UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): August 10, 2005

MANNATECH, INCORPORATED
(Exact Name of Registrant as Specified in its Charter)

Texas	**000-24657**	**75-2508900**
(State or other Jurisdiction of Incorporation or Organization)	**(Commission File Number)**	**(I.R.S. Employer Identification No.)**

600 S. Royal Lane, Suite 200
Coppell, Texas 75019
(Address of Principal Executive Offices, including Zip Code)

Registrant's Telephone Number, including Area Code: (972) 471-7400

(Former name or former address, if change since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01. Entry into a Material Definitive Agreement.

The employment contract with Dr. Bill H. McAnalley, Mannatech's Chief Science Officer, expired on August 7, 2005. On August 9, 2005, Mannatech entered into a Release Agreement and a one-year Consulting Agreement with Dr. McAnalley. *A copy of the Release Agreement is attached hereto as Exhibit 99.1.*

Pursuant to the one-year Consulting Agreement, the Company agreed to pay Dr. McAnalley a total of $0.9 million in monthly payments for certain consulting services. As part of the Consulting Agreement, Mannatech also entered into a Form of Royalty Agreement, attached to the Consulting Agreement. While the Consulting Agreement is in effect, Mannatech has the option but no obligation, under the Form of Royalty Agreement, to purchase and market in the future any new product developed by Dr. McAnalley or his staff at a set royalty fee of $0.0003 per product sold by Mannatech. *A Copy of the Consulting Agreement is attached hereto as Exhibit 99.2, as well as the press release announcing the consulting agreement is attached hereto as Exhibit 99.3*

In a related development, Eileen Vennun resigned on August 9, 2005 as Mannatech's Senior Vice President of Research and Development Administration. Ms. Vennum was instrumental in creating Mannatech's award-winning library website – www.GlycoScience.org and founded the Journal of GlycoScience & Nutrition, a peer-reviewed scientific journal that focuses on the nutritional aspects of glycobiology.

Item 2.02. Results of Operations and Financial Condition.

On August 9, 2005, Mannatech, Incorporated issued a press release announcing its results of operations and financial condition for the three and six months ended June 30, 2005. *A copy of this press release is attached hereto as Exhibit 994.*

The information disclosed under this Item 2.02 (including Exhibit 99.4) shall not be deemed to be "filed" for the purposes of Section 18, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, ("the Exchange Act"), or otherwise subject to the liabilities of that section.

Item 9.01 Financial Statements and Exhibits.

(a) *Financial Statements or Business Acquired.*

None.

(b) *Pro Forma Financial Information.*

None.

(c) *Exhibits.*

Exhibit Number	Exhibit
99.1*	Release Agreement dated August 9, 2005 between Mannatech and Dr. Bill H. McAnalley.
99.2*	Consulting Agreement dated August 9, 2005 between Mannatech and Dr. Bill H. McAnalley.
99.3*	Press release dated August 10, 2005 entitled “Mannatech Announces New Consulting Arrangement with Dr. Bill McAnalley in Support of Independent Research”.
99.4*	Press release dated August 9, 2005 entitled “Mannatech, Inc. Announces Record Quarterly Sales”.

* Filed herewith.

[SIGNATURE PAGE TO FOLLOW]

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

MANNATECH, INCORPORATED

Dated: August 10, 2005

By: **/s/ Stephen D. Fenstermacher**

Name: Stephen D. Fenstermacher
Title: Senior Vice President and
Chief Financial Officer

EXHIBIT INDEX

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* Filed herewith.

Exhibit 99.1

RELEASE AGREEMENT

This Release Agreement (this "Agreement") is entered into by and between Mannatech, Incorporated, a Texas corporation (the "Company"), and Dr. Bill H. McAnalley ("Dr. McAnalley"), effective this 9th day of August, 2005 (the "Effective Date"). The Company and Dr. McAnalley are collectively referred to in this Agreement as the "Parties."

WHEREAS, the Company has employed Dr. McAnalley under an Employment Agreement effective August 7, 2003 (the "Employment Agreement"), and Dr. McAnalley's employment under the Employment Agreement expires or terminates on the Effective Date;

WHEREAS, the Parties are also parties to the Supplemental Royalty Compensation Agreement effective August 7, 2003 (the "Royalty Agreement"), which is to continue in effect after Dr. McAnalley's employment under the Employment Agreement; and

WHEREAS, Dr. McAnalley desires to release the Company as provided herein;

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements contained in this Agreement, the Parties hereby agree as follows:

1. AGREEMENTS BY DR. MCANALLEY.

(a) Resignation: Dr. McAnalley acknowledges the cessation of his employment with the Company on the Effective Date, and concurrently resigns from each position with the Company and its subsidiaries and affiliates, including (without limitation) as the Chief Science Officer of the Company and each trustee position and position of signatory authority (if any).

(b) Release of Claims: Dr. McAnalley, for himself and on behalf of his attorneys, heirs, assigns, successors, executors, and administrators, IRREVOCABLY AND UNCONDITIONALLY RELEASES, ACQUITS, AND FOREVER DISCHARGES the Company and its current and former parent, subsidiary, affiliated, and related corporations, firms, associations, partnerships, and other entities, their respective successors and assigns, and the current and former owners, shareholders, directors, officers, employees, agents, attorneys, representatives, and insurers of the Company and those other corporations, firms, associations, partnerships, and other entities, and their respective guardians, successors, assigns, heirs, executors, and administrators (the Company and all of those other entities and persons being collectively called "Released Persons") from any and all claims, liabilities, obligations, agreements, damages, causes of action, cost, losses, damages, and attorneys' fees and expenses whatsoever, whether known or unknown, asserted or unasserted, fixed or contingent, liquidated or unliquidated, or due or to become due (collectively, "Claims"), that may have arisen, or that may arise, before or at the time of, and through, the Effective Date, whether or not connected with Dr. McAnalley's employment with the Company or the termination or cessation of that employment. All of the Claims released, acquitted, and discharged are collectively called "Released Claims." But the Released Claims exclude the Excluded Claims described (and

defined) below in this Paragraph 1(b). The Released Claims include, without limitation, any Claims arising out of, based upon, or in any way related to:

(1) the Employment Agreement and any amendments or supplements to that agreement;

(2) any Claim of entitlement to present or future employment or reemployment with the Company;

(3) any property, contract, or tort Claims, including (without limitation) any and all Claims of wrongful discharge, breach of employment contract, breach of any covenant of good faith and fair dealing, retaliation, intentional or negligent infliction of emotional distress, tortious interference with contract or existing or prospective economic advantage, negligence, misrepresentation, breach of privacy, defamation, loss of consortium, breach of fiduciary duty, violation of public policy, or any other common law Claim;

(4) any violation or alleged violation of Title VII of the Civil Rights Act of 1964, as amended; the Older Workers Benefit Protection Act of 1990; the Equal Pay Act, as amended; the Fair Labor Standards Act; the Employee Retirement Income Security Act of 1974, as amended; the Americans With Disabilities Act; the Texas Labor Code; the Texas Unemployment Insurance Act; the Texas Worker's Compensation Act; the Civil Rights Act of 1866; the Consolidated Omnibus Budget Reconciliation Act; or any other federal, state, or local statute, rule, regulation, order, or ordinance;

(5) any violation or alleged violation of the Age Discrimination in Employment Act, as amended (the "ADEA");

(6) any Claim for bonus, sick leave, severance pay, vacation or holiday pay, life insurance, health insurance, automobile insurance, disability or medical insurance, or any other employee benefit;

(7) any Claim relating to or arising under any other local, state, or federal statute or principle of common law (whether in contract or in tort) governing employment, discrimination in employment, and/or the payment of wages or benefits; and

(8) any Claim that the Company has acted improperly, illegally, or unconscionably in any manner whatsoever at any time before or on the Effective Date.

The Released Claims exclude any of the following Claims that Dr. McAnalley has or may have in the future (collectively, "Excluded Claims"): (i) any Claim of any breach or violation of this Agreement by the Company, (ii) any Claim of any violation of any of the Company's obligations in those provisions of the Employment Agreement that continue in effect after the termination or cessation of Dr. McAnalley's employment, which the Parties agree are Sections 4, 5, 6, 7, 9, 11 and 12 of the Employment Agreement, (iii) any Claim of any breach or violation of the post-employment provisions of the Royalty Agreement by the Company, (iv) any Claim under the Company's directors' and officers' insurance policies, or any Claims for indemnification under the Company's bylaws, and (v) any Claim regarding any benefits to which Dr. McAnalley is entitled under the terms of any employee-benefit plan of the Company in which Dr. McAnalley

participated during his employment with the Company.

