

BIO - BioScience Brands Limited - Registered Office Relocation and Outsourcing

BioScience Brands Limited

(Registration number 2005/005805/07)

Incorporated in the Republic of South Africa

Share code: BIO

ISIN code: ZAE000115036

("BioScience" or "the Company")

- REGISTERED OFFICE RELOCATION
- OUTSOURCING

Registered Office Relocation

BioScience Brands Limited ("BioScience") has made the decision to relocate to Johannesburg. As a result, the Company will close its office in Durban, and BioScience's registered address will change to 4 Brewery Road, Isando from 1 April 2011.

Outsourcing

In addition and in terms of binding Heads of Agreement ("HOA") concluded between BioScience and Akacia Healthcare (Pty) Ltd ("Akacia"), BioScience has agreed to outsource a significant portion of its operational head office functions to Akacia from 1 April 2011.

Akacia, formerly Thebe Medicare (Pty) Ltd, has a large range of pharmaceutical products, over-the-counter medicines and consumer products. BioScience and Akacia, both call on the same customers, have common suppliers and service providers and also run similar IT systems. Akacia is a significant shareholder in and BEE partner of BioScience. Akacia and Bioscience are however not competitors.

The outsourcing includes sales, distribution management, administration, supply chain management including logistics and procurement, regulatory and quality management and brand activation. It will however exclude strategic sales and marketing, corporate finance functions, investor and securities exchange relationships, legal, SARS relationships as well as financial reporting.

Notwithstanding the binding intent of the HOA, the substantive agreements covering

- the management agreement (which includes the terms for the outsourcing);
- a loan by Akacia (the Akacia loan"); and
- a share issue to Akacia,

("collectively the substantive agreements") are in the process of being negotiated and developed in further detail. The completion and signature of each of the substantive agreements will replace the corresponding provisions in the HOA and the detailed terms of these agreements will be announced after which the relevant shareholder and regulatory approvals will be obtained, where applicable.

The Akacia loan together with the proceeds of the Phyto Nova brand disposal, (which was announced on SENS on 10 February 2011), will be used to fund initial restructuring costs, repayment of liabilities and funding of working capital. Outsourcing of BioScience's operational head office functions should have no impact on existing supplier, customer or any other stakeholder's relationship with BioScience or its subsidiary companies.

17 February 2011

Designated Adviser
PricewaterhouseCoopers Corporate Finance (Pty) Ltd