

**30 August 2017**

Dear Shareholder

## **Murray River Organics Group Limited - Entitlement Offer notification to Ineligible Shareholders**

On 28 August 2017, Murray River Organics Group Limited (ASX: MRG) (**Company**) announced its intention to raise up to \$12.1 million through a \$5.0 million placement to institutional investors of fully paid new shares in the Company (**New Shares**) at a price of \$0.30 per New Share (**Placement**) and a \$7.1 million non-renounceable entitlement offer to eligible shareholders to subscribe for 3 New Shares for every 11 existing shares at a price of \$0.30 per New Share (**Entitlement Offer**) (together, the Placement and the Entitlement Offer constitute the **Offer**). The Placement and the Entitlement Offer are fully underwritten by Morgans Corporate Limited and PAC Partners Pty Ltd.

The Offer is being made pursuant to a Prospectus prepared in accordance with section 710 and 712 of the Corporations Act 2001 (Cth) (Act) (**Prospectus**).

This letter is to inform you about the Entitlement Offer, and to explain why you will not be able to subscribe for New Shares under the Entitlement Offer. This letter is not an offer to issue entitlements or New Shares to you, nor an invitation for you to apply for entitlements or New Shares. You are not required to do anything in response to this letter.

### **Details of the Entitlement Offer**

The Entitlement Offer is being made to Eligible Shareholders (as defined below) to subscribe for 3 New Shares for every 11 existing shares held as at 7.00pm (Melbourne time) on 4 September 2017 (**Record Date**).

Further details about the Placement and the Entitlement Offer are set out in the Prospectus, which was lodged with the Australian Securities & Investments Commission and the Australian Securities Exchange (**ASX**) on 28 August 2017 and will be despatched to Eligible Shareholders on or around 7 September 2017.

The proceeds from the Entitlement Offer will be applied to reduce debt, for working capital purposes and towards the costs of the Placement and the Entitlement Offer.

### **Eligibility Criteria**

Shareholders who are eligible to participate in the Entitlement Offer (**Eligible Shareholders**) are those who:

#### Certifications



- (a) are registered as an existing shareholder of the Company as at 7.00pm (Melbourne time) on the Record Date;
- (b) have a registered address on the Company's share register in Australia, New Zealand or Hong Kong;
- (c) are not in the United States; and
- (d) are eligible under all applicable securities laws to receive an offer under the Entitlement Offer without any requirement for a prospectus or offer document to be lodged or registered.

Shareholders who are not Eligible Shareholders are not entitled to participate in the Entitlement Offer (**Ineligible Shareholders**) and will not be sent the Prospectus.

The restrictions upon eligibility to participate in the Entitlement Offer are because of the relatively small number of shareholders in those countries, the small number of shares they hold, the relatively low value of New Shares to which those shareholders would otherwise be entitled and the potential cost of complying with the legal requirements and the requirements of regulatory authorities in those countries. The Company has determined, pursuant to ASX Listing Rule 7.7.1 (a), that it would be unreasonable to make offers under the Entitlement Offer to shareholders of the Company in countries other than Australia, New Zealand or Hong Kong due to the legal limitations and potential cost of complying with regulatory requirements in those countries.

Unfortunately, according to our records, you did not satisfy the eligibility criteria for an Eligible Shareholder stated above. Accordingly, in compliance with ASX Listing Rule 7.7.1 (b), the Company wishes to advise you that it will not be extending the Entitlement Offer to you, you will not be sent the Prospectus and you will not be able to subscribe for New Shares under the Entitlement Offer.

As the Entitlement Offer is non-renounceable, you will not receive any payment or value for entitlements in respect of New Shares that would have been offered to you had you been eligible. You are not required to do anything in response to this letter.

#### Indicative Timetable

Event	Date
Ex Date	1 September 2017
Record Date for the Entitlement Offer	7.00pm (Melbourne time), 4 September 2017
Allotment of New Shares under the Placement	5 September 2017
Normal trading of New Shares issued under the Placement to commence on ASX	6 September 2017

#### Certifications



Despatch of holding statements for New Shares issued under the Placement	As soon as reasonably practicable after allotment of the New Shares under the Placement
Entitlement Offer opens	10.00am (Melbourne time), 7 September 2017
Prospectus despatched	By 5.00pm (Melbourne time), 7 September 2017
Entitlement Offer closes	5.00pm (Melbourne time), 18 September 2017
New Shares issued under the Entitlement Offer quoted on a deferred settlement basis	19 September 2017
Settlement Date for the Entitlement Offer	22 September 2017
Allotment of New Shares under the Entitlement Offer	25 September 2017
Normal trading of New Shares issued under the Entitlement Offer to commence on ASX	26 September 2017
Despatch of holding statements for New Shares issued under the Entitlement Offer	As soon as reasonably practicable after allotment of the New Shares under the Entitlement Offer

This timetable is indicative only. The directors may vary these dates subject to the ASX Listing Rules. An extension of the closing date will delay the anticipated date for issue of the New Shares.

The directors of the Company also reserve the right not to proceed with the whole or part of the Placement or the Entitlement Offer any time prior to allotment and issue of the New Shares under the Placement or the Entitlement Offer. In that event, the relevant application monies (without interest) will be returned in full to applicants.

## Capital Structure

The capital structure of the Company following the issue of new shares under the Placement and the issue of New Shares under the Entitlement Offer, assuming the maximum number of New Shares is issued under the Entitlement Offer and subject to rounding, will be as follows:

### Certifications

<b>Existing Shares on issue as at 28 August 2017</b>	<b>87,086,550</b>
Approximate number of New Shares to be issued under the Placement	16,600,000
Approximate number of New Shares to be issued under the Entitlement Offer	23,750,877
Approximate number of Shares on issue after completion of the Offer	127,437,427

New Shares will be fully paid and rank equally with, and have the same dividend entitlements as, existing Company shares.

Shareholders are entitled to receive dividends as declared from time to time. No dividend has been paid or declared as at the date of this letter. Payment of future dividends will be dependent on future profitability and the financial position of the Company.

Fractional entitlements will be rounded up to the nearest whole number of New Shares.

### Further Information

If you have any questions in relation to any of the above matters please contact the Share Registry on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) at any time from 9.00am to 5.00pm (Melbourne Time) during the Entitlement Offer period. You may also wish to contact your stockbroker, accountant or other professional adviser.

On behalf of the Board and management of the Company, I thank you for your continued interest in the Company.

Yours sincerely



Craig Farrow  
Chairman  
**Murray River Organics Group Limited**

### Certifications

