



10 April 2008

Dear Shareholder

LISTING OF PIONEER FOOD GROUP LIMITED (“PIONEER FOODS”) AND DEMATERIALISATION OF PIONEER FOODS ORDINARY SHARES TO ENABLE TRADING ON THE JSE LIMITED (“JSE”)

INTRODUCTION

On Monday, 7 April 2008, the Board of Directors of Pioneer Foods resolved to proceed with an application to list on the JSE. On Wednesday, 9 April 2008, Pioneer Foods shareholders in a general meeting approved proposed changes to the company’s articles of association to make it compliant with the JSE Listings Requirements. Pioneer Foods is therefore on track to list on the JSE in the near future, subject to regulatory approvals.

Prior to the listing, shareholders will receive a pre-listing statement from Pioneer Foods, which is a regulatory document and serves to provide shareholders and the general public with information on the company. This document is for information purposes only.

Following the listing, Pioneer Foods intends to launch a capital raising process through a rights offer. In this regard, shareholders will receive a rights offer document which is important and would require shareholders to take action in respect of the rights offer based on the timetable stipulated in the document. **The most important immediate action, however, is to dematerialise your shares should you wish to trade on the JSE.**

DEMATERIALISATION

On the date of listing, Pioneer Foods ordinary shareholders will be issued with new Pioneer Foods share certificates which will replace existing share certificates representing unlisted Pioneer Foods ordinary shares. Listed shares are only tradeable on the JSE in dematerialised form. This will mean that Pioneer Foods ordinary shareholders will not be able to trade their ordinary shares on the listing date **unless** they follow the process outlined below.

Shareholders that wish to trade their Pioneer Foods ordinary shares on the JSE on the date of listing need to ensure that their listed ordinary shares are issued in dematerialised form and not in certificated form, and therefore need to open an account at a Central Securities Depository Participant (“CSDP”) or a broker in order to have their Pioneer Foods ordinary shares issued in dematerialised form on the date of listing. Opening an account will result in shareholders not receiving a new physical share certificate but that such shareholders will be recorded electronically as shareholders, this meaning that they are dematerialised shareholders in Pioneer Foods on the date of listing.

If shareholders do not react to the dematerialisation process prior to listing, they will not be able to trade on the date of the listing. Such shareholders will then first have to wait for receipt of the new physical certificate, after which they will have to go through the dematerialisation process described above before being able to trade.

Computershare Investor Services (Proprietary) Limited (“Computershare”) is a CSDP and able to provide the abovementioned service to shareholders who wish to dematerialise. Alternatively, shareholders may choose to open an account at any other CSDP or broker. Other CSDPs include:

- ABSA
- First National Bank
- Nedbank
- Société Générale
- Standard Bank

It is important to note that once the new physical share certificate is issued to shareholders in the listed entity on the date of listing it will need to be dematerialised and the shareholders’ account at the CSDP or broker credited with the ordinary shares before any trade in future will be possible. This will be the case for shareholders who do not follow the abovementioned process and receive their new Pioneer Foods shares in certificated form.

Should shareholders wish to make use of Computershare's services, they will need to complete the enclosed mandate form, comply with the Financial Intelligence Centre Act, 2001 ("FICA") requirements as specified in the attached mandate form and send the completed forms to Computershare at 70 Marshall Street, Johannesburg 2001, or PO Box 61763, Marshalltown 2107, immediately to enable an account to be opened in their name. A mandate form is attached and is also available on the Pioneer Foods website www.pioneerfoods.co.za.

Shareholders need to note the opening and FICA verification of accounts may take up to five business days.

Should shareholders have any questions relating to the above, they are welcome to call the Pioneer Foods Information line on 0861 100 920 (or +27 11 870 8213 if calling from outside of South Africa).

Yours faithfully

For and on behalf of Pioneer Food Group Limited

W A Hanekom
Managing Director

P J Stofberg
Company Secretary

