

**UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION**

IN RE: THERAGENICS CORP. SECURITIES LITIGATION	X : : X	CIVIL ACTION NO. 1:99-CV-0141 (TWT)
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**NOTICE OF PENDENCY OF CLASS ACTION AND PROPOSED SETTLEMENT,
MOTION FOR ATTORNEYS' FEES AND SETTLEMENT FAIRNESS HEARING**

If you purchased Theragenics Corporation common stock during the period between January 29, 1998 and January 11, 1999, inclusive, and were damaged thereby, then you may be eligible for a payment from a class action settlement.

A federal court authorized this notice. This is not a solicitation from a lawyer.

- The Settlement will provide a \$10 million settlement fund for the benefit of a class of certain investors who bought shares of Theragenics Corporation common stock during the period between January 29, 1998 and January 11, 1999, inclusive, and who were damaged thereby.
- The Settlement resolves a lawsuit concerning certain statements that Theragenics and two of its officers made that plaintiffs claim misrepresented or omitted material facts about Theragenics' financial condition.
- Your legal rights are affected whether you act, or do not act. Read this notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
SUBMIT A CLAIM FORM	The only way to get a payment.
EXCLUDE YOURSELF	Get no payment. This is the only option that allows you ever to be part of any other lawsuit against Theragenics and the other Released Parties about the legal claims in this case.
OBJECT	Write to the Court about why you don't like the Settlement.
GO TO A HEARING	Ask to speak in Court about the fairness of the Settlement.
DO NOTHING	Get no payment. Give up rights.

- These rights and options—**and the deadlines to exercise them**—are explained in this notice.
- The Court in charge of this case still has to decide whether to approve the Settlement. Payments will be made if the Court approves the Settlement and after appeals are resolved. Please be patient.

SUMMARY NOTICE

STATEMENT OF PLAINTIFFS' RECOVERY

Pursuant to the Settlement described in this Notice, a Settlement Fund consisting of \$10,000,000 in cash, plus interest, has been established. Plaintiffs estimate that there were approximately 18 million shares of Theragenics common stock traded during the Class Period which may have been damaged. Plaintiffs estimate that the average recovery per damaged share of Theragenics common stock under the Settlement is approximately \$0.56 per damaged share before deduction of Court-awarded attorneys' fees and expenses. A Class Member's actual recovery will be a proportion of the Net Settlement Fund determined by his, her, or its Recognized Claim as compared to the total Recognized Claims of all Class Members who submit acceptable Proofs of Claim. Depending on the number of claims submitted, when during the Class Period a Class Member purchased shares of Theragenics common stock, and whether those shares were held at the end of the Class Period or sold during the Class Period, and if sold, when they were sold, an individual Class Member may receive more or less than this average amount. See the Plan of Allocation on page 10 for more information on your Recognized Claim.

STATEMENT OF POTENTIAL OUTCOME OF CASE

The parties disagree about whether Plaintiffs or Defendants would have ultimately prevailed had the case not settled and do not agree on the average amount of damages per share, if any, that would be recoverable if Plaintiffs were to have prevailed on each claim alleged. Defendants deny that they are liable to Plaintiffs or the Class and deny that Plaintiffs or the Class have suffered any damages.

STATEMENT OF ATTORNEYS' FEES AND COSTS SOUGHT

Plaintiffs' Counsel are moving the Court to award attorneys' fees not to exceed one-third (33 1/3%) of the Settlement Fund, and for reimbursement of expenses incurred in connection with the prosecution of this Action in the approximate amount of \$600,000. The requested fees and expenses would amount to an average of \$0.22 per damaged share in total for fees and expenses. Plaintiffs' Counsel have expended considerable time and effort in the prosecution of this litigation on a contingent fee basis, and have advanced the expenses of the litigation, in the expectation that if they were successful in obtaining a recovery for the Class they would be paid from such recovery. In this type of litigation it is customary for counsel to be awarded a percentage of the common fund recovery as their attorneys' fees.

FURTHER INFORMATION

Further information regarding the Action and this Notice may be obtained by contacting Plaintiffs' Co-Lead Counsel: Salvatore J. Graziano, Esq., Milberg Weiss Bershad & Schulman LLP, One Pennsylvania Plaza, New York, New York 10119-0165, Telephone (212) 594-5300; Martin D. Chitwood, Esq., Chitwood & Harley, LLP, 2300 Promenade II, 1230 Peachtree Street, NE, Atlanta, Georgia 30309, Telephone (404) 873-3900; and M. Richard Komins, Esq., Barrack, Rodos & Bacine, 3300 Two Commerce Square, 2001 Market Street, Philadelphia, Pennsylvania 19103, Telephone (215) 963-0600.

