

HERITAGE BRANDS ACQUIRES THE IN ESSENCE AND OIL GARDEN BRANDS

Heritage Brands Limited is pleased to announce that it has signed an agreement to purchase the ***In Essence and Oil Garden*** Brands from Australian Natural Brands Pty Ltd.

These two Australian icon brands have been the leaders in the Australian Aromatherapy market for over 25 years and they fit perfectly within the Heritage Brands portfolio of leading health and beauty brands.

In Essence is distributed to all major pharmacy and health outlets, Priceline ,Myer and David Jones. *In Essence* is positioned in the natural health and wellbeing segment as the premium quality brand. The essential oils are TGA listed and of the highest quality. The range offers health and well being to consumers through aromatherapy....delivered via oils, lotions, creams, soaps and candles .In Essence drives category growth through inspirational new products .

Oil Garden was established in Byron Bay New South Wales in 1985 and since inception has enjoyed success as one of the leading aromatherapy brands in Australia. Oil Garden provides genuine value to our customers without compromise in quality. The essential oils are TGA listed and of the highest quality. Oil Garden is distributed through health stores, Priceline , Practitioners and major Pharmacy groups.

The distribution gains arising from acquiring these two brands will provide opportunities to expand the sales base for the Heritage Brands skincare and cosmetic ranges .It will open up Health Stores as an additional distribution channel. Further, the extensive HB distribution base will provide growth opportunities for *In Essence* and *Oil Garden*.

These two brand acquisitions will make Heritage Brands the market leader in the aromatherapy category and will have a material impact on the sales and profitability of the Group.

The Heritage Brands portfolio now comprises Australis, Innox, Mode, Le Tan, Imedeen, Nailene, Fing'rs, Revlon lashes and nails, Hello Kitty Cosmetics, Hello Kitty Bodysprays, Cedel Haircare, In Essence and Oil Garden .

D J Fairfull

Chairman

Dated: 5th June 2012

S D Goodey

Managing Director