(c) OWBPA Representations: With respect to Released Claims for any violations or alleged violations of the ADEA, Dr. McAnalley acknowledges that:

(1) he has had at least 21 days to consider the terms of this Agreement and has either considered its term for that period of time or has knowingly and voluntarily waived his right to do so;

(2) he has been advised by the Company to consult with an attorney regarding the terms of this Agreement;

(3) he has consulted with, or has had sufficient opportunity to consult with, an attorney of his own choosing regarding the terms of this Agreement;

(4) he has read this Agreement and understands its terms and their import;

(5) except as provided by this Agreement, he has no contractual right or claim to the benefits described in this Agreement;

(6) the consideration provided for in this Agreement to him or in his favor is good and valuable;

(7) he has a period of seven days after the execution of this Agreement to revoke this Agreement (the "Revocation Period"), which he may do only by giving notice of revocation to the Company in accordance with Paragraph 4(e) of this Agreement or he will have forever waived his right to revoke this Agreement, and this Agreement will not become effective or enforceable until the Revocation Period has expired; and

(8) he is entering into this Agreement voluntarily, of his own free will, and without any coercion, undue influence, threat, or intimidation of any kind whatsoever.

(d) Covenant Not to Sue: Dr. McAnalley also COVENANTS NOT TO SUE, OR COMMENCE OR OTHERWISE PARTICIPATE OR JOIN IN ANY ADMINISTRATIVE CLAIM, ANY ACTION OR CLASS ACTION, OR ANY ARBITRATION against, any of the Released Persons based upon or asserted any of the Released Claims. If Dr. McAnalley hereafter commences, participates or joins in, or in any other manner seeks relief against any of the Released Persons through any administrative claim, action or class action, or arbitration arising out of, based upon, or relating to any of the Released Claims, then he shall pay, in addition to any other damages caused thereby, all attorneys' fees and other costs incurred by the Released Persons in defending or otherwise responding to that claim, action or class action, or arbitration.

(e) Warranty that Released Claims Have Not Been Assigned or Conveyed: Dr. McAnalley represents and warrants that he is the only person who may be entitled to assert any of the Released Claims against the Company or any of the other Released Persons and that he has not assigned or conveyed to anyone else any part of or interest in any of the Released Claims. Dr. McAnalley will indemnify and hold harmless the Company and the other Released

Persons from any liability, demand, cost, expense, or attorneys' fees resulting of the assertion of any of the Released Claims by any other person based on any assignment or conveyance, or purported assignment or conveyance, from Dr. McAnalley.

(f) Obligations Regarding Confidential Information: Dr. McAnalley will perform all of his obligations (including, without limitation, complying with all of his restrictions) in Section 4 of the Employment Agreement that apply or continue to apply upon the cessation or termination of, or after, his employment with the Company. Without limiting the generality of the preceding sentence, Dr. McAnalley will return or deliver information to the Company as required by paragraph 4.6 of the Employment Agreement. The Company will also have or continue to have all of the rights and remedies provided to it under Section 4 of the Employment Agreement that apply or continue to apply upon the cessation or termination of, or after, Dr. McAnalley's employment with the Company.

(g) Ownership of Information, Inventions, and Original Work: Dr. McAnalley will perform all of his obligations (including, without limitation, complying with all of his restrictions) in Section 5 of the Employment Agreement that apply or continue to apply upon the cessation or termination of, or after, his employment with the Company. Without limiting the generality of the preceding sentence or Section 5 of the Employment Agreement, Dr. McAnalley hereby assigns to the Company, or confirms his assignment to the Company of, the proprietary rights to Work Product (as defined in Section 5 of the Employment Agreement) as required by part b. of the second subparagraph of paragraph 5.1 of the Employment Agreement. The Company will also have or continue to have all of the rights and remedies provided to it under Section 5 of the Employment Agreement that apply or continue to apply upon the cessation or termination of, or after, Dr. McAnalley's employment with the Company.

(h) Non-Competition and Non-Solicitation: Dr. McAnalley will perform all of his obligations (including, without limitation, complying with all of his restrictions) in Section 6 of the Employment Agreement that apply or continue to apply upon the cessation or termination of, or after, his employment with the Company. The Company will also have or continue to have all of the rights and remedies provided to it under Section 6 of the Employment Agreement that apply or continue to apply upon the cessation or termination of, or after, Dr. McAnalley's employment with the Company.

(i) Non-Disparagement: Dr. McAnalley will perform all of his obligations (including, without limitation, complying with all of his restrictions) in Section 9 of the Employment Agreement that apply or continue to apply upon the cessation or termination of, or after, his employment with the Company. The Company will also have or continue to have all of the rights and remedies provided to it under Section 9 of the Employment Agreement that apply or continue to apply upon the cessation or termination of, or after, Dr. McAnalley's employment with the Company.

(j) Cooperation: Dr. McAnalley will cooperate fully with the Company in connection with (i) any matter related to the Company's business and activities by being available, at mutually agreeable times in person or by telephone, and without any unreasonable interference with his other activities, to provide such information as may from time to time be requested by the Company regarding various matters in which he was involved during his

employment with the Company, and (ii) any and all pending or future litigation or administrative claims, investigations, or proceedings involving the Company, including (without limitation) his meeting with the Company's counsel and advisors at reasonable times upon their request and providing testimony (in court or arbitration hearing or at depositions) that is truthful, and complete in accordance with information known to him.

(k) Effect of Revocation by Dr. McAnalley: If Dr. McAnalley revokes this Agreement, the Company shall have no obligations under this Agreement, though the revocation will not affect the Parties' respective rights and obligations that survive the termination or cessation of employment under the Employment Agreement.

(l) Return of Company Property. Upon the execution of this Agreement, Dr. McAnalley shall return all (i) Confidential Information (as defined in the Employment Agreement) that is not necessary to fulfill his duties under his Consulting Agreement with the Company, dated August 8, 2005, (ii) equipment, (iii) supplies, or (iv) other property of the Company that is in his possession, custody or control.

(m) Company-Leased Automobile. During the term of his employment, the Company leased an automobile (the "Company Car") for Dr. McAnalley's use. Upon the execution of this Agreement, or as soon as practical thereafter (but in no event more than thirty days after the Effective Date), Dr. McAnalley shall return the Company Car to the Company.

2. AGREEMENTS BY THE COMPANY.

(a) Payments to Dr. McAnalley: The Company will pay Dr. McAnalley the following amounts, by delivery of Company checks to Dr. McAnalley:

(1) All accrued, unpaid base salary, less applicable withholdings required by law, through the Effective Date. This payment will be made to Dr. McAnalley on either the first usual and customary employee-pay date of the Company after the Effective Date or the first business day of the Company after the expiration of the Revocation Period, whichever is later.

(2) All reimbursable amounts for reimbursable expenses incurred before the Effective Date, as required by Section 3.3 of the Employment Agreement. This payment will be made to Dr. McAnalley within 10 business days after all conditions to reimbursement, in accordance with the Company's policies and procedures, are satisfied.

(3) $1,000, less amounts withheld for applicable federal taxes. This payment will be made to Dr. McAnalley within 10 business days after the expiration of the Revocation Period.

(b) Confidentiality: The Company will not disclose to anyone the contents of Dr. McAnalley's personnel file, other than to confirm dates of employment, positions held, and salary received, unless requested to do so by Dr. McAnalley or an appropriate governmental entity or compelled by legal process. Nothing in the preceding sentence, however, will preclude the Company, or its agents, employees, successors and assigns, from giving statements, affidavits, depositions, testimony, declarations, or other disclosures required by or pursuant to legal process or otherwise required by law.

(c) Discounts on Company Products: During his lifetime, Dr. McAnalley may purchase the Company's products for his personal use at the then applicable employee discount.

3. ROYALTY AGREEMENT.

The Royalty Agreement, and the Parties' respective rights, obligations, and remedies under it, will continue after Dr. McAnalley's employment with the Company in accordance with the terms of the Royalty Agreement.

4. OTHER PROVISIONS.

(a) Governing Law and Consent to Personal Jurisdiction: This Agreement is governed by, and will be enforced under and construed in accordance with, the internal laws of the State of Texas, without giving effect to any conflict-of-law provisions or rule (whether of the State of Texas or any other jurisdiction) that would cause the application of the laws of any state or similar jurisdiction other than the State of Texas. Each Party hereby consents to the personal jurisdiction of the state and federal courts located in Dallas County, Texas for any lawsuit filed arising from or relating to this Agreement or any arbitration under this Agreement.