REASONS FOR THE SETTLEMENT

The principal reason for the Settlement is the benefit to be provided to the Class now. This benefit must be compared to the risk that no recovery might be achieved after a contested trial and likely appeals, possibly years into the future. For example, at the time the agreement in principle to settle the Action was reached, Plaintiffs were facing the risk that their claims could be rejected in whole or in part as a result of any of the following: (a) Defendants may have been able to establish one or more affirmative defenses to Plaintiffs' claims; (b) the Court may have rejected the damage analysis utilized by Plaintiffs' expert witness; (c) Plaintiffs may have been unable to establish that their damages were caused (in whole or in part) by Defendants' alleged fraud; or (d) any favorable judgment obtained at trial could be delayed for years or even wiped out entirely on an appeal by Defendants.

Defendants deny any and all allegations of wrongdoing or liability pleaded against them in any of the complaints filed in the Action. Defendants believe that they have meritorious defenses to the Plaintiffs' claims as well as substantial defenses to the alleged damages relating to such claims. Nonetheless, Defendants acknowledge that there is risk that the Court would permit the Action to proceed to a trial, requiring further expensive, protracted, and inherently risky litigation. Therefore, Defendants want the Action settled on the terms described in this Notice in order to limit further expense, eliminate risk, and permit the operation of Theragenics' business without further diversion related to the Action. Thus, Defendants conclude that it is desirable and beneficial to them that the Action be settled in the manner and upon the terms and conditions described in this Notice.

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BASIC INFORMATION

1. Why did I get this Notice package?

You or someone in your family may have purchased shares of Theragenics Corporation common stock during the period between January 29, 1998 and January 11, 1999, inclusive, and may have been damaged thereby.

The Court directed that this Notice be sent to potential Class Members because they have a right to know about a proposed Settlement of a class action lawsuit, and about all of their options, before the Court decides whether to approve the Settlement. If the Court approves it and after objections and appeals are resolved, an administrator appointed by the Court will make the payments that the Settlement allows.

This package explains the lawsuit, the Settlement, Class Members' legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of the case is the United States District Court for the Northern District of Georgia, Atlanta Division, and the case is known as *In re Theragenics Corp. Securities Litigation*, Civil Action No. 1:99-CV-141-TWT. This case was assigned to United States District Judge Thomas W. Thrash, Jr. The people who sued are called the Plaintiffs. The persons that the Plaintiffs sued, Theragenics, M. Christine Jacobs, and Bruce W. Smith, are called the Defendants.

2. What is this lawsuit about?

Theragenics Corporation is a Delaware corporation with its headquarters in Buford, Georgia. It is in the business of producing and selling radioactive seed implants to treat prostate cancer, among other things.

Plaintiffs' Second Amended Complaint dated August 21, 2000 (the "Complaint") filed in the Action generally alleges, among other things, that Defendants issued false and misleading press releases and other statements regarding Theragenics' financial condition during the Class Period between January 29, 1998 and January 11, 1999, inclusive, in order to artificially inflate the value of Theragenics common stock. The Complaint further alleges that Lead Plaintiffs and other Class Members purchased the common stock of Theragenics during the Class Period at prices artificially inflated as a result of the Defendants' dissemination of materially false and misleading statements regarding Theragenics in violation of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, and Rule 10b-5 promulgated thereunder.

Defendants deny they did anything wrong and believe that Plaintiffs' claims are meritless.

3. Why is this a class action?

In a class action, one or more people called Class Representatives (in this case Lead Plaintiffs Melvin Van Dyke on behalf of MCV Sales Inc. Profit Sharing Plan & Trust Dtd. 6/16/75, Peter Corey, Herbert Garbutt, and Robert L. Thomas, Jr.), sue on behalf of people who have similar claims. All these people are a Class or Class Members. One court resolves the issues for all Class Members, except for those who exclude themselves from the Class.

