



MOOIGEZICHT ESTATES

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New Varieties - New Packaging - New Opportunities

This is the first of Mooigezicht Estate's monthly newsletters for the 2009- 2010 harvest covering news and events at Mooigezicht for our receivers.

Newsletter 1

10/11/09

As Spring is well underway, temperatures are rising and Mooigezicht is hard at work preparing for the forthcoming harvest. Many of our varieties are currently flowering and at this stage we can start to establish some prospects for the harvest ahead.

Harvest preview

Fruit development

The 2009 winter has seen good rains and cold weather required for grape production. This has ensured good dormancy and has replenished dam and underground water sources for the dry summer months ahead until our harvest. Predictions are for a relatively dry summer during our harvest period.

In general the crop seems promising and is currently up to eight days earlier than the average. The normal development of grapes takes 80 days from flower to veraison (colouring) and a further 25 days until grapes are ready for harvesting. In terms of quality and quantity, the Hex River valley looks set to have a normal crop with no current extraordinary challenges. Good weather through the flowering period is resulting in bunches that show strong development and good shape.

At Mooigezicht the Sugraone crop looks promising and better than the average in the region while the yield on the Crimson Seedless promises to be one of the best crops yet. Crop development of the

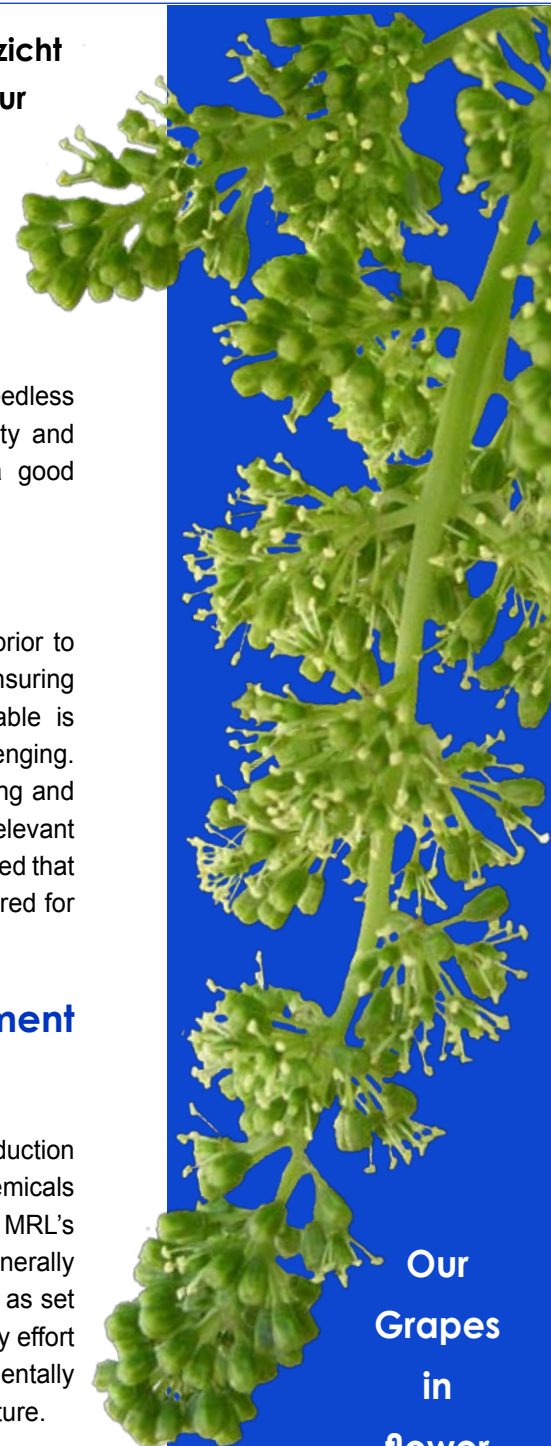
Flame Seedless and the black seedless varieties such as Midnight Beauty and Autumn Royal also points to a good harvest.

Labour

As we require additional labour prior to and during the harvest months, ensuring that this vital resource is available is becoming increasingly challenging. Through thorough forward planning and successful negotiation with the relevant labour contractors, we have ensured that our labour requirements are assured for this crucial period.

Sustainable, environment friendly production practices

We have adjusted our production practices to minimise the use of chemicals as far as possible, keeping our MRL's (minimum residue levels) generally lower than the industry standards as set by legislation. We also make every effort to keep our practices environmentally friendly and sustainable for the future.



Our
Grapes
in
flower

CORPORATE SOCIAL RESPONSIBILITY



Caring for Children at Mooigezicht

Mooigezicht Estates employs approximately 1500 workers on the company's ten table grape production units. Approximately 150 children attend the seven fully-equipped child care and pre-school centres located on the various farms. These facilities cater for children ranging in age from infants to five-year-olds and trained teachers offer ongoing educational programmes. Children also receive two balanced meals daily.

