

For Immediate Release

**Grape Growers of Ontario, Winery & Grower Alliance of Ontario  
and Wine Council of Ontario reach a two year agreement on grape  
pricing**

***-- Comprehensive agreement establishes a pilot project of plateau  
pricing on four grape varieties for the first time --***

NIAGARA, July 8, 2010 – Grape Growers of Ontario, Winery & Grower Alliance of Ontario and Wine Council of Ontario representing the entire Ontario Wine Industry reached an agreement today on grape pricing in Ontario for 2010, which upon mutual agreement may be extended into 2011

“We are delighted to have reached an early resolution to 2010 grape pricing in Ontario,” said Bill George Jr. Chair, Grape Growers of Ontario. “It was and is critical that we come together as an industry to create an alternative pricing model that not only meets the needs of the wineries but creates opportunities to move more grape tonnage. A healthy and stable business environment is the goal of our members.”

For the first time, the comprehensive agreement includes piloting a plateau pricing model on four varieties – Chardonnay, Riesling, Cabernet Sauvignon and Cabernet Franc for the 2010 vintage. This means that there is a minimum price set for grapes purchased below an agreed brix level (sugar content) however the upside is higher sugar content grapes will garner higher prices. If successful, the plateau pricing model will be extended to include other varieties in coming years.

According to Anthony Bristow, Chair, Winery & Grower Alliance of Ontario this is a significant milestone in advancing the industry. “With this agreement both growers and wineries win. Growers have an opportunity to sell more grapes and receive higher prices for higher quality grapes and wineries now have more flexibility in grape purchasing to ensure a sustainable industry with both VQA and International Canadian blended wines”

The pricing plan for 2010/2011 is a 1% increase on the 2009 vintage for all white varieties (vinifera and hybrid) for each of the two years while maintaining current 2009 pricing for all red varieties in 2010 and 2011.

“We believe that the time and discussions afforded by this agreement will give us the opportunity that we need to re-align our industry to support the broader aspirations for VQA that are shared between our growers, our wineries and the

Government,” said Ed Madronich, Chair of the Wine Council of Ontario. “We look forward to using this time productively,” said Madronich.

The Ontario Wine Industry accounts for 44% of all wine sold in the Province and produces quality wines at every price point for Ontario wine drinkers including award winning VQA wines as well as International Canadian blended wines.

For more information:

Debbie Zimmerman  
CEO, Grape Growers of Ontario  
(905) 401-2471

Anthony Bristow  
Chair, Winery & Grower Alliance of Ontario  
(905) 643-4131

Hillary Dawson  
President, Wine Council of Ontario  
(416) 407-3607