4. Why is there a settlement?

Beginning on January 15, 1999, eleven lawsuits filed as proposed class actions alleging violations of federal securities laws were filed in this court and were subsequently consolidated into this Action. The Court also appointed MCV Sales Inc. Profit Sharing Plan & Trust Dtd. 6/16/75, Peter Corey, Herbert Garbutt, Robert Hudson, James J. Holten, Daniel Kursman, W. H. Thead, Jr., and Robert L. Thomas, Jr. as Lead Plaintiffs and approved Lead Plaintiffs' selection of Chitwood & Harley, LLP, Milberg Weiss Bershad Hynes & Lerach LLP (now known as Milberg Weiss Bershad & Schulman LLP), and Barrack Rodos & Bacine as Co-Lead Counsel.

The Consolidated Amended Complaint (the "CAC") was filed on June 18, 1999. Defendants moved to dismiss the CAC on September 3, 1999. On July 19, 2000, the Court granted Defendants' motion to dismiss but gave Plaintiffs another opportunity to plead their case.

Plaintiffs filed their Second Amended Complaint ("SAC") on August 21, 2000. The SAC asserted violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 ("Exchange Act") and Rule 10b-5 promulgated thereunder. The SAC named Theragenics and the Individual Defendants as defendants and alleged that material facts concerning Theragenics' financial condition were misrepresented in or omitted from various public statements made during the Class Period (January 29, 1998 through and including January 11, 1999). The SAC claimed that the alleged misrepresentations and omissions caused the price of Theragenics stock to be artificially inflated during the Class Period to the alleged injury of Plaintiffs and the Class.

On October 6, 2000, Defendants moved to dismiss the SAC. By Order dated March 30, 2001, the Court denied the Defendants' motion to dismiss. On July 17, 2001, Defendants filed their answer to the SAC.

Plaintiffs moved for class certification on July 17, 2001. The Court, by Order dated March 26, 2002, certified the Action to proceed as a class action, and named Melvin Van Dyke (on behalf of MCV Sales Inc. Profit Sharing Plan & Trust Dtd. 6/16/75), Peter Corey, Herbert Garbutt, and Robert L. Thomas as class representatives on behalf of a class consisting of all persons who purchased the common stock of Theragenics Corporation during the period between January 29, 1998 and January 11, 1999, inclusive, and who were damaged thereby. Excluded from the Class are the Defendants, the officers and directors of Theragenics at all relevant times, members of the immediate families, and the legal representatives, heirs, successors or assigns of Defendants and the officers and directors of Theragenics and any entity in which Defendants have or had a controlling interest.

Between July 17, 2001 and August 1, 2003, the parties conducted discovery. Plaintiffs, Defendants, and certain third parties produced documents, and the parties conducted depositions of fact and expert witnesses.

On September 30, 2003, after the end of discovery, Defendants moved for summary judgment. While Defendants' motion for summary judgment was pending, the parties, through their respective counsel, conducted arms' length settlement discussions and negotiations that resulted in an agreement in principle to settle the Action on terms set forth in the Stipulation.

Before entering into Settlement negotiations, Plaintiffs' Counsel had the opportunity through discovery to analyze the evidence adduced during pretrial discovery and research the applicable law with respect to the claims of Lead Plaintiffs and the Class against the Defendants and the potential defenses thereto.

The Court did not decide in favor of Plaintiffs or Defendants. Instead, both sides agreed to a Settlement. That way, the parties avoid the risks and costs of a trial. The Class Representatives and their attorneys think the Settlement is best for all Class Members.

WHO IS IN THE SETTLEMENT

To see if you will get money from this Settlement, you first have to decide if you are a Class Member.

5. How do I know if I am part of the Settlement?

The Court decided that everyone (subject to the exception below) who fits this description is a Class Member: *all persons who purchased the common stock of Theragenics Corporation during the period between January 29, 1998 and January 11, 1999, inclusive, and who were damaged thereby.*

6. Are there exceptions to being included?

Excluded from the Class are the Defendants, the officers and directors of Theragenics at all relevant times, members of the immediate families, and the legal representatives, heirs, successors or assigns of Defendants and the officers and directors of Theragenics and any entity in which Defendants have or had a controlling interest.

If one of your mutual funds own shares of Theragenics common stock, that alone does not make you a Class Member. You are a Class Member only if you directly purchased shares of Theragenics common stock during the Class Period. Contact your broker to see if you have or held Theragenics common stock.

If you sold Theragenics common stock during the period between January 29, 1998 and January 11, 1999, inclusive, that alone does not make you a Class Member. You are a Class Member only if you purchased your shares during the period between January 29, 1998 and January 11, 1999, inclusive, were damaged thereby, and do not fall within the exclusion described above.

