



For release: IMMEDIATELY

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**PHIBRO ANIMAL HEALTH CORPORATION ANNOUNCES
COMMENCEMENT OF TENDER OFFERS FOR TWO EXISTING
SERIES OF NOTES AND RELATED CONSENT SOLICITATIONS
TO AMEND THEIR INDENTURES**

Ridgefield Park, New Jersey, June 24, 2010 – Phibro Animal Health Corporation (“PAHC”) announced today the commencement of cash tender offers (the “Offers”) for any and all of its 10% Senior Notes due 2013 (the “10% Notes”) and 13% Senior Subordinated Notes due 2014 (the “13% Notes” and together with the 10% Notes, the “Existing Notes”), and the solicitation of consents (the “Consent Solicitations”) to amend the indentures governing the Existing Notes. The Offers and Consent Solicitations are being made in accordance with the terms and subject to the conditions stated in an Offer to Purchase and Consent Solicitation Statement dated June 24, 2010 (the “Offer to Purchase”). Each Offer and Consent Solicitation is scheduled to expire at 11:59 p.m., New York City time, on July 22, 2010, unless extended or earlier terminated (the “Expiration Date”).

Holders who validly tender their Existing Notes and provide (and do not validly revoke) their consents to the proposed amendments to the applicable indenture governing such series of the Existing Notes prior to the consent payment deadline of 5:00 p.m., New York City time, on Thursday, July 8, 2010, unless extended (the “Consent Payment Deadline”), shall receive (i) with respect to the 10% Notes, total consideration equal to \$1,053.75 per \$1,000 principal amount of 10% Notes, which includes a consent payment of \$30.00 per \$1,000 principal amount of 10% Notes, plus any accrued and unpaid interest on the 10% Notes up to, but not including, the applicable payment date for such 10% Notes, and (ii) with respect to the 13% Notes, total consideration equal to \$1,070.00 per \$1,000 principal amount of 13% Notes, which includes a consent payment of \$30.00 per \$1,000 principal amount of 13% Notes, plus any accrued and unpaid interest on the 13% Notes up to, but not including, the applicable payment date for such 13% Notes. The Offers contemplate an early settlement option, so that holders whose Existing Notes are validly tendered prior to the Consent Payment Deadline and accepted for purchase could receive payment as early as July 9, 2010.

Holders who validly tender their 10% Notes after the Consent Payment Deadline but on or prior to the Expiration Date shall receive the tender offer consideration equal to \$1,023.75 per \$1,000 principal amount of 10% Notes, plus any accrued and unpaid interest on the 10% Notes up to, but not including, the applicable payment date for such 10% Notes. Holders who validly tender their 13% Notes after the Consent Payment Deadline but on or prior to the Expiration Date shall receive the tender offer consideration equal to \$1,040.00 per \$1,000 principal amount of 13% Notes, plus any accrued and unpaid interest on the 13% Notes up to, but not including,

the applicable payment date for such 13% Notes. Holders of Notes tendered after the Consent Payment Deadline will not receive a consent payment.

Following receipt of the consent of the holders of at least a majority in aggregate principal amount of each series of outstanding Existing Notes, PAHC will execute supplemental indentures effecting the proposed amendments. Except in certain circumstances, Existing Notes tendered and consents delivered may not be withdrawn upon the earlier of (i) 5:00 p.m., New York City time, on Thursday, July 8, 2010, and (ii) execution of the applicable supplemental indenture. A more comprehensive description of the Offers and Consent Solicitations can be found in the Offer to Purchase and the related Letter of Transmittal.

The Offers are subject to a number of conditions that are set forth in the Offer to Purchase, including, without limitation, (i) the receipt of the required consents to amend the applicable indenture governing the Existing Notes in connection with the Consent Solicitations and the execution of supplemental indentures effecting such amendments by the applicable parties, and (ii) the receipt by PAHC of net proceeds from one or more debt financings on terms acceptable to PAHC in an amount that is sufficient to consummate the tender in respect of all Existing Notes (regardless of the actual amount tendered) plus estimated fees and expenses relating to the Offers and Consent Solicitations, as more fully described in the Offer to Purchase.

