SANFORD LIMITED
SUSTAINABLE SEAFOOD

16 April 2009

Continuous Disclosure Notice

Sanford increases its stake from 40% to 50% in Processing Plant in Weihai, China

Sanford Limited and Dong Won Fisheries Co Ltd of Korea have reached agreement in principle to acquire the minority stakes held by other shareholders in Weihai Dong Won Food Co Ltd taking each companies interest to 50%. Sanford currently has a 40% share and Dong Won 42%. This will result in the company in China becoming a full 50/50 joint venture and allow full participation by both companies in the ongoing direction and management of the enterprise. Sanford expects that the formalities for the completion of the acquisition of the additional shares (at an approximate cost of NZ$2m) will be completed by the end of April.

Weihai Dong Won Foods Co Ltd is an added value seafood processing plant located in the export processing zone of the coastal city of Weihai located on the north eastern Shandong peninsula. It processes fish sourced from New Zealand and other countries into added value products which are exported to other parts of Asia, Europe, America, Australia and New Zealand.

Sanford has progressively increased its investment in the plant from 25% to 40% and now 50% and believes that the 50/50 joint venture shareholding structure will allow the business to further develop its processing capabilities and lead to better long term decision making without the need to take into account minority shareholders.

Sanford invests in the Inshore Fishery

Sanford has taken its first step for some time to show confidence in the future of the inshore fishery by purchasing a second hand trawler (for around NZ$3m) in the Faroe Islands to replace one of its aging inshore vessels. We have been conscious that there has not been for some time investment in new or recently built vessels for the inshore fishery.

The vessel (Gorm) was built in Iceland in 2003 with an overall length of 22m, beam 6.5m, powered by a Caterpillar 3412E Main engine, two 90Kw generators and accommodation for 9 people. The vessel also has the ability to produce higher quality products through on board flow ice making equipment and better storage and unloading systems.

We are currently studying the options available to ship or steam the vessel to New Zealand which is expected to take at least four months. A photo of the vessel is attached to this communication.

Sanford clarification of the NZ Herald article on CEO remuneration published on 11 April 2009.

In the Business Section of the New Zealand Herald issue dated 11 April 2009, reference is made, prominently on Page C1 (Biggest Increase) and in the table on Page C3 to Mr Barratt's remuneration in the 2008 year increasing by 231% to $1,562,882. In the commentary on Page C2 reference is made about "a one-off pension payment of $1.079m into his superannuation scheme".

The factual situation, in view of the misconceptions to which the Herald article may give rise at a time of considerable community disquiet about executive remuneration, requires clarification.

In the Sanford Annual Report for the 2008 year (page 73) full disclosure is made of both the increase in Mr Barratt's annual salary and benefits from $472,020 to $483,250 (an increase of 2.3%) and a one off payment of $1.079m.

The note on Page 65 of the Report stated
"In addition and in accordance with Sanford policy, in October 2007 an amount of $1.08m (excluding withholding tax) that had been accrued over previous years to meet an obligation in respect to Mr Barratt's pension entitlement was transferred into the funds managed by the New Zealand Retirement Trust superannuation fund on Mr Barratt's account. This released the Company from any further contributions and obligation in respect to Mr Barratt's pension entitlement."

This decision, consistent with the governance practice to which Sanford Limited is committed, was discussed fully with the Board and agreed as being in the Company's best interests.

The payment had no relationship to Mr Barratt's remuneration for the 2008 year. The superannuation amount had been progressively accrued in Sanford accounts over many years as part of Sanford obligations to meet a defined benefit superannuation fund commitment that had arisen over Mr Barratt's years of service.

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