7. What if I am still not sure if I am included?

If you are still not sure whether you are included, you can ask for free help. You can call 1-800-644-7835 or visit www.hrsclaimsadministration.com for more information. Or you can fill out and return the claim form described on page 6, in question 10, to see if you qualify.

THE SETTLEMENT BENEFITS—WHAT YOU GET

8. What does the settlement provide?

In exchange for the Settlement and dismissal of the Action, Defendants have agreed to create a \$10 million fund to be divided, after taxes, fees, and expenses, among all Class Members who send in a valid Proof of Claim form.

9. How much will my payment be?

Your share of the fund will depend on the number of valid Proof of Claim forms and amount of Recognized Claims that Class Members send in, how many shares of Theragenics common stock you bought, and when you bought and sold them. Here is how it works:

By following the instructions on page 10 of this Notice, you can calculate what is called your Recognized Claim. It is unlikely that you will get a payment for all of your Recognized Claim. After all Class Members have sent in their Proof of Claim forms, the payment you get will be a part of the Net Settlement Fund equal to your Recognized Claim divided by the total of everyone's Recognized Claim. See the Plan of Allocation on page 10 for more information on your Recognized Claim.

HOW YOU GET A PAYMENT—SUBMITTING A CLAIM FORM

10. How can I get a payment?

To qualify for a payment, you must send in a claim form. A Proof of Claim form is being circulated with this Notice. You may also get a Proof of Claim form on the Internet at www.hrsclaimsadministration.com. Read the instructions carefully, fill out the Proof of Claim form, include all the documents the form asks for, sign it, and mail it postmarked no later than **November 23, 2004**.

11. When would I get my payment?

The Court will hold a hearing on **September 29, 2004**, to decide whether to approve the Settlement. If the Court approves the Settlement after that, there may be appeals. It is always uncertain whether these appeals can be resolved, and resolving them can take time, perhaps more than a year. It also takes time for all the Proofs of Claim to be processed. Please be patient.

12. What am I giving up to get a payment or stay in the Class?

Unless you exclude yourself, you are staying in the Class, and that means that, if the Settlement is approved, you will release all "Settled Claims" (as defined below) against the "Released Parties" (as defined below).

"Settled Claims" means collectively any and all claims, debts, demands, rights or causes of action or liabilities whatsoever (including, but not limited to, any claims for damages, interest, attorneys' fees, expert or consulting fees, and any other costs, expenses or liability whatsoever), whether based on federal, state, local, statutory or common law or any other law, rule or regulation, whether fixed or contingent, accrued or unaccrued, liquidated or unliquidated, at law or in equity, matured or unmatured, whether class or individual in nature, including both known claims and Unknown Claims (as defined below), (i) that have been asserted in the Action by the Class Members or any of them against any of the Released Parties, or (ii) that could have been asserted in any forum by the Class Members or any of them against any of the Released Parties and that arise out of or are based upon the allegations, transactions, facts, matters or occurrences, representations or omissions involved, set forth, or referred to in the SAC, CAC or in any of the complaints filed in the Action and relate to the purchase of shares of the common stock of Theragenics during the Class Period.

"Released Parties" means any and all of the Defendants, their employees, partners, members, principals, agents, insurers, co-insurers, reinsurers, controlling shareholders, attorneys, accountants or auditors, banks or investment banks, underwriters, associates (as defined by SEC Rule 12b-2), personal or legal representatives, predecessors, successors, parents, subsidiaries, divisions, joint ventures, assigns, spouses, heirs, related or affiliated entities, any entity in which a Defendant has a controlling interest, any member of their immediate families, or any trust of which any Defendant is the settlor or which is for the benefit of any Defendant and/or member(s) of his family; and shall include any individual, group, or entity who directly or indirectly participated in the dissemination of information about Theragenics or who directly or indirectly is responsible for any of the damages alleged in the SAC, CAC or in any of the complaints filed in the Action.

"Unknown Claims" means any and all Settled Claims which any Lead Plaintiff or Class Member does not know or suspect to exist in his, her or its favor at the time of the release of the Released Parties, and any Settled Defendants' Claims which any Defendant does not know or suspect to exist in his, her or its favor, which if known by him, her or it might have affected his, her or its decision(s) with respect to the Settlement. With respect to any and all Settled Claims and Settled Defendants' Claims, the parties stipulate and agree that upon the Effective Date, the Lead Plaintiffs and the Defendants shall expressly waive, and each Class Member shall be deemed to have waived, and by operation of the Judgment shall have expressly waived, any and all provisions, rights and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to Cal. Civ. Code § 1542, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

Lead Plaintiffs and Defendants acknowledge, and Class Members by operation of law shall be deemed to have acknowledged, that the inclusion of “Unknown Claims” in the definition of Settled Claims and Settled Defendants’ Claims was separately bargained for and was a key element of the Settlement.