The well-being of our employees' children is one of our key focus areas. The company's human resource development initiative proactively improves the living conditions of parents involved with the company as well as that of their children.

Due to the nutritional supplementation that the children receive, they are better equipped to benefit from our educational programmes. For many of the children the feeding scheme answers a dire need and this is making provision for the development of a new generation with the potential to make a positive contribution to agriculture. The pre-school nutrition scheme is a priority and has been running for two years.

The education project manager Beatrice Joubert is a qualified teacher who has a great deal of experience in child care and pre-school education. Our teachers are trained and the weekly education programme is skilfully monitored by our education project manager. On each of our production units both the managers and the children's parents are also involved in the running of the facility.

Social and physical development are also important. We recently hosted a sport day for the pre-schoolers where 550 children from creches in the area participated. Mooigezicht has also organised a very successful modeling evening at Mooigezicht and 100 children each had the opportunity to "strut their stuff" down the catwalk!

Once children reach school-going age workers have access to local schools of their choice for all children of school-going age. A number of bursaries and grants have been made available for tertiary education to our farm children. They are not obliged to redeem any capital or to be employed on the farm after completion of their studies. This has played a crucial role in giving them the opportunities to reach new goals in life.

LOOKING AHEAD

Demand for Seedless continues to grow

The demand for seedless grapes has grown rapidly in markets that previously sold large volumes of seeded grapes. Globally consumers are showing a marked preference for seedless grapes. This has resulted in the demand for seedless grapes currently exceeding the supply while seeded grapes are rapidly losing their appeal. A USDA report published in 2008 illustrates this shift, stating that there were no new plantings of Red Globe in California due to the global demand for seedless grapes. This is a significant development and represents a huge shift in focus to seedless varieties as Red Globe is currently one of the most widely produced varieties in California.

New varieties

The biggest challenge facing grape producers is how rapidly they can replace the traditional seeded varieties with seedless ones. The release of new varieties is currently very topical and exporters are co-operating with various role players to make promising new varieties available to our markets. It is important to remain up to date with this renewal process and proactively plant popular seedless varieties as the market for seeded grapes is rapidly shrinking.

New markets

Asia

I visited the Far East in August as part of Mooigezicht's quest for new markets. I attended the Asiafruit Conference and visited markets and receivers in China, Singapore, Malaysia and Hong Kong. This confirmed that Asia is a good and fast expanding market for seedless grapes. The increased global demand for black seedless grapes has seen growers invest in substantial plantings of this type of grape in recent years and productions are thus set to increase rapidly over the next two to three seasons. Asia clearly offers the most promising markets for this fruit as the demand for varieties such as Midnight, Desert Seedless and Autumn Royal are likely to far outstrip supply.

There are currently good opportunities for our products in Asia as the region is experiencing the same trend towards supermarkets that occurred throughout the developed world 30 years ago.

The huge investments in Asia by global supermarket giants are motivating Asian consumers to change their buying habits, focussing increasingly on modern fresh produce retailers for their fresh produce needs. Changing perceptions and the increasing income and awareness of health are factors supporting the rapid expansion of supermarkets. Traditionally the Chinese market was set on importing fruit only of the best quality, both as a sign of respect when using this fruit as a religious offering and to protect their domestic production. For the first time during the past season there were indications that a slight compromise on quality was acceptable in favour of affordability, thus making fruit more affordable for a larger percentage of the population.

The Asian market generally provides good opportunities for late white and red seedless grapes which fit Mooigezicht's production period perfectly. Crimson Seedless is the red variety of choice for this timing and currently the only available late white seedless variety that answers to this need is Sundance. Mooigezicht has already invested in plantings of both this varieties. The other promising new late white seedless varieties are Autumn King, which is due for release for commercial production by the USDA in 2010, and Sunworld's Sugra31. Mooigezicht acquired Sugra31 plant material imported from California in 2008 and we expect to have our first limited production of this variety in 2010.

Africa

Marketing opportunities in Africa are also steadily on the increase as economic growth and foreign investment are both increasing the disposable income of consumers in some African countries. This largely overlooked market is on our doorstep and Mooigezicht is investigating its potential for future development.

Future prospects

I am very positive about the long-term future for our grape industry and the prospects that this holds for Mooigezicht. We have an experienced management team and personnel and I am confident that together we will be able to explore the benefits of the exciting new production and marketing opportunities that are currently beckoning.

Francois Rossouw



GENERAL NEWS



Left: Stephan with the Squirrel AS 350 B2

Stephan Rossouw returns to the skies to save lives for the SA Red Cross Air Mercy Service (AMS)

Extract from South African Fruit Journal Oct/Nov '09

Stephan Rossouw, a director of Mooigezicht Estates, spent 10 years as a helicopter pilot and instructor flying for the South African Air Force. Since 2007 he has been directly involved in the Mooigezicht farming business and has now decided to continue his flying career working as a helicopter rescue pilot for the AMS.