(b) Remedies: In the event of a breach of this Agreement by Dr. McAnalley, the Company shall be entitled to all appropriate equitable and legal relief, including, but not limited to, (i) an injunction to enforce this Agreement or prevent conduct in violation of this Agreement; (ii) damages incurred by the Company as a result of the breach; and (iii) attorneys' fees and costs incurred by the Company in enforcing the terms of this Agreement.

(c) Arbitration; Court Injunctive Relief: Except as provided in the last sentence of this Paragraph 4(c), arbitration shall be the exclusive remedy for any and all disputes, claims, or controversies, whether statutory, contractual or otherwise, between the Parties concerning this Agreement, including (without limitation) Dr. McAnalley's employment or the termination thereof (collectively, "Disputes"). In the event either Party provides a notice of arbitration of any Dispute to the other Party, the Parties agree to submit that Dispute to an arbitrator or arbitrators selected from a panel of arbitrators of the Judicial Arbitration and Mediation Services located in Dallas, Texas. The arbitration will be governed by the JAMS Comprehensive Arbitration Rules and Procedures in effect at the time the arbitration was commenced. In any arbitration proceeding conducted subject to these provisions, all statutes of limitation that would otherwise be applicable shall apply to any arbitration proceeding hereunder. In any arbitration proceeding conducted subject to these provisions, the arbitrator(s) is/are specifically empowered to decide any question pertaining to limitations and may do so by documents or by a hearing, in his or her or their sole discretion. In this regard, the arbitrator(s) may authorize the submission of pre-hearing motions similar to a motion to dismiss or for summary adjudication for the purposes of considering such matter. The arbitrator's or arbitrators' decision will be final and binding upon the Parties. The Parties will abide by and perform any award rendered by the arbitrator(s). The prevailing Party in such proceeding shall be entitled to record and have awarded its reasonable attorneys' fees in addition to any other relief to which it may be entitled. In rendering the award, the arbitrator(s) shall state the reasons therefor, including (without limitation) any computations of actual damages or offsets, if applicable. The Company shall also

have, and nothing in this Paragraph 4(c) waives, eliminates, or affects, the right and ability to seek and obtain injunctive relief or any other emergency relief from any competent court at law that has jurisdiction over the matter to enforce or protect the Company's rights and remedies under this Agreement.

(d) Successors and Assigns; Third-Party Beneficiaries: This Agreement will be binding upon Dr. McAnalley's heirs, executors, administrators and other legal representatives and will be for the benefit of the Company and its successors and assigns. This Agreement will be binding upon the Company's successors and assigns and will be for the benefit of Dr. McAnalley' heirs, executors, administrators and other legal representatives. In addition, the terms of this Agreement, including (without limitation) the releases of Released Claims by Dr. McAnalley, will inure to the benefit of all of the Released Persons.

(e) Notices: Each notice that is required or permitted to be given under this Agreement must be in writing and shall be deemed to have been given and received when delivered in person, delivered through a same-day or overnight courier service, or on the third business day after deposit in the mail, by registered or certified mail, postage prepaid and return receipt requested, addressed (in any case) as follows:

If to Dr. McAnalley:	Dr. Bill H. McAnalley 4921 S. Carrier Parkway Grand Prairie, Texas 75052
With a copy to:	Mr. Dan Hartsfield Baker Botts L.L.P. 2001 Ross Avenue Dallas, Texas 75201 Facsimile Number: (214) 661-4575
If to the Company:	Mannatech, Incorporated 600 South Royal Lane, Suite 200 Coppell, Texas 75019 Attention: General Counsel

Each Party may change his or its address for notice from time to time by giving notice to the other Party in accordance with this Paragraph 4(e).

(f) Severability: Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law; but if any provision of this Agreement is prohibited by or invalid under applicable law, that provision shall be ineffective to the extent of that prohibition or invalidity, without invalidating the remainder of that provision or the remaining provisions of this Agreement.

(g) Headings and Construction: The headings in this Agreement are for convenience only and are not considered a part of, or to be used in the construction or interpretation of, this Agreement.

(h) Entire Agreement: This Agreement, with the other documents referred to in this Agreement, constitute the sole and entire agreement between the Parties, and supersede all prior agreements (except as otherwise set forth herein), negotiations, and discussions between the Parties, with respect to the subject matter of this Agreement. No other representations, covenants, undertakings, or other prior or contemporaneous agreements, oral or written, regarding the matters in this Agreement will bind either of the Parties.

(i) Amendment to This Agreement: Any amendment to this Agreement must be in writing, signed by each Party or his or its duly authorized representative, and state the intent of the Parties to amend this Agreement.

(j) Voluntary Execution: This Agreement has been entered into as a result of arm's-length negotiations between the Parties, and the Parties are voluntarily executing this Agreement after an adequate opportunity to consult with counsel of their choosing regarding its meaning and effect.

(k) Execution in Counterparts: This Agreement may be executed in counterparts, with the same force and effect as if both Parties had executed the same paper copy of this Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have executed and delivered this Agreement to be effective as of the Effective Date.

MANNATECH, INCORPORATED

By: **/s/ Samuel L. Caster**

Samuel L. Caster, Chairman of the Board

/s/ Dr. Bill H. McAnalley

DR. BILL H. MCANALLEY

EXHIBIT 99.2

CONSULTING AGREEMENT

This Consulting Agreement ("Agreement"), dated to be effective as of August 9, 2005 (the "Effective Date"), is between Mannatech, Incorporated, a Texas corporation (the "Company"), and Dr. Bill H. McAnalley, an individual resident of the State of Texas ("Dr. McAnalley"). The Company and Dr. McAnalley are hereinafter referred to collectively as the "Parties."

WHEREAS, the Company employed Dr. McAnalley under an Employment Agreement effective August 7, 2003 (the "Employment Agreement"), and Dr. McAnalley's employment under the Employment Agreement expired or terminated on August 7, 2005;

WHEREAS, the Parties are also parties to the Supplemental Royalty Compensation Agreement effective August 7, 2003 (the "Royalty Agreement"), which continues in effect after Dr. McAnalley's employment under the Employment Agreement;

WHEREAS, Dr. McAnalley possesses considerable experience and scientific knowledge in the areas of nutrition and dietary supplements, and the Company wishes to obtain Dr. McAnalley's services as a consultant regarding certain aspects of the Company's business with which Dr. McAnalley is familiar as a result of his previous long-term employment with the Company;

WHEREAS, the Company wishes to obtain Dr. McAnalley's covenants, during the consulting relationship, not to engage in certain activities that are competitive with the Company's business or that interfere with the Company's business and relationships; and

WHEREAS, the Parties have entered into and delivered to each other a Release Agreement dated as of August 9, 2005 (the "Release Agreement"), which is a condition to the Company's entering into this Agreement;

NOW, THEREFORE, in consideration of the foregoing and the covenants set forth in this Agreement, the Parties hereby agree as follows:

1. Consulting Services:

(a) Dr. McAnalley shall, during the term of the consulting relationship set forth in Section 7(a) below, provide consulting services to or for the Company and its Subsidiaries (as defined in Section 2 below) that are reasonably requested by the Board of Directors or the Chief Executive Officer of the Company such as the following:

(i) Nutritional research for the purpose of developing new food or dietary supplement products;

(ii) Research and development of other products, such as skin care, as requested by the Company;

(iii) Development of new technologies, such as assays, for use in the evaluation of dietary supplements;

(iv) Consultation regarding patenting new and existing products;

(v) Research and development of new plant sources for use in new or existing products;

(vi) Preparation and delivery of oral and/or written reports to the Company, at least quarterly, regarding the status of Dr. McAnalley's research; and

(vii) Completion of the projects set forth on Exhibit B attached hereto.

Dr. McAnalley shall devote such time as may be necessary to render the consulting services to or for the Company hereunder. All services rendered by Dr. McAnalley on behalf of the Company shall be performed to the best of his ability and in furtherance of the welfare and development of the Company. The cost and expense of or relating to any supplies or personnel necessary to perform the consulting services of Dr. McAnalley hereunder shall be solely the responsibility of Dr. McAnalley.

