

Illovo Sugar Limited - Umfolozi sugar mill

ILLOVO SUGAR LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1906/000622/06)

Share Code: ILV

ISIN: ZAE000083846

("Illovo" or "the company")

UMFOLOZI SUGAR MILL

Shareholders are referred to the SENS announcements dated 11 February 2005 and 29 March 2005, in which they were advised of the sale of the Umfolozi sugar mill to Umvoti Transport (Proprietary) Limited.

Unfortunately, due to non-fulfilment of certain key considerations of the sale agreement by the purchaser, it has become necessary for Illovo to take-back possession of the sugar mill.

Consequently, Illovo will be responsible for operating the mill in the forthcoming sugar season, but has entered into discussions regarding future, long-term ownership arrangements.

The effect of the repossession of the mill on Illovo's net assets and non-tangible assets per share, and its headline earnings and earnings per share, is not significant.

Mount Edgecombe

17 April 2008

Sponsor

J P Morgan Equities Limited