The principal purpose of the Consent Solicitations is to approve proposed amendments to eliminate or modify substantially all of the restrictive covenants, certain events of default and certain other provisions contained in the indentures governing the Existing Notes.

PAHC has retained BofA Merrill Lynch to act as Dealer Manager and Solicitation Agent in connection with the Offers and Consent Solicitations. Questions about the Offers and Consent Solicitations may be directed to BofA Merrill Lynch at (888) 292-0070 (toll free) or (980) 388-9217 (collect). Requests for copies of the Offer to Purchase and related documents, and assistance relating to the procedures for delivering Existing Notes and consents, may be obtained by contacting Global Bondholder Services Corporation, the Information Agent and Depositary, at (212) 430-3774 (collect) or (866) 736-2200 (toll free).

This press release is neither an offer to purchase, a solicitation of an offer to sell securities nor a solicitation of consents, and no recommendation is made as to whether or not holders of the Existing Notes should tender their securities pursuant to the Offers or deliver consents pursuant to the Consent Solicitations. The Offers are made only by the Offer to Purchase and related Letter of Transmittal. Neither the Offers nor Consent Solicitations are being made to holders of Existing Notes in any jurisdiction in which the making or acceptance thereof would not be in compliance with the securities, blue sky or other laws of such jurisdiction.

Company Description

PAHC is a diversified global developer, manufacturer and marketer of a broad range of animal health and nutrition products to the poultry, swine, cattle and aquaculture markets. PAHC is also a manufacturer and marketer of performance products for use in the ethanol, personal care, automotive, chemical catalyst and electronics markets.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the U.S. federal securities laws. Statements that are not historical facts, including statements about our beliefs and expectations, are forward-looking statements. Forward-looking statements include statements preceded by, followed by or that include the words “may,” “could,” “would,” “should,” “believe,” “expect,” “anticipate,” “plan,” “estimate,” “target,” “project,” “intend,” or similar expressions. These statements include, among others, statements regarding our expected business outlook, anticipated financial and operating results, our business strategy and means to implement the strategy, our objectives, the amount and timing of capital expenditures, the likelihood of our success in expanding our business, financing plans, budgets, working capital needs and sources of liquidity. Forward-looking statements are only predictions and are not guarantees of performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Important assumptions relating to the forward-looking statements include, among others, assumptions regarding demand for our products, the expansion of product offerings geographically or through new applications, the timing and cost of planned capital expenditures, competitive conditions and general economic conditions. These assumptions could prove inaccurate. Forward-looking statements also involve risks and uncertainties, which could cause actual results to differ materially from those contained in any forward-looking statement. Many of these factors are beyond our ability to control or predict. Such factors include, but are not limited to, the following: our substantial leverage, ability to incur additional debt and potential inability to service our debt; an expansion of the regulatory restrictions on the use of antibiotics and antibacterials in food-producing animals could result in a decrease in our revenues; our dependence on suppliers having current regulatory approvals and the challenges of replacing any such suppliers; competition in each of our markets; a material part of our sales and gross profits are generated by antibiotics, antibacterials and other medicated products; risks associated with our international operations and significant foreign assets; our dependence on our Israeli and Brazilian operations; our operations, properties and subsidiaries are subject to a wide variety of complex and stringent federal, state, local and foreign environmental laws and regulations; extensive regulation by numerous government authorities in the United States and other countries; our raw materials are subject to price fluctuations; our reliance on the continued operation of our manufacturing facilities and application of our intellectual property; outbreaks of animal diseases could significantly reduce demand for our products; consolidation of competitors and certain customer or supplier groups; adverse U.S. and international economic market conditions; the risks of legal proceedings and general litigation expenses; potential operating hazards and uninsured risks; the risk of work stoppages; our dependence on key personnel; and a substantial majority of outstanding shares of our capital stock is owned by a single shareholder.