“Settled Defendants’ Claims” means any and all claims, rights or causes of action or liabilities whatsoever, whether based on federal, state, local, statutory or common law or any other law, rule or regulation, including both known claims and Unknown Claims, that have been or could have been asserted in the Action or any forum by the Defendants or any of them or the successors and assigns of any of them against any of the Lead Plaintiffs, Class Members or their attorneys, which arise out of or relate in any way to the institution, prosecution, or settlement of the Action (except for claims to enforce the Settlement).

If you remain a member of the Class, all of the Court’s orders will apply to you and legally bind you.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you do not want a payment from this Settlement, but you want to keep the right to sue or continue to sue Theragenics and the other Released Parties, on your own, about the legal issues in this case, then you must take steps to get out. This is called excluding yourself — or is sometimes referred to as “opting out” of the Settlement Class. Defendants may withdraw from and terminate the Settlement if in excess of a certain amount of claimants exclude themselves from the Class.

13. How do I get out of the proposed Settlement?

To exclude yourself from the Settlement Class, you must send a letter by mail stating that you “request exclusion from the Class in the *In re Theragenics Corporation Securities Litigation*.” Your letter should include the date(s), price(s), and number(s) of shares of all purchases and sales of Theragenics Corporation common stock during the Class Period. In addition, be sure to include your name, address, telephone number, and your signature. You must mail your exclusion request postmarked so as to be received no later than **September 24, 2004** to:

Theragenics Corp. Securities Litigation Exclusions
c/o Heffler, Radetich & Saitta L.L.P., Claims Administrator
Post Office Box 59413
Philadelphia, Pennsylvania 19102-9413

You cannot exclude yourself by telephone or by e-mail. If you ask to be excluded, you will not get any Settlement payment, and you cannot object to the Settlement. You will not be legally bound by anything that happens in this lawsuit, and you may be able to sue (or continue to sue) Theragenics and the other Released Parties in the future.

14. If I do not exclude myself, can I sue Theragenics and the other Released Parties for the same thing later?

No. Unless you exclude yourself, you give up any rights to sue Theragenics and the other Released Parties for any and all Settled Claims. If you have a pending lawsuit, speak to your lawyer in that case immediately. You must exclude yourself from *this* Class to continue your own lawsuit. Remember, the exclusion deadline is **September 24, 2004**.

15. If I exclude myself, can I get money from the proposed Settlement?

No. If you exclude yourself, do not send in a claim form to ask for any money. But, you may sue, continue to sue, or be part of a different lawsuit against Theragenics and the other Released Parties.

THE LAWYERS REPRESENTING YOU

16. Do I have a lawyer in this case?

The Court ordered that the law firms of Milberg Weiss Bershad & Schulman LLP in New York, New York, Chitwood & Harley LLP in Atlanta, Georgia, and Barrack, Rodos & Bacine in Philadelphia, Pennsylvania will represent you and the other Class Members. These lawyers are called Plaintiffs’ Co-Lead Counsel. You will not be charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

17. How will the lawyers be paid?

Plaintiffs' Counsel are moving the Court to award attorneys' fees from the Settlement Fund in an amount not greater than one-third (33 1/3%) of the Settlement Fund and for reimbursement of their expenses up to a maximum amount of \$600,000, plus interest on such expenses at the same rate as earned by the Settlement Fund. Plaintiffs' Counsel, without further notice to the Class, may subsequently apply to the Court for fees and expenses incurred in connection with administering and distributing the settlement proceeds to the members of the Class and any proceedings subsequent to the Settlement Fairness Hearing.

OBJECTING TO THE SETTLEMENT

You can tell the Court that you do not agree with the Settlement or some part of it.

