

ECO ANIMAL HEALTH GROUP PLC

SCRIP DIVIDEND SCHEME

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to what action you should take you should immediately consult your accountant, solicitor, bank manager, stock broker or other independent adviser authorised under the Financial Services and Markets Act 2000 or if you are not in the United Kingdom, another appropriately authorised independent adviser. If you sold or transferred all or some of your Ordinary Shares on or before 15 April 2009, but those shares are included in the number shown in box 1 on your Form of Election for the Interim Dividend, you should, without delay, consult the stockbroker or other agent through whom the sale or transfer was effected for advice on the action you should take.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Ex-dividend date	15 April 2009
Record date for the Interim Dividend	17 April 2009
FINAL DATE FOR RECEIPT BY THE COMPANY OF FORMS OF ELECTION	5.00 pm on 12 May 2009
Dividend payment date, expected first day of dealings in the new Ordinary Shares on AIM and CREST accounts credited with new Ordinary Shares	19 May 2009
Dispatch of definitive share certificates	1 June 2009

Registered office:

78 Coombe Road
New Malden
Surrey
KT3 4QS
Registered in England and Wales No. 1818170

ECO ANIMAL HEALTH GROUP PLC

(a company incorporated in England and Wales and registered with number 1818170)

Peter Lawrence	<i>Executive Chairman</i>	78 Coombe Road
Marc Loomes	<i>Executive Director</i>	New Malden
Julia Trowse	<i>Executive Director</i>	Surrey
Kevin Stockdale	<i>Finance Director</i>	KT3 4QS
David Danson	<i>Non Executive Director</i>	Tel: 0208 336 2900

22 April 2009

Dear Shareholder,

SCRIP DIVIDEND SCHEME AND PAYMENT OF DIVIDENDS

In March 2008, the Company introduced a scrip dividend scheme (being an opportunity for holders of ordinary shares of 5 pence each in the capital of the Company ("Ordinary Shares" and "shareholders") to elect to receive new Ordinary Shares as an alternative to a cash dividend) (the "Scheme").

The terms of, and other information relating to, the Scheme and a general outline of the associated tax considerations in the United Kingdom ("Scheme Rules") were sent to shareholders on 11th August 2008 with the 2008 Report and Accounts and can be found on our website www.ecoanimalhealthgroupplc.com. Alternatively, you can write to the Company Secretary at 78 Coombe Road, New Malden, Surrey KT3 4QS for details.

Take up by shareholders of the scrip dividend will enable the Board to target a greater proportion of the resources of the Company and its subsidiaries ("Group") in the generation of profit from the Group's drug registration programmes. There is still work being done to complete, inter alia, the most important regulatory work for Aivlosin in the USA and for the outstanding presentations of the drug in Europe. The availability of additional cash will accelerate this process and thus allow the Group to begin sales earlier and generate additional profit.

The Scheme will enable shareholders to increase their holdings of Ordinary Shares without incurring dealing costs or stamp duty. To the extent that shareholders elect to receive new Ordinary Shares, the Company will benefit by retaining cash which would otherwise be payable by way of dividend.

In the interim accounts dated 5 December 2008, an interim dividend of 1.70 pence (net) per Ordinary Share was declared payable on 19 May 2009 ("Interim Dividend"). In respect of your Interim Dividend, you may elect to receive pursuant to the Scheme:

1. a scrip dividend of new Ordinary Shares ("Scrip Dividend") derived from an 'Average Quotation' of £1.60 per Ordinary Share (as to which see further below);
2. a cash dividend; or
3. a combination of cash and Scrip Dividend.

Please read this letter carefully. In the absence of other instructions the Interim Dividend will be paid to you in cash. If you wish to give alternative instructions on how you wish to receive this dividend they must be received by the Company by 5.00 pm on 12 May 2009.

1. Scrip dividend

If you have already given standing instructions to receive new Ordinary Shares in lieu of cash under the Scheme, you will have been sent an entitlement notice ("Entitlement Notice"). You need take no further action if you wish to receive the number of new Ordinary

Shares shown on the Entitlement Notice. If you do not wish to receive the maximum entitlement to new Ordinary Shares, a letter revoking the standing instructions to receive Scrip Dividends must be received by the Company at the address given on the Entitlement Advice by 5.00 pm on 12 May 2009. If you wish to receive new Ordinary Shares in respect of only part of the Interim Dividend, please ask the Company for a Form of Election in time to return it to them by 5.00 pm on 12 May 2009.

If you have not previously given standing instructions to receive new Ordinary Shares in lieu of cash under the Scheme and you wish to receive new Ordinary Shares in lieu of cash in respect of the Interim Dividend, you should complete Section A on page 1 of, and sign, the accompanying form of election (“Form of Election”) and return it to the Company, at the address given on the Form of Election, by 5.00 pm on 12 May 2009. If you take no action, you will receive the Interim Dividend in cash.

We will calculate your entitlement to new Ordinary Shares using an ‘Average Quotation’ of £1.60 for each new Ordinary Share. An explanation of the calculation of ‘Average Quotation’ and the basis of allotment of new Ordinary Shares is set out in paragraphs 2 and 3 of the Scheme Rules. Since fractions of shares cannot be issued, if you have elected to receive the Scrip Dividend, any residual dividend entitlement will be carried forward and added to the next dividend. Residual dividend entitlements carried forward will not bear interest.

2. Cash dividend

If you wish to receive cash in respect of the Interim Dividend and have not previously given standing instructions to receive new Ordinary Shares in lieu of cash under the Scheme, you do not need to complete the Form of Election or take any other action.

3. Combination of cash and scrip dividend

If you wish to receive the Interim Dividend in a combination of cash and new Ordinary Shares and have not previously given standing instructions to receive new Ordinary Shares in lieu of cash under the Scheme, you must complete Section B on page 1 of, and sign, the Form of Election and return it to the Company, at the address given on the Form of Election, by 5.00 pm on 12 May 2009.

Yours sincerely

Peter Lawrence
Chairman