

BIOSCIENCE BRANDS LIMITED
(formerly Wellco Health Limited)
(Incorporated in the Republic of South Africa)
(Registration number: 2005/005805/06)
("BioScience" or "the company")
ISIN Code: ZAE000115036 Share code: BIO

**TERMS AND SALIENT DATES OF THE UNCONDITIONAL, PARTLY
UNDERWRITTEN RENOUNCEABLE RIGHTS OFFER TO
BIOSCIENCE SHAREHOLDERS**

INTRODUCTION AND PURPOSE OF THE RIGHTS OFFER

Shareholders are referred to the circular dated 13 August 2008, detailing, *inter alia*, the specific issue of 1,174,522,399 ordinary shares for cash at a subscription price of 3.5 cents per share, the acquisition of Bioharmony (Proprietary) Limited ("Bioharmony") for a purchase consideration of R28 924 574.63 and the acquisition of Aldabri 53 (Proprietary) Limited t/a Muscle Science ("Muscle Science") for a purchase consideration of R14 575 425.38 ("the circular").

The monies raised through the specific issue of shares for cash were used by the company in part to settle creditors, many of whom had instituted action against the company and the remainder to pay approximately R23 million towards the combined R40 million cash portion of the purchase price for Bioharmony and Muscle Science.

The principle purpose of the rights offer is to provide BioScience Brands with additional financial resources to enable it to settle the loan of R11 909 000 advanced to it by Fluxrab Investments 163 (Proprietary) Limited ("Fluxrab") in order to enable it to settle the outstanding portion of the purchase consideration payable for the acquisition of Bioharmony and Muscle Science, whilst any additional proceeds will be utilised for further acquisitions.

TERMS OF THE RIGHTS OFFER

Pursuant to the above, BioScience Brands is seeking to raise R31 822 100.80 via a renounceable rights offer of 7 058 091 808 new ordinary shares of 0.01 cent each to BioScience Brands shareholders recorded in the register at the close of business on Friday, 2 January 2009, of which irrevocable undertakings not to follow the rights offer have been secured for 6 148 888 928 new ordinary shares from shareholders who participated in the specific issue of shares for cash detailed in the circular ("the excluded shareholders"), resulting in a net rights offer of 909 202 880 new ordinary shares, at a subscription price of 3.5 cents per rights offer share, in the ratio of four rights offer shares for every one BioScience Brands share held. Accordingly, 909 202 880 rights will be listed on the JSE Limited ("the JSE") on Monday, 24 December 2008 and a maximum of 909 202 880 new shares will be listed on the JSE on Monday, 19 January 2009.

GENERAL

The rights offer is being made in accordance with the Companies Act and is only addressed to persons to whom it may be lawfully made. By subscribing for any rights shares you will be deemed to have represented and agreed that (a) you are not (and any person for whom you are acting is not) (i) resident in any jurisdiction in which such offer would be unlawful or (ii) a person to whom the rights offer may not lawfully be made and (b) you have received all necessary information required to make an informed investment decision.

MINIMUM SUBSCRIPTION AND PARTIAL UNDERWRITING

No minimum subscription is required. The rights offer is partly underwritten in the amount of R12 891 716, representing 368 334 744 rights offer shares, which is supported by an underwriting agreement. In addition, Mark Strydom, an executive director of the company, has given an irrevocable undertaking to follow 114 285 714 rights offer shares, through Fluxrab, in respect of R4 000 000 owed to him as a vendor of the Muscle Science acquisition. Furthermore, John Black, the non-executive chairman of the company, has provided an irrevocable undertaking to subscribe for 28 571 429 rights offer shares at 3.5 cents per share, totalling R1 million, in the event that there is a shortfall in the rights offer up to R17 821 648. Shareholders are, however, advised that all rights offer shares not taken up in terms of the rights offer will be available for allocation to shareholders who wish to apply for a greater number of rights offer shares than those offered to them in terms of the rights offer. Excess allocations will be on the same terms and conditions as those applicable to the

rights offer entitlement and will be allocated to shareholders applying for such in an equitable manner.

PRO FORMA FINANCIAL EFFECTS OF THE RIGHTS OFFER

The table below sets out the pro forma financial effects of the rights offer on BioScience Brands based on the published audited results for the 16 months ended 30 June 2008 and assumes the rights offer was effective for income statement purposes on 01 March 2007 and for balance sheet purposes 30 June 2008.

The pro forma financial effects, which are the responsibility of the directors, have been prepared for illustrative purposes only and, because of their nature, may not fairly present BioScience Brands' financial position, changes in equity, cash flow or the results of its operations.