(b) Dr. McAnalley shall disclose promptly to the Company any and all of his conceptions ideas, inventions, discoveries, improvements, formulas and formulations, products and other property, and work product created in connection with the consulting services described in Section 1(a), whether or not protectable by patent or copyright (collectively, "Discoveries"). Dr. McAnalley agrees that all Discoveries shall be the sole property of the Company or any other entity designated by it. Dr. McAnalley hereby assigns, and agrees to assign, any and all rights (including intellectual-property rights) and interest in all Discoveries to the Company or any other entity designated by it. To that end, Dr. McAnalley agrees that he will, at the written request of the Chief Executive Officer or the President, and at the expense, of the Company, (i) execute any deeds, instruments, or documents necessary to assign or transfer any of the Discoveries to the Company or any other entity designated by it and (ii) cooperate with the Company and its agents and counsel in obtaining, perfecting, and enforcing all ownership and intellectual-property rights in the Discoveries. For the avoidance of doubt, this Section 1(b) does not apply to any of Dr. McAnalley's conceptions, ideas, inventions, discoveries, improvements, formulas and formulations, products and other property, and work product that results from, arises out of, or relates to any consulting services performed by Dr. McAnalley to or for any persons or entities other than the Company and its Subsidiaries.

(c) The Company will from time to time evaluate all of the Discoveries provided or submitted to it by Dr. McAnalley. The Company and Dr. McAnalley shall enter into a Royalty Agreement in the form attached hereto as Exhibit A for those Discoveries described in Section 1(b) that result in products that are sold or licensed by the Company.

2. Trade Secrets: The Parties acknowledge and agree that, during the consulting relationship hereunder, the Company will provide and make available to Dr. McAnalley, and Dr. McAnalley will have access to and become familiar with, various trade secrets and proprietary and confidential information of the Company, the Company's direct and indirect subsidiaries ("Subsidiaries"), and their affiliates, including manufacturing and other processes, computer programs, compilations of information, records, sales procedures, customer requirements, pricing techniques, customer lists, compensation and other information regarding employees and agents, formulas and formulations, clinical studies, scientific studies and analyses, product proposals, products in development, manufacturing and sales costs, methods of doing business, and other confidential information (collectively, "Trade Secrets") which are owned by the Company, the Subsidiaries, and/or their affiliates and regularly used in the operation of their business, and as to which the Company, the Subsidiaries, and/or their affiliates take precautions to prevent dissemination to persons other than certain directors, officers, partners, managers, members, and employees. Dr. McAnalley acknowledges and agrees that the Trade Secrets (a) are secret and not known in the Company's industry; (b) give the Company, the Subsidiaries, and/or their affiliates an advantage over competitors who do not know or use the Trade Secrets; (c) are of such value and nature as to make it reasonable and necessary to protect and preserve the confidentiality and secrecy of the Trade Secrets; and (d) are valuable and special and unique assets of the Company, the Subsidiaries, and/or their affiliates, the disclosure of which could cause substantial injury and loss of profits and goodwill to the Company, the Subsidiaries and/or their affiliates. Dr. McAnalley may not, directly or indirectly, use in any way or disclose any of the Trade Secrets, during the consulting relationship or at any time thereafter, except (i) as required in connection with a judicial or administrative proceeding or in connection with rendering the consulting services described in Section 1 above, or (ii) if the information becomes public knowledge other than as a result of an unauthorized disclosure (directly or indirectly) by Dr. McAnalley. (In this Section 2, "indirectly" is used as defined in Section 3(a) below.) All files, records, documents, information, data, and similar items relating to the business of the Company, whether prepared by Dr. McAnalley or otherwise coming into his possession, will remain the exclusive property of the Company, and in any event must be promptly delivered to the Company upon the expiration or termination of the consulting relationship under this Agreement. Dr. McAnalley agrees upon his receipt of any subpoena, process, or other request to produce or divulge, directly or indirectly, any Trade Secrets to any entity, agency, tribunal, or person, Dr. McAnalley shall timely notify and promptly hand deliver a copy of the subpoena, process or other request to the Company. For this purpose, Dr. McAnalley irrevocably nominates and appoints the Company (including any attorney retained by the Company), as his true and lawful attorney-in-fact, to act in Dr. McAnalley's name, place and stead to perform any act that Dr. McAnalley might perform to defend and protect himself or the Company against any disclosure of any Trade Secret.

3. Noncompetition Covenant:

(a) During the consulting relationship hereunder (the "Restricted Period"), Dr. McAnalley shall not, anywhere within the Restricted Territory (as defined below), directly or indirectly engage in any activity which, or any activity for any enterprise or entity a material part of the business of which, is a Competing Business (as defined below). The activity prohibited by the preceding sentence includes any kind of ownership (other than

ownership of less than 1% of a class of publicly traded securities) in or of, or acting as a director, officer, agent, employee, or consultant of or for, any enterprise or entity referred to in the preceding sentence. For the purpose of this Section 3(a), the "Restricted Territory" means, collectively, each city or county (or equivalent subdivision) of any state, district, or territory of the United States of America and each city or county (or equivalent subdivision) of any state, district, territory, or other political subdivision of each other country in the world in which the Company or any of the Subsidiaries does business. Also for the purpose of this Section 3(a), "Competing Business" means any direct sale, network marketing, multi-level marketing of food or dietary supplements, or skin care business operation that engages in the direct-selling business generally or that competes in the business engaged in by, or whose products compete with those of, the Company or any of its Subsidiaries or affiliates during the Restricted Period. . Further, for the purpose of this Section 3(a), "indirectly" means by or through (i) any business or entity in which Dr. McAnalley either owns or possesses any interest in profits, losses, or capital or is a partner or member, or for which Dr. McAnalley acts as officer, director, manager, agent, or representative, or to which Dr. McAnalley provides consulting or advisory services, or (ii) any family member of Dr. McAnalley or any other person or entity with whom or which Dr. McAnalley has any professional association or relationship (including any assistant, employee, or agent of his). The Company acknowledges Dr. McAnalley's ownership of White Gaps, Harding Group, Talking Stick Publishing Co., and Bill McAnalley and Associates LP, and provided that each of the foregoing entities is not a Competing Business, Dr. McAnalley's mere ownership of such entities shall not constitute a breach of this Agreement.

(b) Dr. McAnalley acknowledges and agrees that, in light of the Company's covenants herein and other applicable circumstances, the restrictions imposed in this Section 3 are reasonable, are prompted by the Company's desire to protect its legitimate business interests (including the Trade Secrets), and will not be unduly burdensome to him.

4. Nonsolicitation Covenants:

(a) During the Restricted Period, Dr. McAnalley shall not directly or indirectly solicit, divert, or appropriate to or for any Competing Business (as defined in Section 3(a) above) any customer of the Company, or in any manner solicit or induce any sales associate of the Company or any customer, franchisee, supplier, or other person with a business relationship with the Company to cease that business relationship with the Company or to refuse in the future to conduct business with the Company. In this Section 4, "indirectly" is used as defined in Section 3(a) above.

(b) During the Restricted Period, Dr. McAnalley shall not directly or indirectly solicit or hire any employee or regular consultant of the Company to leave the employ of the Company or cease his or her employment, consulting or other business relationship with the Company without obtaining the Company's chief executive officer's prior written consent.

(c) Dr. McAnalley acknowledges and agrees that, in light of the Company's covenants herein and other applicable circumstances, the restrictions imposed in this Section 4 are reasonable, are prompted by the Company's desire to protect its legitimate business interests (including the Trade Secrets), and will not be unduly burdensome to him.

5. Payments to Dr. McAnalley: In consideration for Dr. McAnalley's consulting services and his compliance with or performance of all of his other covenants herein, the Company shall pay Dr. McAnalley, during each month that the consulting relationship continues, by check drawn on one or more accounts of the Company, as follows:

(a) During the twelve months of the consulting relationship under this Agreement, the monthly amount of $76,083.33 on or before the 8th day of each calendar month, commencing on the Effective Date; provided, however, that the first of these monthly payments shall be paid on or before August 15, 2005.

6. Independent Contractor; Tax Consequences of Payments and Benefits:

(a) The consulting services rendered by Dr. McAnalley under this Agreement shall be provided as an independent contractor to the Company, and nothing in this Agreement creates or shall be deemed to create the relationship of partners, joint venturers, employer-employee, or principal-agent between the Parties. Dr. McAnalley shall have no authority to (i) create any obligation or responsibility on the part of the Company, (ii) legally bind or obligate the Company in any other manner, or (iii) supervise or direct any of the Company's employees, without the express written consent of the Company's Chief Executive Officer.

