



Press Release

UPDATE ON THE AVIAN INFLUENZA BREAK ON ONE OF ASTRAL'S POULTRY BREEDING FARMS

27 June 2017: **Astral Foods Limited** (Astral), a leading Southern African integrated poultry producer, would like to update all stakeholders on the situation regarding the Highly Pathogenic Avian Influenza (HPAI) H5N8 infection that was isolated on one of its poultry breeding facilities based in the Villiers district.

It was previously reported that the farm was quarantined and the specific site affected depopulated. Astral established a 24/7 “War Room” at its corporate office in Centurion last week manned by its key operational executives, in order to effectively and efficiently manage the situation. Following on from the initial outbreak, abnormal mortality was reported on another site on the same farm over the past weekend, and in light of the risk posed by this disease to Astral’s operations and the greater poultry industry, a decision was taken to depopulate all laying sites on this farm. This decision affected close on 150 000 broiler breeders representing approximately 6% of Astral’s total breeding stock. Immediate actions were put in place to replace the lost hatching egg production from this farm by extending the production of all other breeding capacity and tapping into hatching egg stocks.

Gary Arnold, Managing Director Agriculture commented that, “Astral assured all stakeholders that we would do everything in our power to contain this incident. A decision was taken over the past weekend to depopulate all sites on this farm that were at the highest risk of infection. Depopulation is globally recommended as the best practice to get rid of the virus as quickly as possible. This also involves disposing of the birds in a safe and efficient manner. Disposal methods can include composting, burial, incineration or landfilling. Astral has formalised a method with a specialist hazardous waste company awaiting DAFF’s approval to dispose of all the affected birds from this farm. This will allow us to clean and disinfect the quarantined site, perform regular testing of environmental samples and work to a point where we can confirm that the property is virus free. Once this is done the quarantine status can be lifted and the farm restocked and returned to normal production. Astral maintains the highest standards of biosecurity on its farms and trusts that the poultry industry at large will act responsibly against the common threat being HPAI”.

A second incident of H5N8 infection on a privately owned commercial table egg operation was confirmed on Friday the 23rd June, and reported by DAFF in the media yesterday. This farm is located close to Greylingsstad in Mpumalanga approximately 35 km from Standerton.

It is common knowledge that this virus is spread by wild birds, and it has come to Astral's attention that abnormal deaths in the wild bird population have been reported around Villiers, and although this could possibly be HPAI, this remains to be confirmed.

Chris Schutte, Chief Executive Officer emphasises that, "Should further breeding operations be affected by this HPAI strain, Astral does have limited surplus capacity to buffer such incidents. We would also draw on our contingency planning to the full extent which incorporates our international poultry breeding partner, and the sourcing of hatching eggs and/or poultry livestock to ensure uninterrupted supply within Astral's poultry value chain".

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Company background

Astral Foods Limited (Astral), a leading South African integrated poultry producer, with key activities in animal feed pre-mixes, manufacturing of animal feeds, broiler genetics, production and sale of day-old chicks and hatching eggs, with integrated breeder and broiler production operations, abattoirs as well as sales and distribution of various key poultry brands. The brands in the Astral stable include:

- County Fair
- Festive
- Goldi
- Earlybird
- Mountain Valley
- Ross Poultry Breeders
- National Chicks
- Meadow Feeds
- Tiger Animal Feeds (Zambia)
- Tiger Chicks (Zambia)
- Meadow Feeds (Mozambique)
- Mozpintos (Mozambique)
- CAL Labs
- Provimi SSA