	Before the acquisition of Phyto Nova (cents)	After (cents)	% Change
Profit/(loss) per share	(2.80)	(1.77)	36.73
Headline profit/(loss) per share	(2.54)	(1.61)	36.74
Net asset value per share (cents)	2.38	2.53	6.20
Net tangible asset value per share (cents)	(0.11)	(0.04)	58.63
Shares in issue at period end	1,693,054,381	1,950,197,238	15.19
Weighted average shares in issue	446,020,463	703,163,320	57.65

	Before the issue of shares for the rights offer	After	% Change
	(cents)	(cents)	
Profit/(loss) per share	(1.77)	(0.69)	61.21
Headline profit/(loss) per share	(1.61)	(0.62)	61.57
Net asset value per share (cents)	2.53	2.85	12.67
Net tangible asset value per share (cents)	(0.04)	1.12	2610.77
Shares in issue at period end	1,950,197,238	2,909,737,430	49.20
Weighted average shares in issue	703,163,320	1,662,703,512	136.46

	Before the issue of shares for executive options	After	% Change
	(cents)	(cents)	
Profit/(loss) per share	(0.69)	(0.84)	-22.90
Headline profit/(loss) per share	(0.62)	(0.78)	-26.10
Net asset value per share (cents)	2.85	2.75	-3.35
Net tangible asset value per share (cents)	1.12	1.09	-3.35
Shares in issue at period end	2,909,737,430	3,010,658,949	3.47
Weighted average shares in issue	1,662,703,512	1,763,625,031	6.07

Assumptions - Balance Sheet:

1. The first column shows the audited results of BioScience Brands for the period as at 30 June 2008, which results were prepared in accordance with

International Financial Reporting Standards and the Companies Act of South Africa.

2. The 'Pro forma after Phyto Nova acquisition' column shows the adjustments due to the purchase of the Phyto Nova business and brand ("the Phyto Nova business") after the following assumptions were taken into account in the Balance Sheet:
 - a. Consolidation of the Balance Sheet of the Phyto Nova seller, Thebe Natural Medicines (Proprietary) Limited ("Thebe Natural Medicines"), as extracted from the draft unaudited annual financial statements of Thebe Natural Medicines as at 31 March 2008. The Phyto Nova business was the only business conducted by Thebe Natural Medicines. The company is satisfied with the quality of the unaudited annual financial statements from which the information was extracted.
 - b. The Loan from Group Companies of R1 318 730 appearing in the Thebe Natural Medicines Balance Sheet has been eliminated upon consolidation as it is considered to be an inter company adjustment.
 - c. Intangibles relating to the Phyto Nova Brand of R8 040 869 was raised on the consolidation.
 - d. The issue of 257 142 857 ordinary shares in BioScience Brands at a price of 3.5 cents per share in settlement of the purchase price for the Phyto Nova business, with each share having a par value of 0.01 cent.
 - e. The number of shares in issue at year end has been calculated as if all shares issued were issued on 30 June 2008.
3. The 'effects of the rights offer' column shows the adjustments due to the rights offer to existing shareholders. In terms of the offer, all existing shareholders, excluding the excluded shareholders, are offered 4 shares for every share held, at a price of 3.5 cents per share, with each share having a par value of 0.01 cent. It is assumed that the rights offer will be taken up by all shareholders, excluding the excluded shareholders.
4. The premium on the issue of the shares has been credited to the share premium account.

5. The 'effects of the executive options' column illustrates an amount of 100 921 520 shares being issued to management as compensation for services rendered, which have been assumed to be issued at a price of 3.5 cents per share with each share having a par value of 0.01 cent. The specific issue of shares to management for a 10% stake in the company are considered to be in issue for the entire period. The cost of these shares amounts to R3 532 253, and have been expensed in the income statement for the period in accordance with IFRS 2, as they have been issued as compensation for services rendered to date by management.

Assumptions - Income Statement

1. Column A shows the audited results of BioScience Brands for the 16 month period ended 30 June 2008, prepared in accordance with International Financial Reporting Standards and the Companies Act of South Africa.
2. The 'Pro forma after Phyto Nova acquisition' column shows the adjustments due to the purchase of the Phyto Nova business after the following assumptions were taken into account in the Income Statement:
 - a. Consolidation of Thebe Natural Medicines Income Statement, as extracted from the draft unaudited annual financial statements for the year ended 31 March 2008, proportionately increased to cover a 16 month period in order to be comparable to the BioScience Income Statement. The Phyto Nova business was the only business conducted by Thebe Natural Medicines and income was earned evenly over the prior year. The company is satisfied with the quality of the unaudited annual financial statements from which the information was extracted.
 - b. Group Management Fees of R360 000 as well as Finance costs on Group Interest Charges of R67 500 appearing in the Thebe Natural Medicines Income Statement have been eliminated upon consolidation as it is considered to be an inter-company adjustment.
 - c. The issue of 257 142 857 ordinary shares in BioScience Brands at a price of 3.5 cents per share with each share having a par value of 0.01 cents.
 - d. The weighted average number of shares issued has been calculated as if all shares issued were issued on the 1 March 2007 and have therefore been in issue for the full 16 months up to 30 June 2008.