(b) The Company shall not withhold taxes or FICA from any of the payments described in Section 5. The payments will be reported as non-wage income to Dr. McAnalley on Form 1099. Dr. McAnalley shall be responsible for filing all necessary tax returns and remitting amounts due to the proper taxing authorities for any federal, state, and local tax (including social security tax) owed by him with respect to the payments and benefits made to him by the Company hereunder. Dr. McAnalley agrees to indemnify the Company against, and hold the Company harmless from taxes, and any penalties and interest, assessed against the Company resulting from the Parties' tax treatment of the payments described in Section 5 above.

7. Term and Termination of Consulting Relationship:

(a) The term of the consulting relationship under this Agreement shall commence on the Effective Date and continue until, and shall expire upon (and including), the day preceding the first anniversary of the Effective Date, unless the consulting relationship is sooner terminated in accordance with Section 7(b) below.

(b) The Company may, upon seven (7) days written notice to Dr. McAnalley and upon seven (7) days opportunity to cure, immediately terminate the consulting relationship upon any of the following:

(i) the Company's determination that Dr. McAnalley has neglected, failed, or refused to render the consulting services or perform any other of his obligations described in Section 1 above;

(ii) Dr. McAnalley's violation of any provision of or obligation under this Agreement, the Royalty Agreement, or the Release Agreement;

(iii) the Company's determination that Dr. McAnalley is unable to continue to render consulting services because of any physical or mental injury, illness, or disability that has continued for at least three consecutive months;

(iv) Dr. McAnalley's indictment for, or entry of a plea of no contest with respect to, any felony that adversely affects the Company, the Subsidiaries, or any of their respective affiliates or the utility of Dr. McAnalley's services to the Company; or

(v) Dr. McAnalley's intentional and willful commission of any other act or an omission involving fraud with respect to the Company, the Subsidiaries, or any of their respective affiliates, customers, dealers or suppliers.

The consulting relationship shall also terminate upon Dr. McAnalley's death.

(c) In the event of the termination of the consulting relationship hereunder, Dr. McAnalley shall only be entitled to amounts payable to him under Section 5 through the date on which the termination is effective. Except for such amounts, the Company shall have no further obligation to pay any amount or provide any other benefit under this Agreement or (except as provided in the Royalty Agreement) otherwise.

(d) The respective rights and obligations of the Parties under this Agreement shall survive the expiration or termination of the consulting relationship to the extent necessary to give full effect to those rights and obligations. Without limiting the generality of the preceding sentence, the respective rights and obligations of the Parties under Section 2 above, shall survive the expiration or termination of the consulting relationship. A Party's exercise of its or his right to terminate the consulting relationship shall not be that Party's exclusive right or remedy in the event of the other Party's failure to perform or breach of its obligations under this Agreement. Further, none of the remedies provided above in this Section 7 for any breach or violation of any of Dr. McAnalley's covenants in Sections 2, 3, and 4 above shall be an exclusive remedy.

8. Assignment: This Agreement is personal to Dr. McAnalley, and neither party may assign or delegate any of the rights or obligations hereunder without prior written consent. Subject to the foregoing, the rights and obligations under this Agreement shall inure to the benefit of, and shall be binding upon, the heirs, legatees, successors, representatives, and permitted assigns of the respective Parties.

9. Severability and Reformation: The Parties intend all provisions of this Agreement to be enforced to the fullest extent permitted by law. If, however, any provision of this Agreement is held to be illegal, invalid, or unenforceable under any present or future law, such provision shall be fully severable; this Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provision were never a part hereof; the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance; and, in lieu of such illegal, invalid, or unenforceable provision, there shall be added as a part of this Agreement a provision as similar in its terms to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid, and enforceable. Without limiting the generality of the preceding sentence, if a court of competent jurisdiction determines that the scope of any restriction in Sections 3 and 4 above is too broad to be enforced as written, the Parties intend that the court reform the restriction to such narrower scope as it determines to be reasonable and enforceable.

10. Notices: Any notice or other communication to be given under this Agreement by one Party to the other must be in writing and must be (a) personally delivered, (b) mailed by registered or certified mail, postage prepaid with return receipt requested, (c) delivered by a reputable courier service, or (d) transmitted by facsimile, in any event to the address or facsimile number set forth below (or to such other address or facsimile number as may have been designated by either or both of the Parties from time to time in accordance with this Section 10):

If to the Company:	Mannatech, Incorporated 600 South Royal Lane, Suite 200 Coppell, Texas 75019 Attention: General Counsel Facsimile Number: (972) 471-7387
If to Dr. McAnalley:	Dr. Bill H. McAnalley 4921 S. Carrier Parkway Grand Prairie, Texas 75052
with a copy to:	Mr. Dan Hartsfield Baker Botts L.L.P. 2001 Ross Avenue Dallas, Texas 75201 Facsimile Number: (214) 661-4575

Any notice or other communication delivered personally or by courier service shall be deemed given and received as of actual receipt. Any notice or other communication mailed as described above shall be deemed given and received three business days after mailing or upon actual receipt, whichever is earlier. Any notice or other communication transmitted by facsimile shall be deemed given and received upon receipt of the transmission confirmation by the sender.

11. Amendments and Waivers: No amendment or modification of this Agreement will be valid or binding upon the Parties unless it is in writing and signed by both of the Parties. No waiver of any term or condition of this Agreement, or of any performance or nonperformance of this Agreement, shall be binding unless the waiver is in writing and signed by the Party against which the waiver is to be enforced. Any waiver of any breach of any provision of this Agreement will not operate or be construed as a waiver of any other or any subsequent breach.

12. Certain Defined Terms: As used in this Agreement, (a) "include" and "including" do not denote or imply any limitation, (b) "business day" means any Monday through Friday other than any such day on which the executive offices of the Company are closed, and (c) "herein," "hereof," "hereunder," and similar terms are references to this Agreement as a whole and not to any particular provision of this Agreement.

13. Governing Law and Consent to Personal Jurisdiction: This Agreement is governed by, and will be enforced under and construed in accordance with, the internal laws of the State of Texas, without giving effect to any conflict-of-law provisions or rule (whether of the State of Texas or any other jurisdiction) that would cause the application of the laws of any state or similar jurisdiction other than the State of Texas. Each Party hereby consents to the personal jurisdiction of the state and federal courts located in Dallas County, Texas for any lawsuit filed arising from or relating to this Agreement or any arbitration under this Agreement.

14. Remedies: In the event of a breach of this Agreement by Dr. McAnalley, the Company shall be entitled to all appropriate equitable and legal relief, including, but not limited to, (i) an injunction to enforce this Agreement or prevent conduct in violation of this Agreement; (ii) damages incurred by the Company as a result of the breach; and (iii) attorneys' fees and costs incurred by the Company in enforcing the terms of this Agreement.

15. Arbitration; Court Injunctive Relief**:** Except as provided in the last sentence of this Section 15, arbitration shall be the exclusive remedy for any and all disputes, claims, or controversies, whether statutory, contractual or otherwise, between the Parties concerning this Agreement (collectively, "Disputes"). In the event either Party provides a notice of arbitration of any Dispute to the other Party, the Parties agree to submit that Dispute to an arbitrator or arbitrators selected from a panel of arbitrators of the Judicial Arbitration and Mediation Services (JAMS) located in Dallas, Texas. The arbitration will be governed by the JAMS Comprehensive Arbitration Rules and Procedures in effect at the time the arbitration was commenced. In addition, responsibility for the payment of costs, fees and expenses of the arbitrators shall be as provided in the JAMS Comprehensive Arbitration Rules and Procedures. In any arbitration proceeding conducted subject to these provisions, all statutes of limitation that would otherwise be applicable shall apply to any arbitration proceeding hereunder. In any arbitration proceeding conducted subject to these provisions, the arbitrator(s) is/are specifically empowered to decide any question pertaining to limitations and may do so by documents or by a hearing, in his or her or their sole discretion. In this regard, the arbitrator(s) may authorize the submission of pre-hearing motions similar to a motion to dismiss or for summary adjudication for the purposes of considering such matter. The arbitrator's or arbitrators' decision will be final and binding upon the Parties. The Parties will abide by and perform any award rendered by the arbitrator(s). The prevailing Party in such proceeding shall be entitled to record and have awarded its reasonable attorneys' fees in addition to any other relief to which it may be entitled. In rendering the award, the arbitrator(s) shall state the reasons therefor, including (without limitation) any computations

of actual damages or offsets, if applicable. The Company shall also have, and nothing in this Section 15 waives, eliminates, or affects, the right and ability to seek and obtain injunctive relief or any other emergency relief from any competent court at law that has jurisdiction over the matter to enforce or protect the Company's rights and remedies under this Agreement.

