



ABN 58 008 130 336
Suite 6, Level 3
320 Adelaide Street
Brisbane QLD 4000
Ph 07 3229 5755
Fax 07 3229 4655

15 February 2011

The Manager
Company Announcements
Australian Stock Exchange
Level 4, 20 Bridge Street
Sydney, NSW 2000

Australia/New Zealand distribution deal to boost *REGEN*[®] sales

Highlights

- Distribution agreement signed with Doward International for *REGEN*[®] brand products, spanning Australian and New Zealand markets
- *REGEN*[®] product sales top \$100,000, with increasing sales forecast in line with roll out of new promotional programs nationwide
- New pain management, topical healing treatments planned for expanded *REGEN*[®] therapeutic range
- Commercialisation plans developed for *L'AZURE*[™] cosmetics and *DEMURE*[®] natural skincare range

Australian natural products provider BioProspect Limited (ASX:BPO) today announced a major expansion for the natural *REGEN*[®] therapeutic range, with a distribution agreement signed with Doward International spanning Australia and New Zealand, in addition to the launch of new products.

The signing of a formal agreement with Melbourne-based Doward International has added to recent sales momentum for the range based on natural Australian ingredients, including emu oil. The family-owned company has more than 90 years' experience in the Australian pharmacy and retail sector, with a product range exceeding 4,000 products across Australia and internationally.

BioProspect's Managing Director, Charles Pellegrino, said the initial agreement had been extended to New Zealand at Doward International's request, further adding to the prospect of increased *REGEN*[®] sales and market share.

"The *REGEN*[®] business continues to pick up momentum, having achieved more than \$100,000 in sales over recent months, and we anticipate the Doward International agreement will ensure long-lasting benefits to this Australian brand," Mr Pellegrino said.

“New promotional programs are planned nationwide to support *REGEN*[®], which will now be on the shelves of leading pharmacies across Australia and New Zealand. In addition, new products including pain management and topical healing treatments are under development as part of an expanded therapeutic range, led by the flagship *REGEN*[®] Pain Relief Spray.

“We see Doward International as an excellent partner for our natural products, and look forward to working with them closely to ensure the successful growth of the *REGEN*[®] brand.”

Previously featured on the Nine Network’s *A Current Affair*, *REGEN*[®] Pain Relief Spray has been developed for use by sufferers of arthritis and muscular and joint pain. It features the unique *Transdermal Solvency*[™], which can achieve rapid and longer term benefits from its active components.

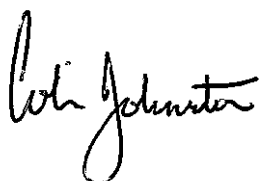
Commenting on the agreement, Doward International’s Gary Goodman said the *REGEN*[®] brand had been carefully selected as a proven therapeutic treatment with excellent growth prospects.

“Doward International is pleased to have added *REGEN*[®] to our established quality product range, which is one of the most comprehensive in the Australian retail pharmacy sector. We anticipate solid growth in demand for the *REGEN*[®] therapeutic range, based on a productive partnership with BioProspect,” Mr Goodman said.

BioProspect’s Mr Pellegrino said the Company was also progressing commercialisation plans for the *L’AZURE*[™] and *DEMURE*[®] cosmetic brands, which are complementary to the Company’s other natural product ranges.

“This latest agreement with Doward International should ensure continued growth in cash flow from *REGEN*[®]. This will complement the successful commercialisation of our natural product range, including natural *GI-GUARD*[®] and *AGRIPRO*[®] animal health products, and give BioProspect a strong outlook for growth in shareholder value,” he said.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Colin Johnston". The signature is written in a cursive, flowing style.

COLIN JOHNSTON
Company Secretary