRESSED RETURN ENVELOPE. PLEASE MARK YOUR VOTE IN BLUE OR BLACK INK. ALTERNATIVELY, YOU MAY SCAN AND EMAIL IT TO PROXY@KALLOINC.COM OR FAX IT TO 1-905-415-0332

PROPOSAL

To amend KALLO INC.'s Articles of Incorporation to increase the authorized shares of its Common Stock from 100,000,000 shares to 500,000,000 shares with a par value of \$0.00001 per share with a par value of \$0.00001 per share.

FOR	AGAINST	ABSTAIN
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR"
THE PROPOSAL.

IN THEIR DISCRETION, THE PROXIES ARE AUTHORIZED TO VOTE UPON SUCH OTHER MATTERS AS MAY PROPERLY COME BEFORE THE MEETING.

Signature of Stockholder Date: Signature of Stockholder Date:

NOTE:

Please sign exactly as your name or names appear hereon. When shares are held jointly, each holder should sign. When signing as executor, administrator, attorney, trustee or guardian, please give full title as such. If the signer is a corporation, please sign full corporate name by duly authorized officer, giving full title as such. If signer is a partnership, please sign in partnership's name by authorized person.