“When my Air Force contract ended in 2007 I decided to farm full-time and fly part-time. Since then I have spent some time flying Puma helicopters on contracts in Angola and Sudan,” explained Stephan. “I intended to continue with this pattern, but earlier this year I was offered this golden opportunity to join the AMS Oudtshoorn Base and fly rescue operations for them and with the background that I have it made sense for me to accept this. The past

two years of direct involvement at Mooigezicht have taught me a great deal about the industry. My new schedule will still allow me to visit the farms regularly and remain an involved non-executive director of the company.”

“I have always been passionate about flying and I was thrilled when my Air Force application was accepted and I started on a 10-year Air Force contract straight from school in 1997.” Then followed intensive training for two years and in 1999 Stephan received his wings. “I had wanted to fly fighter planes but once the training is completed, fighter pilots seldom get to practice the skills they have learned. Helicopter pilots work in an operational situation on an ongoing basis so this is what made me choose this direction instead.”

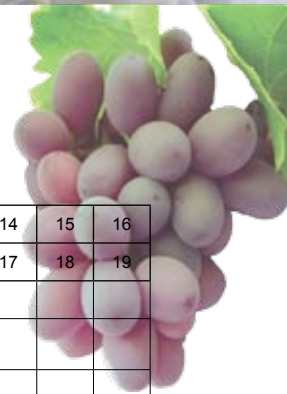
Stephan had many years of experience flying Allouette and Oryx helicopters involving sea and mountain rescue as well as the maritime flights to naval vessels. He has also flown a fair deal of support missions internationally.

“My new job with the AMS is probably one of the most exciting helicopter jobs in the country as it will involve sea, mountain and roadside rescue operations and hospital transfers and covers most of the Southern Cape and Klein Karoo interior. I will be flying a Eurocopter Squirrel AS 350 B2 and a brand new Agusta Westland Ke119 helicopter. This is part of the considerable investment that the AMS is making in new helicopters to provide the necessary emergency capacity during the 2010 Soccer World Cup and beyond.”

When his contract with the Air Force was coming to an end Stephan was offered a position as flying instructor in Adelaide, Southern Australia. He says although at the time he was tempted, today he is very pleased that he did not accept this offer. “The way things have worked out now is that I will be flying in the most beautiful area in the world and helping my fellow South Africans and also remain involved with Mooigezicht.”



MOOIGEZICHT ESTATES 2010 GRAPE CALENDAR



| Production Weeks | | 51 | 52 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 |
|-------------------|----------|----|----|---|---|---|---|---|---|----|----|----|----|----|----|----|----|----|----|
| Marketing Weeks | | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 |
| Varieties | Type | | | | | | | | | | | | | | | | | | |
| Prime | Seedless | | | | | | | | | | | | | | | | | | |
| Starlight | Seedless | | | | | | | | | | | | | | | | | | |
| Flame | Seedless | | | | | | | | | | | | | | | | | | |
| Alpha Red | Seeded | | | | | | | | | | | | | | | | | | |
| Evening Pearl | Seeded | | | | | | | | | | | | | | | | | | |
| Desert | Seedless | | | | | | | | | | | | | | | | | | |
| Midnight Beauty | Seedless | | | | | | | | | | | | | | | | | | |
| Coachella | Seedless | | | | | | | | | | | | | | | | | | |
| Sugraone | Seedless | | | | | | | | | | | | | | | | | | |
| Victoria | Seeded | | | | | | | | | | | | | | | | | | |
| Sunred | Seedless | | | | | | | | | | | | | | | | | | |
| Thompson | Seedless | | | | | | | | | | | | | | | | | | |
| Regal | Seedless | | | | | | | | | | | | | | | | | | |
| Alphonse Lavallée | Seeded | | | | | | | | | | | | | | | | | | |
| Autumn Royal | Seedless | | | | | | | | | | | | | | | | | | |
| Red Globe | Seeded | | | | | | | | | | | | | | | | | | |
| Crimson | Seedless | | | | | | | | | | | | | | | | | | |
| Moonballs | Seeded | | | | | | | | | | | | | | | | | | |
| La Rochelle | Seeded | | | | | | | | | | | | | | | | | | |
| Sundance | Seedless | | | | | | | | | | | | | | | | | | |
| Ebony Star | Seeded | | | | | | | | | | | | | | | | | | |
| Bonheur | Seeded | | | | | | | | | | | | | | | | | | |
| Barlinka | Seeded | | | | | | | | | | | | | | | | | | |
| Dauphine | Seeded | | | | | | | | | | | | | | | | | | |
| Scarlotta | Seedless | | | | | | | | | | | | | | | | | | |

