



MEDIA RELEASE

COUNTRY FOODS GROUP TO LIST ON ALT X

Monday, 10 September 2007: Country Foods Group, provider of high quality innovative value-added food products, will be listing on AltX, the Alternative Exchange of the JSE by way of private and vendor placement early October 2007.

Country Foods hopes to raise capital of approximately R30 million which will be used to increase capacity, accelerate the organic and acquisitive growth of Country Foods, provide an incentive for the retention and reward of key staff members through equity participation and capitalise on the current industry conditions to increase its market share and product offering.

Roberto Casaletti, CEO of Country Foods said, "Our listing on AltX will assist in increasing our foot-print both locally and internationally. We have excellent people and products and a sustainable profit growth which is attractive for investors and will add to the group's continued success."

The Country Foods Group consists of three divisions:

Edulis, a processor, distributor, exporter and importer of mushrooms, fruit and vegetables. Edulis has operating distribution subsidiaries in New York, Italy, Tunisia and Morocco.

Country Mushrooms, a grower, distributor and marketer of fresh cultivated mushrooms and value-added processed mushroom products.

Fruitime, a manufacturer which markets and distributes a wide variety of fruit juices and associated beverages.

"We are very confident in our business model. Management of the divisions have been with their companies since inception and are true entrepreneurs with in-depth knowledge of the specific industries. Edulis is the oldest company in the group and started its operations more than 30 years ago in 1974. The barriers to entry in our market are high and our international distribution networks add significant value to the group," added Casaletti.

Approximately 36% of the group's revenue is derived from exports. The Midlands processing facility of Edulis was awarded its HACCP certification which will enable the group to increase the supply of finished value-added products directly to supermarkets locally, the EU and USA.

Over the last year Country Foods has raised approximately R16.6 million from various investors to reduce its gearing and to position the group for future growth and expansion. Turnover for 2006 was R125m with forecast turnover for 2007 being R182m and R210m for 2008. **ENDS**

Website: www.countryfoods.co.za

Issued on behalf of Country Foods Group and AltX. For more information or a spokesperson please contact Michelle K Blumenau, Turquoise PR & Marketing Communications on 083 273 9891 or michelle@turquoisepr.co.za

MORE ABOUT THE DIVISIONS OF COUNTRY FOODS GROUP

Edulis is a processor, distributor, exporter and importer of mushrooms, fruit and vegetables since 1974. Approximately 90% of its processed products are exported to the EU and USA. Edulis has harvesting rights in Lothair, Amsterdam and Warburton in Mpumalanga. After 1994, Edulis established processing facilities in Swaziland, Zimbabwe and Malawi. Forest Products, a New York subsidiary, was established in 2005 to market its products in North America. Edulis Gourmet commenced operation in 2005. It is the exclusive distributor of international brands Bonduelle of France, Faverges Chocolates of Switzerland, Greci Foods, Urbani and Valsele of Italy. A processing facility in the Natal Midlands, funded through Edulis and strategic partners Kagiso Enterprises, commenced in October 2006. The Midlands facility is an advanced cryogenic freezing and processing facility, capable of freezing over 10 tons per shift of product. It is ideally located near the Durban port to handle exports, imports and re-packaging of semi processed goods.

Country Mushrooms is a grower, distributor and marketer of fresh cultivated mushrooms and value added processed mushroom products. It currently has a market share of 12% in SA. The company was established in 1986. Country Mushroom has 46 growing rooms with a production capacity of 48 000 kilograms of brown and white mushroom per week. This makes it the second largest cultivated mushroom supplier in South Africa.

Fruitime manufacturers, markets and distributes a wide variety of fruit juices and associated beverages. Fruitime was established in 1989 and has since opened franchises and agencies throughout South Africa. Fruitime has, through Country Foods, obtained exclusive rights to brand its fruit juices and fruit flavoured drinks with the names and logos of the South African Football Team for the 2010 World Cup. ENDS