16. Entire Agreement: This Agreement contains the entire agreement of the Parties as relates to the Consulting Agreement and supersedes all prior agreements and understandings, whether oral or written, between the Parties. The Supplemental Royalty Compensation Agreement effective August 7, 2003 remains in effect in accordance with its terms.

17. Nonexclusive Relationship: The Company retains the right to cause services or work of the same or a similar nature as the services to be rendered by Dr. McAnalley hereunder to be performed by the Company's personnel or other persons during the term of this Agreement.

18. Representations of Dr. McAnalley: Dr. McAnalley hereby represents and warrants to the Company that (a) the execution, delivery and performance of this Agreement by Dr. McAnalley does not and shall not conflict with, breach, violate or cause a default under any contract, agreement, instrument, order, judgment or decree to which Dr. McAnalley is a party or by which he is bound, (b) Dr. McAnalley is not a party to or bound by any employment agreement, noncompete agreement or confidentiality agreement with any other person or entity involved in or related to the business of the Company or any of its affiliates, (c) Dr. McAnalley shall not use any confidential information or trade secrets of any third party in connection with the performance of his duties hereunder, and (d) this Agreement constitutes the valid and binding obligation of Dr. McAnalley, enforceable against Dr. McAnalley in accordance with its terms.

19. Statement of Understanding: By executing this Agreement, Dr. McAnalley acknowledges that (a) he has consulted with, or has had sufficient opportunity to consult with, an attorney of his own choosing regarding the terms of this Agreement; (b) he has read this Agreement and fully understands its terms and their import; (c) the consideration provided for herein is good and valuable; and (d) he is entering into this Agreement voluntarily, of his own free will, and without any coercion, undue influence, threat, or intimidation of any kind or type whatsoever.

20. Discounts on Company Products: During his lifetime, Dr. McAnalley may purchase the Company's products for his personal use at the then applicable employee discount.

[SIGNATURE PAGE FOLLOWS]

EXECUTED this 9th day of August, 2005.

/s/ Dr. Bill H. McAnalley

DR. BILL H. MCANALLEY

MANNATECH, INCORPORATED

By: ***/s/ Samuel L. Caster***

Name: Samuel L. Caster
Title: Chief Executive Officer

EXHIBIT A

FORM OF ROYALTY AGREEMENT

This **ROYALTY AGREEMENT** ("Agreement"), made effective as of _____ ("Effective Date"), is by and between **MANNATECH, INCORPORATED**, a Texas corporation having a principal place of business in Coppell, Texas ("Mannatech") and **DR. BILL H. MCANALLEY** ("McAnalley"), a Texas resident currently residing at 4921 Carrier Parkway, Grand Prairie, Texas 75052.

WHEREAS, Mannatech and McAnalley are parties to that certain Consulting Agreement dated August 8, 2005 ("Consulting Agreement"), pursuant to which McAnalley has assigned to Mannatech any and all of his rights and interest in all Discoveries (as defined in the Consulting Agreement); and

WHEREAS, the Consulting Agreement provides, inter alia, that McAnalley and Mannatech shall enter into this Agreement with respect to any Royalty Bearing Product (as defined hereinafter).

NOW, THEREFORE, for and in consideration of the premises, the amounts and benefits received and to be received pursuant to the Consulting Agreement, and the mutual covenants and promises contained herein, the amount and sufficiency of which is hereby expressly acknowledged, the parties hereto have agreed and do hereby agree as follows:

ROYALTY

A. Subject to the conditions hereinafter recited, Mannatech shall pay and deliver to McAnalley royalty in an amount equal to three-tenths of one percent (.003) of: (i) the Finished Product Sales (as defined hereinafter) for Royalty Bearing Products (as defined hereinafter), and (ii) any licensing fee (or portion thereof) actually received by Mannatech that is directly attributable to a finished product owned and licensed by Mannatech and invented by McAnalley during the term of, and pursuant to, the Consulting Agreement (the "Licensing Fees").

B. The term "Finished Product Sales," as used herein, shall mean and refer to net finished product sales actually made, excluding shipping charges and governmental taxes and other miscellaneous charges, for which payment has been received by Mannatech, as reported in Mannatech's Product Analysis contained in its internal financial reports. The term "Royalty Bearing Products," as used herein, shall mean and refer to all of the finished products sold by Mannatech that were invented by McAnalley during the term of, and pursuant to, the Consulting Agreement; provided, however, that Royalty Bearing Products shall not, in any event, include pack sales, MPM materials, and any product subject to that certain Supplemental Royalty Compensation Agreement between the parties dated August 7, 2003, irrespective of whether McAnalley is or is not the principal inventor thereof.

C. Amounts provided for under Section A of Article I of this Agreement shall be payable (i) for the period from the Effective Date through August 7, 2006, on _____, 200__, and (ii) thereafter during the term of this Agreement, (1) for each of the first three quarters of Mannatech's fiscal year, on a date within thirty (30) days after filing of its Form 10-Q with the Securities and Exchange Commission after the end of each quarterly period of its then current fiscal year, and (2) for each fourth quarter of Mannatech's fiscal year, on next March __. Also, during the term of this Agreement, Mannatech shall, within thirty (30) days after filing of its Form 10-Q with the Securities and Exchange Commission after the end of each of its first three quarterly periods of its fiscal year and no later than March __ for the fourth fiscal quarter, furnish to McAnalley written statements specifying for the preceding quarter: (i) the total Finished Product Sales of Royalty Bearing Products, and (ii) the Licensing Fees received by Mannatech.

D. Mannatech will issue a check, if due, in payment of amounts due to McAnalley under Section A of Article I of this Agreement.

E. Mannatech shall keep full, clear and accurate records with respect to products upon which royalty is to be paid hereunder, and McAnalley shall have the right through an accredited representative to examine and audit, upon reasonable notice and not more frequently than annually, all at McAnalley's expense, all such records and accounts as may contain information bearing upon the amount of royalty payable to him under this Agreement. Should such audit reflect a deficiency of more than five percent (5%) of royalties actually due to McAnalley, Mannatech shall pay such deficiency as well as reimburse McAnalley for his reasonable accredited representative audit fee.

TERM

A. This Agreement, including Mannatech's obligation to pay royalties hereunder, shall commence on the Effective Date and shall continue for a period of ten (10) years thereafter, unless sooner terminated or expiring, in whole or part, in accordance with any of the following provisions:

(1) at the option of Mannatech, by giving McAnalley thirty (30) days advance written notice, in the event that McAnalley (i) engages in a Competitive Activity (as defined hereinafter), or (ii) is in violation of Section 3 of the Consulting Agreement, or (iii) disparages Mannatech, its management, or its products; or

(2) at the option of Mannatech, by reason of a material breach by McAnalley of any of his obligations under this Agreement; provided, however, that such termination shall not be effective until the expiration of sixty (60) days of written notice from Mannatech to McAnalley of Mannatech's intent to terminate this Agreement, during which period McAnalley may remedy such breach and avoid such termination; or

(3) upon the mutual written agreement of Mannatech and McAnalley.

B. In the event of McAnalley's death during the ten (10) year term as contemplated hereby, royalties payable to McAnalley hereunder shall be payable to his surviving spouse or trust for any remaining part of the ten (10) year term.

C. The term "Competitive Activity", for purposes of this Agreement, shall mean and refer to any of the following:

(1) McAnalley becoming associated with, employed by, financially interested in, or a spokesman for any business operation that engages in any network marketing, direct selling or multi-level business or whose products compete with those of Mannatech; or

(2) McAnalley soliciting, attempting to solicit, or otherwise inducing any customer, Mannatech sales associate, individual, or entity ("Person") with whom he has had contact with during the term of the Agreement or the twelve months preceding the Agreement, to avoid, reduce or terminate such Person's business relationship with Mannatech.

Provided, however, that only after termination of the Consulting Agreement, McAnalley may develop a competitive consumer-targeted prescription drug, that is to be sold only through methods other than by network marketing, as an exception to a Competitive Activity.