18. How do I tell the Court that I do not like the proposed Settlement?

If you are a Class Member, you can object to the proposed Settlement if you do not like any part of it. You can give reasons why you think the Court should not approve it. The Court will consider your views. To object, you must send a signed letter saying that you object to the proposed Settlement in the Theragenics Corp. Securities Litigation. Be sure to include your name, address, telephone number, and your signature, identify the date(s), price(s), and number(s) of shares of all purchases and sales of the common stock of Theragenics you made during the Class Period, and state the reasons why you object to the proposed Settlement. Mail the objection to each of the following addresses postmarked so as to be received no later than **September 24, 2004**:

COURT

Clerk of the Court
United States District Court
for the Northern District of Georgia
Atlanta Division
Richard B. Russell Federal Building
and Courthouse
75 Spring Street, S.W.
Atlanta, GA 30303-3361

PLAINTIFFS' CO-LEAD COUNSEL

Salvatore J. Graziano, Esq.
Millberg Weiss Bershad
& Schulman LLP
One Pennsylvania Plaza
New York, NY 10119-0165

Martin D. Chitwood, Esq.
Chitwood & Harley, LLP
2300 Promenade II
1230 Peachtree Street, NE
Atlanta, GA 30309

M. Richard Komins, Esq.
Barrack, Rodos & Bacine
3300 Two Commerce Square
2001 Market Street
Philadelphia, PA 19103

DEFENDANTS' COUNSEL

M. Robert Thornton, Esq.
King & Spalding LLP
191 Peachtree Street, N.E.
Atlanta, GA 30303-1763

19. What is the difference between objecting and excluding?

Objecting is simply telling the Court that you do not like something about the proposed Settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court that you do not want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer affects you.

THE COURT'S FAIRNESS HEARING

The Court will hold a hearing to decide whether to approve the proposed Settlement. You may attend and you may ask to speak, but you do not have to.

20. When and where will the Court decide whether to approve the proposed Settlement?

The Court will hold a Fairness Hearing at 10:30 a.m. on **September 29, 2004**, at the United States District Court for the Northern District of Georgia, Atlanta Division, Richard B. Russell Federal Building and Courthouse, 75 Spring Street, S.W., Atlanta, Georgia 30303-3361. At this hearing the Court will consider whether the Settlement is fair, reasonable and adequate. If there are objections, the Court will consider them. The Court will listen to people who have asked to speak at the hearing. The Court may also decide how much to pay to Plaintiffs' Counsel. After the hearing, the Court will decide whether to approve the Settlement. We do not know how long these decisions will take.

21. Do I have to come to the hearing?

No. Plaintiffs' Counsel will answer questions the Court may have. But, you are welcome to come at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary. Class Members do not need to appear at the hearing or take any other action to indicate their approval.

22. May I speak at the hearing?

If you object to the Settlement, you may ask the Court for permission to speak at the Fairness Hearing. To do so, you must include with your objection (see question 18 above) a statement saying that it is your "Notice of Intention to Appear in the *In re Theragenics Corporation Securities Litigation*." Persons who intend to object to the Settlement, the Plan of Allocation, and/or Counsel's application for an award of attorneys' fees and expenses and desire to present evidence at the Settlement Fairness Hearing must include in their written objections the identity of any witnesses they may call to testify and exhibits they intend to introduce into evidence at the Settlement Fairness Hearing. You cannot speak at the hearing if you excluded yourself.

IF YOU DO NOTHING

23. What happens if I do nothing at all?

If you do nothing, you will get no money from this Settlement. But, unless you exclude yourself, you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Theragenics and the other Released Parties about the legal issues in this case, ever again.

GETTING MORE INFORMATION

24. Are there more details about the proposed Settlement?

This notice summarizes the proposed Settlement. More details are in a Stipulation and Agreement of Settlement dated July 27, 2004 (the "Stipulation"). You can get a copy of the Stipulation by writing to Salvatore J. Graziano, Esq., Milberg Weiss Bershad & Schulman LLP, One Pennsylvania Plaza, New York, New York 10119-0165, Martin D. Chitwood, Esq., Chitwood & Harley, LLP, 2300 Promenade II, 1230 Peachtree Street, NE, Atlanta, Georgia 30309, M. Richard Komins, Esq., Barrack, Rodos & Bacine, 3300 Two Commerce Square, 2001 Market Street, Philadelphia, Pennsylvania 19103, or by visiting www.hrsclaimsadministration.com.

You also can call the Claims Administrator at 1-800-644-7835 toll free; write to Theragenics Corp. Settlement, Post Office Box 59413, Philadelphia, Pennsylvania 19102-9413; or visit the website at www.hrsclaimsadministration.com, where you will find answers to common questions about the Settlement, a claim form, plus other information to help you determine whether you are a Class Member and whether you are eligible for a payment.