3. The 'effects of the rights offer' column shows the adjustments due to the rights offer which was offered to all BioScience Brands shareholders, excluding the excluded shareholders, at 4 shares for every share held at a price of 3.5 cents per share with each share having a par value of 0.01 cents. The weighted average number of shares increased due to the above transaction.
4. For the purposes of effects of the rights offer' column, it was assumed that the cash from the rights offer was received on 01 March 2007 and that finance charges had not been incurred during the 16 month period, net of notional taxation of 28%. No interest received on excess cash received has been assumed.
5. The 'effects of the executive options' column illustrates an amount of 100 921 520 shares being issued to management as compensation for services rendered, which have been assumed to be issued at a price of 3.5 cents per share with each share having a par value of 0.01 cent. The specific issue of shares to management for a 10% stake in the company are considered to be in issue for the entire period. The cost of these shares amounts to R3 532 253, and have been expensed in the income statement for the period in accordance with IFRS 2, as they have been issued as compensation for services rendered to date by management.
6. The weighted average number of shares issued has been calculated as if all shares issued were issued on the 01 March 2007 and have therefore been in issue for the full 16 months up to 30 June 2008.
7. In accordance with its accounting policy, the company does not amortise its brands and therefore no amortisation has been assumed.

SALIENT DATES AND TIMES

Shareholders are advised that the rights offer will open at 09:00 on Monday, 05 January 2009 and close at 12:00 on Friday, 23 January 2009. The salient dates in respect of the rights offer are accordingly as follows:

	2008
Finalisation date:	Monday, 15 December
Last day to trade in BioScience Brands shares in order to settle trades by the record date for the rights offer and to qualify to participate in the rights offer (<i>cum</i> entitlement) on:	Tuesday, 23 December
BioScience Brands shares commence trading ex-rights on the JSE at 09:00:	Wednesday, 24 December
Listing of and trading in the letters of allocation commences at 09:00:	Wednesday, 24 December

2009

Record date for purposes of determining the BioScience Brands shareholders entitled to participate in the rights offer at the close of business on: Friday, 2 January

Circular and, where applicable, form of instruction posted to shareholders on: Monday, 5 January

Rights offer opens at 09:00 on: Monday, 5 January

Holders of dematerialised BioScience Brands shares will have their accounts at their CSDP or broker automatically credited with their letters of allocation on: Monday, 5 January

Holders of certificated BioScience Brands shares will have their letters of allocation credited to an electronic register at the transfer secretaries on: Monday, 5 January

Last day for form of instruction to be lodged with the transfer secretaries by holders of certificated BioScience Brands shares wishing to sell all or part of their entitlement by 12:00 on: Friday, 16 January

Last day to trade (LDT) in letters of allocation in order to settle trades by the record date for the rights offer and participate in the rights offer at the close of business on: Friday, 16 January

Listing and trading of rights offer shares commences on the JSE at 09:00:	Monday, 19 January
Record date for letters of allocation on:	Friday, 23 January
Rights offer closes at 12:00 and payment to be made and form of instruction lodged by holders of certificated BioScience Brands shares with the transfer secretaries by that time on:	Friday, 23 January
CSDP/broker accounts credited with rights offer shares and debited with any payments due in respect of holders of dematerialised rights offer shares on:	Monday, 26 January
Rights offer shares certificates in terms of the rights offer posted to holders of certificated rights offer shares on or about:	Monday, 26 January
Results of rights offer and basis of excess allocations announced on SENS on or about:	Monday, 26 January
Share certificates in respect of excess allocations posted to certificated shareholders on or about:	Monday, 26 January
Accounts of dematerialised shareholders updated in respect of excess shares allocated at their CSDP or broker on or about:	Monday, 26 January
Cheques and/or refunding monies in respect of unsuccessful applications for additional rights offer shares by certificated shareholders posted to the relevant applicants on or about:	Monday, 26 January

Notes:

1. All times referred to in the announcement are local times in South Africa.
2. Holders of dematerialised BioScience Brands shares are required to notify their CSDP or broker of the action they wish to take in respect of the rights offer in the manner and by the time stipulated in the agreement

- governing the relationship between the BioScience Brands shareholder and his CSDP or broker.
3. BioScience Brands share certificates may not be dematerialised or rematerialised between Wednesday, 24 December 2008 and Friday, 2 January 2009, both days inclusive.
 4. CSDPs effect payment in respect of holders of dematerialised rights offer shares on a delivery versus payment basis.

Circular to shareholders

A circular providing full details of the rights offer and incorporating the letter of allocation in respect of certificated shareholders will be posted to shareholders on or about 05 January 2009.

Johannesburg
11 December 2008

Designated Advisor

Arcay Moela Sponsors
(Proprietary) Limited