ARTICLE III

DISPUTE RESOLUTION

Should any dispute arise under this Agreement, including but not limited to the amount of royalties due and payable to McAnalley, the parties shall, in good faith, attempt to negotiate and resolve such dispute. In the event that the dispute cannot be resolved between the parties, the dispute shall then be submitted for mediation before a mediator to whom the parties may agree upon; or in the absence of such agreement, by a mediator chosen by Judicial Arbitration and Mediation Services (JAMS) located in Dallas, Texas. Should mediation not resolve the dispute, arbitration, including the right to invoke injunctive relief and any emergency relief or measures provided for, shall be the exclusive remedy for any and all disputes, claims or controversies, whether statutory, contractual or otherwise, between Mannatech and McAnalley concerning any obligation or right under this Agreement. In the event either party provides a Notice of Arbitration of Dispute to the other party, the parties hereto agree to submit such dispute or controversy, whether statutory or otherwise, to an arbitrator or arbitrators selected from a panel of arbitrators of the Judicial Arbitration & Mediation Services located in Dallas, Texas. The action will be governed by the JAMS Comprehensive Arbitration Rules and Procedures in effect at the time the action was commenced. In any arbitration proceeding conducted subject to these provisions, all statutes of limitations that would otherwise be applicable shall apply to any arbitration proceeding hereunder. In any arbitration proceeding conducted subject to these provisions, the arbitrator(s) is/are specifically empowered to decide any question pertaining to limitations, and may do so by documents or by a hearing, in his or her sole discretion. In this regard, the arbitrator may authorize the submission of pre-hearing motions similar to a motion to dismiss or for summary adjudication for the purposes of consideration this matter. The

arbitrator's decision will be final and binding upon the parties. The parties further agree to abide by and perform any award rendered by the arbitrator. The prevailing party in such proceeding shall be entitled to record and have awarded its reasonable attorney's fees, in addition to any other relief to which it may be entitled. In rendering the award, the arbitrator shall state the reasons therefor, including any computations of actual damages or offsets, if applicable.

ARTICLE IV

MISCELLANEOUS

A. This Agreement, or any interest herein, is freely assignable and transferable by Mannatech. McAnalley has the right to assign and transfer his right to receive royalties hereunder; provided, however, that such right of assignment and transfer shall only be effective with respect to royalties which have accrued; and this Agreement shall not be otherwise signed or transferred by McAnalley without the written consent of Mannatech, which consent shall not be unreasonably withheld.

B. To the extent assignment and transfer is permitted hereunder, this Agreement and the terms and provisions thereof, shall be binding upon and inure to the benefit of the parties hereto, and their respective representatives and assigns.

C. This Agreement constitutes the entire Agreement between the parties hereto with respect to the subject matter hereof and replaces all prior understandings and agreements between the parties hereto relating to the subject matter hereof. Any modification of this Agreement will be effective only if it is in writing and signed by both parties. However, nothing contained herein shall be deemed to alter the Consulting Agreement, but shall be considered an addition thereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first above written.

MANNATECH INCORPORATED

By: ***/s/ Samuel L. Caster***

Print Name: Samuel L. Caster
Title: Chairman of the Board

/s/ Dr. Bill H. McAnalley

Dr. Bill H. McAnalley

EXHIBIT B

1. Support of new Advanced PLUS and Advanced Global Catalyst.

Preparation of scientific substantiation and marketing materials for the new advanced roller-compacted PLUS and the new roller-compacted global Catalyst. These projects will include:

- 1.1 Cooperate in the filing of the patents to cover these two products, which have already been developed.
- 1.2 Prepare materials in support of PLUS and Catalyst:
  - 1.2.1 Power Point marketing presentation for product launch.
  - 1.2.2 “Consolidated Benefits Review” papers containing third party references for substantiation of ingredients in both products.
  - 1.2.3 R&D Reports for posting on Mannatech.com.
  - 1.2.4 Answers to product FAQs.

2. Complete papers on prebiotics and probiotics.

3. Write a paper on how probiotics work in concert with Ambrotose to time release (i.e., physiologically release) the monosaccharides from Ambrotose as the body needs them. This will answer all the criticism we have received from the scientific community. I plan to publish this review in a major scientific journal. This is the Ambrotose story, which I would like to tell now that we have the U.S. patents.

Exhibit 99.3

Mannatech Announces New Consulting Arrangement with Dr. Bill McAnalley For Scientific Research

Coppell, TX, August 10, 2005 – Mannatech, Incorporated (NASDAQ-MTEX) announced today that with the culmination of Dr. Bill McAnalley's historic tenure as its Chief Science Officer, it has signed a Consulting Agreement with Dr. McAnalley to develop new products, find new plant sources of glyconutrients and develop new assays, as well as other projects agreed to by the parties."

Sam Caster, Mannatech's Chairman, Founder and CEO said, "Dr. McAnalley has an outstanding record of creating innovative healthcare products that fill a need in the marketplace. We believe his solid scientific support has helped build the sales of those products and the Mannatech brand. The originality of Dr. McAnalley's thought is evident in the approximately 88 patents he has been granted for his products worldwide."

While at Mannatech, Dr. McAnalley recognized the nutritional importance of a variety of sugars the body uses for cellular communication. Based on this discovery, he was the primary inventor of Ambrotose® Complex, a combination of plant-based sugars that support a strong immune system, which has resulted in Mannatech being awarded patents in 18 countries.

Concerning the new Consulting Agreement, Mr. Caster, said, "Mannatech is excited because this agreement will allow us to continue making the best use of Dr. McAnalley's gifts. This move will free Bill to focus his scientific support of existing products and provide an environment in which his creativity can flourish in development of new products as well."

Dr. McAnalley said, "Nothing is more rewarding to me than solving scientific problems that make a difference in people's health. I am excited and grateful for the opportunity Mannatech is giving me. I can't wait to get started."

Dr. McAnalley joined Mannatech as Director of Research, Development and New Products in 1996 and has been its Chief Science Officer since 1997. He earned his B.S. in Mathematics from Angelo State University in his home town of San Angelo, Texas. On a National Science Foundation (NSF) Fellowship, he earned a Masters of Science degree in Chemistry and Biology from New Mexico Highlands University in Las Vegas, New Mexico. On a National Institutes of Health (NIH) Fellowship, he earned a Ph.D. in Pharmacology/Toxicology from the University of Texas Health Science Center in Dallas, Texas. He completed his post-doctoral training in Forensic Toxicology at the Dallas Institute of Forensic Science, as well as from the Southwestern Medical School Program at Parkland Hospital in Dallas, Texas. Dr. McAnalley has been a contributing author of several books including two editions of *Goth's Medical Pharmacology*. He has published approximately 90 manuscripts and abstracts and was responsible for direction and supervision of work that resulted in an additional approximately 71 publications.

Effective August 9, 2005, Eileen Vennum, having resigned her current position as Senior Vice President of Research & Development Administration for Mannatech, plans to assume responsibility for operation of Dr. McAnalley's new research organization. Ms. Vennum created Mannatech's award-winning library website, GlycoScience.org and founded the *Journal of GlycoScience & Nutrition*, an on-line, peer-reviewed scientific journal that focuses on the nutritional aspects of glycobiology.

About Mannatech, Incorporated

Mannatech, based in Coppell, Texas, is a wellness solutions provider that sells its products through a global network-marketing system throughout the United States and the international markets of Canada, Australia, the United Kingdom, Japan, New Zealand, Republic of Korea, Taiwan, and Denmark. For additional information about Mannatech, please visit its corporate Web site: www.mannatech.com.

Please Note: This release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. These forward-looking statements may be identified generally by the use of phrases or terminology such as "may," "believes," and "plans" or other similar words or the negative of such terminology. Similarly, descriptions of Mannatech's objectives, strategies, plans, goals or targets contained herein are also considered forward-looking statements. Mannatech believes this release should be read in conjunction with all of its filings with the Securities and Exchange Commission and cautions its readers that these forward-looking statements are subject to certain events, risks, uncertainties, and other factors. Some of these factors include, among others, Mannatech's inability to attract and retain Associates and Members, increases in competition, litigation, regulatory changes and its planned growth into new international markets. Although Mannatech believes that its expectations, statements, and assumptions reflected in these forward-looking statements are reasonable, it cautions its readers to always consider all of the risk factors and any other cautionary statements carefully in evaluating each forward-looking statement in this release, as well as those set forth in its latest Annual Report on Form 10-K, and other filings filed with the Securities and Exchange Commission, including its current reports on Form 8-K. All of the forward-looking statements contained herein speak only as of the date of this release.