25. How do I get more information?

For even more detailed information concerning the matters involved in this Action, reference is made to the pleadings, to the Stipulation, to the Orders entered by the Court and to the other papers filed in the Action, which may be inspected at the Office of the Clerk of the Court, United States District Court for the Northern District of Georgia, Atlanta Division, Richard B. Russell Federal Building and Courthouse, 75 Spring Street, S.W., Atlanta, Georgia 30303-3361, during regular business hours.

PLAN OF ALLOCATION OF NET SETTLEMENT FUND AMONG CLASS MEMBERS

The \$10,000,000 Cash Settlement Amount and the interest earned thereon shall be the Gross Settlement Fund. The Gross Settlement Fund, less all taxes, approved costs, fees and expenses (the “Net Settlement Fund”) shall be distributed to members of the Class who submit acceptable Proofs of Claim (“Authorized Claimants”).

The Claims Administrator shall determine each Authorized Claimant’s *pro rata* share of the Net Settlement Fund based upon each Authorized Claimant’s “Recognized Claim.” The Recognized Claim formula is not intended to be an estimate of the amount of what a Class Member might have been able to recover after a trial; nor is it an estimate of the amount that will be paid to Authorized Claimants pursuant to the Settlement. The Recognized Claim formula is the basis upon which the Net Settlement Fund will be proportionately allocated to the Authorized Claimants.

The following proposed Plan of Allocation reflects the Plaintiffs’ contention that the price of Theragenics common stock was artificially inflated during the Class Period by various amounts as various disclosures were made. Plaintiffs’ damages expert expressed the opinion that the price of Theragenics common stock was inflated artificially by the following amounts during the Class Period:

Date Range	Plaintiffs’ Contention of Alleged Inflation
1/29/1998 through 2/25/1998	46.9%
2/26/1998 through 4/20/1998	51.3%
4/21/1998 through 6/30/1998	53.3%
7/1/1998	46.8%
7/2/1998	19.4%
7/6/1998 through 7/20/1998	30.9%
7/21/1998	30.7%
7/22/1998 through 8/4/1998	38.5%
8/5/1998 through 8/19/1998	30.4%
8/20/1998 through 10/21/1998	41.3%
10/22/1998 through 12/7/1998	43.2%
12/8/1998 through 12/16/1998	46.4%
12/17/1998 through 12/22/1998	47.9%
12/23/1998 through 1/8/1999	53.3%
1/11/1999	29.2%

“Recognized Claims” will be calculated for purposes of the Settlement as follows:

(a) For shares of Theragenics common stock purchased during the Class Period and still owned as of the close of trading on January 11, 1999, Recognized Claim shall be the Purchase Price Paid times the Plaintiffs’ Contention of Alleged Inflation (“PCAI”) on the date of purchase.

(b) For shares of Theragenics common stock purchased during the Class Period and sold at a loss on or before April 11, 1999, Recognized Claim shall be the lesser of (x) the Purchase Price Paid less the Sales Proceeds Received; or (y) Purchase Price Paid times the PCAI on the date of purchase, less the Sales Proceeds Received times the PCAI on the date of sale.

To the extent a Claimant had a gain from his, her or its overall transactions in Theragenics common stock during the Class Period, the value of the Recognized Claim will be zero. To the extent that a Claimant suffered an overall loss on his, her or its overall transactions in Theragenics common stock during the Class Period, but that loss was less than the Recognized Claim calculated above, then the Recognized Claim shall be limited to the amount of the actual loss.

For purposes of determining whether a Claimant had a gain from his, her or its overall transactions in Theragenics common stock during the Class Period or suffered a loss, the Claims Administrator shall: (i) total the amount paid for all Theragenics common stock purchased during the Class Period by the claimant (the “Total Purchase Amount”); (ii) match any sales of Theragenics common stock during the Class Period first against the Claimant’s opening position in the stock (the proceeds of those sales will not be considered for purposes of calculating gains or losses); (iii) total the amount received for sales of the remaining shares of Theragenics common stock purchased during the Class Period and sold during the Class Period or during the following 90 calendar days ending on April 11, 1999 (the “Sales Proceeds”); (iv) ascribe a \$6.905 per share holding value for the number of shares of Theragenics

common stock purchased during the Class Period and still held 90 calendar days after the end of the Class Period (“Holding Value”). The difference between (i) the Total Purchase Amount and the (ii) sum of the Sales Proceeds and Holding Value, will be deemed a Claimant’s gain or loss on his, her or its overall transactions in Theragenics common stock during the Class Period.

