
SENS ANNOUNCEMENT

COUNTRY FOODS LIMITED

Incorporated in the Republic of South Africa

(Registration number 2005/018743/06)

Share code: CFO ISIN: ZAE000105052

("Country Foods" or "the Company")

UPDATE TO SHAREHOLDERS, DELISTING OF COUNTRY FOODS FROM THE JSE LIMITED ("JSE") AND SALIENT DATES OF THE DELISTING

Shareholders are advised that the JSE wrote to the company in April 2009 and again on 30 July 2009 advising of various non-compliance issues in relation to the JSE Listings Requirements and requiring that the company respond to the various points, in order that the JSE could consider the continued listing of the company. The company responded to the JSE advising that the company had made good progress in resolving some of the compliance issues pursuant to the appointment of a new board of directors. The issues addressed comprised, inter alia, the following:

1. The company has recently appointed an accredited auditor in terms of paragraph 3.86 of the JSE Listings Requirements.
2. The company is currently finalising the audit in order to be able to prepare and publish the various reports for the period ended 30 September 2008 as well as for the interim period ending 31 March 2009. In this regard we would like to advise that there have been various extenuating circumstances, including a total change in the Board of Directors over this period. We expect to have this information available for shareholders within the next month.
3. The company does have four directors in terms of the Listings Requirements and was busy trying to secure the services of a financial director as required in terms of paragraph 21.3(e) of the Listings Requirements. However, a financial officer has continued to remain employed by the company.

4. The assets of the company were either liquidated or taken over by related parties during late last year whilst under the control of a different Board of Directors. The company is busy investigating potential irregularities in this regard and the company has sought legal advice and will be seeking, through various legal processes, to have these assets returned to the company. It appears as though the JSE Listings Requirements were also not complied with by the previous Board in terms of these underlying assets.
5. In addition, the company has instigated arbitration proceedings for specific performance with relation to a subscription for 7 000 000 new shares, which was part of an acquisition agreement for the acquisition of Midlands Mushrooms Farm (Pty) Ltd.
6. The company had appointed Arcay Corporate Services (Pty) Ltd to assist with the restructure and/or recovery of assets and value for shareholders and had approached Arcay Moela Sponsors (Proprietary) Limited to act as Designated Advisor to Country Foods and had received a conditional proposal to act as Designated Advisor.

7. SALIENT DATES

The salient dates for the delisting are set out below:

| Details | 2009 |
|--|----------------------|
| Last day to trade | Friday, 04 September |
| Record date | Friday, 11 September |
| Delisting with effect from commencement of business on | Monday, 14 September |

The new Board of Directors is actively involved in trying to restore shareholder value and has secured funding to support the recovery of the various assets for Country Foods.

It was the intention of the Board to regularise the affairs of the company as quickly as possible and to bring the company back into compliance with the JSE Listings Requirements. Obviously given the

events within the company over the past few months this has been difficult.

The company did appeal to the JSE to afford the company additional time to continue the process of rescuing the company. The JSE carefully considered all the facts and information at its disposal but decided to terminate the company's listing at the commencement of trade on Monday, 14 September 2009, giving the company 48 hours to appeal this decision. The company decided not to appeal this decision further, due to the significant costs of trying to rescue and restructure the company in the listed environment and the current lack of business within the company.

The shareholders of the company will remain investors in a public unlisted company and the board will be continuing with its legal efforts to recover assets and value for shareholders in an unlisted environment. Shareholders will be kept up to date with significant developments through the company's website (www.countryfoods.co.za), e-mail and postal communications and are encouraged to provide e-mail contact details to info@countryfoods.co.za.

By order of the board

Johannesburg

28 August 2009

Arcay Moela Sponsors (Pty) Ltd

Transaction Advisors