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Exhibit 99.4

Mannatech, Inc. Announces Record Quarterly Sales

Coppell, TX – August 9, 2005 Mannatech, Inc. (NASDAQ – MTEX) today announced that net sales for the second quarter ended June 30, 2005 not only achieved a new quarterly record but also exceeded $100 million for the first time in the history of the company. Net sales for the quarter of $102.6 million represented an increase of 38% over the same quarter in 2004, and net income for the quarter was $5.8 million, or $0.21 earnings per share (diluted). Comparable figures for the 2004 quarter were net income of $5.6 million and $0.20 earnings per share (diluted).

Net sales by market are shown in the table below.

	Three months ended June 30, (in millions)				Six months ended June 30, (in millions)			
	2004		2005		2004		2005	
United States	$49.5	66.6%	$ 69.5	67.7%	$ 86.3	65.0%	$125.6	66.9%
Canada	$ 5.8	7.8%	$ 7.3	7.1%	$ 10.5	7.9%	$ 14.0	7.5%
Australia	$ 7.4	10.0%	$ 8.9	8.7%	$ 13.9	10.5%	$ 17.0	9.1%
United Kingdom	$ 2.6	3.5%	$ 2.4	2.3%	$ 5.4	4.1%	$ 4.8	2.6%
Japan	$ 5.9	7.9%	$ 9.0	8.8%	$ 10.9	8.2%	$ 16.8	8.9%
New Zealand	$ 3.1	4.2%	$ 4.1	4.0%	$ 5.7	4.3%	$ 7.7	4.1%
Republic of Korea*	$ —	— %	$ 1.0	1.0%	$ —	— %	$ 1.4	0.7%
Taiwan**	$ —	— %	$ 0.4	0.4%	$ —	— %	$ 0.4	0.2%
Total	**$74.3**	**100.0%**	**$102.6**	**100.0%**	**$132.7**	**100.0%**	**$187.7**	**100.0%**

* Republic of Korea began its operations in September 2004.
** Taiwan began its operations in June 2005.

Net sales for the six months ended June 30, 2005 were $187.7 million, which represented an increase of 41% compared to the same period in 2004, net income for the six month period was $10.5 million, an increase of 21% over 2004, and earnings per share (diluted) of $0.38 was up 19% compared to 2004.

The number of new and continuing independent associates and members who purchased Mannatech's packs or products during the 12 months ended June 30, 2004 and 2005 are as follows:

Independent Associates and Members	For the twelve months ended June 30, 2004		2005	
New	150,000	47.8%	209,000	47.5%
Continuing	164,000	52.2%	231,000	52.5%
Total	**314,000**	**100.0%**	**440,000**	**100.0%**

Sam Caster, Chairman and Chief Executive Officer of Mannatech, commented on the results. "Our continued sales growth shows the value of our glyconutritional supplements to people in countries around the world. For the first time in our history, our volume for the quarter exceeded $100 million with a strong trend line. Mannatech continues to invest in the future of the company, and our earnings in the quarter reflected the impact of non-capitalizable costs associated with entry into recently opened markets in the Republic of Korea and Taiwan, our ongoing integrated systems implementation, and new product research and development. We view these expenditures as necessary to correctly position the company to take advantage of the tremendous growth potential offered by the global market as well as continued growth in our current countries of operation."

About Mannatech

Based in Coppell, Texas, Mannatech, Incorporated is a wellness solutions provider that develops innovative, high-quality, proprietary nutritional supplements, topical products and weight management products, which are sold through a global network-marketing system operating throughout the United States and the international markets of Canada, Australia, the United Kingdom, Japan, New Zealand, the Republic of Korea, Taiwan, and Denmark.

Please Note: This release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. These forward-looking statements generally can be identified by use of phrases or terminology such as "may," "believes," "estimates," "projects"," well positioned," "feels," and "plans" or other similar words or the negative of such terminology. Similarly, descriptions of Mannatech's objectives, strategies, plans, goals or targets contained herein are also considered forward-looking statements. Mannatech believes this release should be read in conjunction with all of its filings with the Securities and Exchange Commission and cautions its readers that these forward-looking statements are subject to certain events, risks, uncertainties, and other factors. Some of these factors include, among others, Mannatech's inability to attract and retain associates and members, increases in competition, litigation, regulatory changes, and its planned growth into new international markets. Although Mannatech believes that its expectations, statements, and assumptions reflected in these forward-looking statements are reasonable, it cautions its readers to always consider all of the risk factors and any other cautionary statements carefully in evaluating each forward-looking statement in this release, as well as those set forth in its latest Annual Report on Form 10-K, and other filings filed with the Securities and Exchange Commission, including its current reports on Form 8-K. All of the forward-looking statements contained herein speak only as of the date of this release.

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MANNATECH, INCORPORATED
CONSOLIDATED BALANCE SHEETS – (UNAUDITED)
(in thousands, except share amounts)

	December 31, 2004	June 30, 2005
ASSETS		
Cash and cash equivalents	$ 44,198	$ 55,328
Short-term investments	—	2,377
Restricted cash	393	287
Income tax receivable	4,161	—
Accounts receivable	392	1,136
Inventories, net	13,157	18,538
Prepaid expenses and other current assets	3,188	2,488
Deferred tax assets	1,850	1,718
Notes receivable from affiliate	144	148
Total current assets	**67,483**	**82,020**
Long-term investments	17,073	14,942
Property and equipment, net	10,013	14,165
Restricted cash	1,571	930
Other assets	1,203	1,134
Deferred tax assets	1,003	1,001
Total assets	**$ 98,346**	**$114,192**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Accounts payable	$ 2,227	$ 1,236
Accrued expenses	20,389	19,039
Commissions payable	12,718	19,699
Taxes payable	1,930	4,354
Deferred revenue	2,256	5,575
Accrued severance related to former executives	375	292
Current portion of capital leases	8	9
Total current liabilities	**39,903**	**50,204**
Long-term royalties due to an affiliate	1,658	3,588
Long-term liabilities	530	515
Capital leases, excluding current portion	26	20
Deferred tax liabilities	4	4
Total liabilities	**42,121**	**54,331**
Commitments and contingencies		
Shareholders' equity:		
Preferred stock, $0.01 par value, 1,000,000 shares authorized, no shares issued and outstanding	—	—
Common stock, $0.0001 par value, 99,000,000 shares authorized, 27,115,440 shares issued and 27,041,125 outstanding in 2004 and 27,260,172 shares issued and 26,983,672 outstanding in 2005	3	3
Additional paid-in capital	34,917	35,774
Retained earnings	21,672	28,363
Accumulated other comprehensive income (loss)	195	(489)
	56,787	63,651
Less treasury stock, at cost, 74,315 shares in 2004 and 276,500 shares in 2005	(562)	(3,790)
Total shareholders' equity	**56,225**	**59,861**
Total liabilities and shareholders' equity	**$ 98,346**	**$114,192**

MANNATECH, INCORPORATED
CONSOLIDATED STATEMENTS OF OPERATIONS – (UNAUDITED)
(in thousands, except per share information)

	Three months ended June 30,		Six months ended June 30,	
	2004	2005	2004	2005
Net sales	**$74,318**	**$102,599**	**$132,705**	**$187,744**
Cost of sales	11,283	15,778	19,940	28,708
Commissions and incentives	34,139	47,360	60,005	84,924
	45,422	63,138	79,945	113,632
Gross profit	**28,896**	**39,461**	**52,760**	**74,112**
Operating expenses:				
Selling and administrative expenses	11,526	16,340	23,831	32,460
Other operating costs	8,342	13,250	15,326	24,170
Total operating expenses	19,868	29,590	39,157	56,630
Income from operations	**9,028**	**9,871**	**13,603**	**17,482**
Interest income	155	453	293	785
Interest expense	(15)	—	(16)	—
Other expense, net	(755)	(808)	(847)	(900)
Income before income taxes	**8,413**	**9,516**	**13,033**	**17,367**
Income taxes	(2,839)	(3,699)	(4,354)	(6,888)
Net income	**$ 5,574**	**$ 5,817**	**$ 8,679**	**$ 10,479**
Earnings per common share:				
Basic	$ 0.21	$ 0.22	$ 0.33	$ 0.39
Diluted	$ 0.20	$ 0.21	$ 0.32	$ 0.38
Weighted-average common shares outstanding:				
Basic	26,343	27,073	26,289	27,085
Diluted	27,389	27,918	27,380	27,963