Each Authorized Claimant shall be allocated a *pro rata* share of the Net Settlement Fund based on his, her or its Recognized Claim as compared to the total Recognized Claims of all Authorized Claimants.

In the event a Class Member has more than one purchase or sale of Theragenics common stock, all purchases and sales shall be matched on a First-In/First-Out (“FIFO”) basis, beginning with the shares held at the close of January 28, 1998.

“Short” sales of Theragenics common stock shall not be recognized for any amount of loss on the cover, purchase or closing transaction and no Recognized Claim will be computed for any such covering purchase or closing transaction.

Shares “transferred into,” “delivered into” or “received into” the claimant’s account, shall NOT be considered as purchased shares unless claimant submits documents supporting that the original purchase of the shares occurred during the Class Period. Also, shares purchased and subsequently “transferred out” or “delivered out” of claimant’s account will NOT be considered part of claimant’s claim, as the right to file for those shares may belong to the person or party receiving the shares.

The receipt or grant of a gift of Theragenics common stock during the Class Period shall not be deemed to be a purchase of Theragenics common stock during the Class Period. However, the recipient of Theragenics common stock as a gift or as a distribution from an estate shall be eligible to file a Proof of Claim form and participate in the Settlement to the extent the particular donor or decedent as the actual purchaser of Theragenics common stock would have been eligible, based upon the circumstances of such purchase within the Class Period; however, the donee and donor may not both claim with regard to the same Theragenics common stock. If both the donor and donee make such a claim, only the claim filed by the donee will be honored.

Class Members who do not submit acceptable Proofs of Claim will not share in the settlement proceeds. Class Members who do not either submit a request for exclusion or submit an acceptable Proof of Claim will nevertheless be bound by the Settlement and the Order and Final Judgment of the Court dismissing this Action.

Distributions will be made to Authorized Claimants after all claims have been processed and after the Court has finally approved the Settlement. If any funds remain in the Net Settlement Fund by reason of un-cashed distributions or otherwise, then, after the Claims Administrator has made reasonable and diligent efforts to have Class Members who are entitled to participate in the distribution of the Net Settlement Fund cash their distributions, any balance remaining in the Net Settlement Fund one (1) year after the initial distribution of such funds shall be re-distributed to Class Members who have cashed their initial distributions and who would receive at least \$10.00 from such re-distribution, after payment of any unpaid costs or fees incurred in administering the Net Settlement Fund for such re-distribution. If after six months after such re-distribution any funds shall remain in the Net Settlement Fund, then such balance shall be contributed to non-sectarian, not-for-profit, 501(c)(3) organization(s) providing legal services to the poor designated by Plaintiffs’ Counsel.

Plaintiffs, Defendants, their respective counsel, and all other Released Parties shall have no responsibility for or liability whatsoever for the investment or distribution of the Settlement Fund, the Net Settlement Fund, the Plan of Allocation or the determination, administration, calculation, or payment of any Proof of Claim or non-performance of the Claims Administrator, the payment or withholding of taxes owed by the Settlement Fund or any losses incurred in connection therewith.

SPECIAL NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES

If you purchased the common stock of Theragenics Corporation during the period between January 29, 1998 and January 11, 1999, inclusive, for the beneficial interest of a person or organization other than yourself, the Court has directed that, WITHIN SEVEN (7) DAYS OF YOUR RECEIPT OF THIS NOTICE, you either: (a) provide to the Claims Administrator the name and last known address of each person or organization for whom or which you purchased such stock during such time period; or (b) request additional copies of this Notice and the Proof of Claim form, which will be provided to you free of charge, and within seven (7) days mail the Notice and Proof of Claim form directly to the beneficial owners of the securities referred to herein. If you choose to follow alternative procedure (b), the Court has directed that, upon such mailing, you send a statement to the Claims Administrator confirming that the mailing was made as directed. You are entitled to reimbursement from the Settlement Fund of your reasonable expenses actually incurred in connection with the foregoing, including reimbursement of postage expense and the cost of ascertaining the names and addresses of beneficial owners. Those expenses will be paid upon request and submission of appropriate supporting documentation. All communications concerning the foregoing should be addressed to the Claims Administrator:

In re Theragenics Corp. Securities Litigation
c/o Heffler, Radetich & Saitta L.L.P.
Claims Administrator
Post Office Box 59413
Philadelphia, Pennsylvania 19102-9413
(800) 644-7835

Dated: August 5, 2004
Atlanta, Georgia

BY ORDER OF THE COURT:
CLERK OF THE COURT