

RIDLEY CORPORATION LIMITED

INVESTOR PRESENTATION – 2018 FINANCIAL YEAR



- Yamba-produced Novacq™ included in domestic commercial prawn feed trials.
- Thailand Novacq™ production facility established and production commenced.
- Growth in Ruminant and Poultry with uplift in drought feeding for beef & sheep.
- Improved Laverton Rendering result but Maroota impacted by financial distress of major raw material supplier.
- Another solid performance in Packaged Products while a return to a traditional dry season restored profitability for Supplements.
- Consistent underlying Aquafeed performance masked by non-recurring Huon inventory legacy issues.
- Commencement of capital works for new extrusion plant in Tasmania and awaiting final approvals to proceed with new feedmill for Central Victoria.
- Property segment recorded a net pre-tax profit of \$4.2 million from three property sales at Lara.
- Corporate and Finance costs contained to prior year levels, with reduction in effective tax rate reflective of increased R&D activity throughout the business.

Consolidated result - in AUD\$million (\$m)	FY18	FY17	FY16	FY15	FY14
EBIT – Ridley operations before non-recurring items	43.3	45.8	53.7	50.4	40.1
Property EBIT/(costs)	4.2	(1.0)	(2.0)	(2.7)	(2.2)
Corporate costs	(9.5)	(9.9)	(9.6)	(8.9)	(8.6)
EBIT before non-recurring items	38.0	34.9	42.1	38.8	29.3

- ❑ Full year Ridley operating result of \$43.3m achieved after c.\$7.3m loss of Red Lea raw material supply to Maroota rendering business reported during the year.
 - \$4.8m year on year improvement in operations after normalising for Maroota.
- ❑ Last five year Ridley operating, non-recurring, EBIT average of \$46.7m.
- ❑ Property - reflects three Lara property sales during the year for gross proceeds of \$6.1m.
- ❑ Corporate costs - consistent with prior year.
- ❑ Pre-tax operating & property result of \$38.0m, up \$3.1m before non-recurring items.

FINANCIAL HIGHLIGHTS



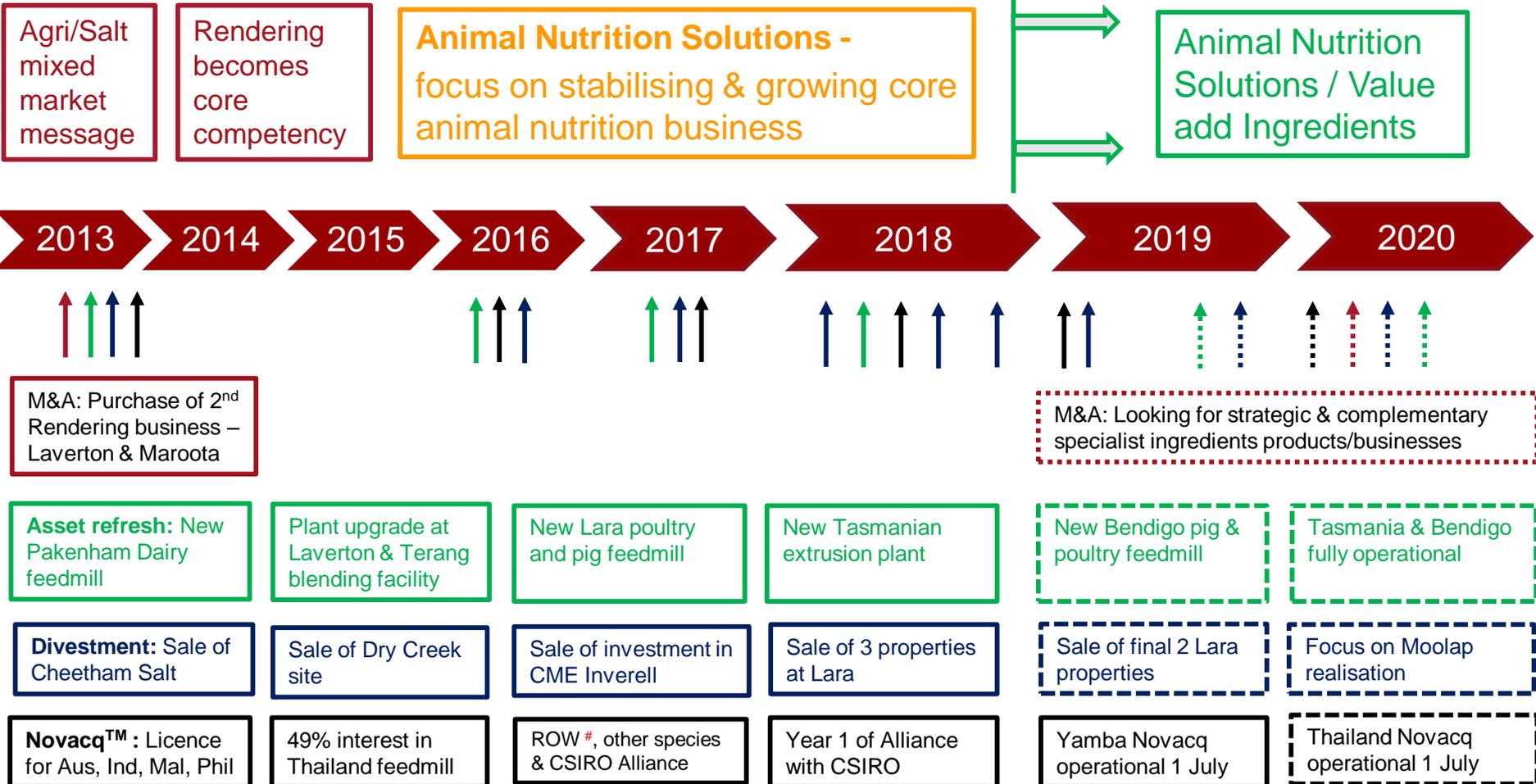
Consolidated result - in \$m	FY18	FY17	FY16	FY15	FY14
EBIT before non-recurring items	38.0	34.9	42.1	38.8	29.3
Net Finance Expense	(4.6)	(5.0)	(5.4)	(5.0)	(5.4)
Tax Expense	(7.8)	(7.3)	(12.6)	(9.7)	(4.4)
Net operating profit before non-recurring items	25.6	22.6	24.1	24.1	19.1
Discontinued Dry Creek Operation - post tax	-	-	0.4	(4.6)	(2.9)
Other non-recurring items - post tax	(8.2)	3.2	3.1	1.7	1.0
Net profit	17.4	25.8	27.6	21.2	17.6
Other comprehensive income - post tax	0.5	-	-	-	-
Total comprehensive income for the year	17.9	25.8	27.6	21.2	17.6

- ❑ Net finance expense - consistent with prior year.
- ❑ Reduction in effective tax rate on operations to 23.3% reflects prior year overprovision plus continuing high level of ongoing R&D Tax concession.
- ❑ Other non-recurring items for FY18 comprises \$11.6m of pre-tax cost to manage and write off the Huon inventory legacy as reported during the second half year. The post tax impact for the year is \$8.2m after allowing for a \$3.4m tax benefit.
All the Huon inventory legacy financial downside has been captured in FY18.
- ❑ Other comprehensive income of \$0.5m reflects the post-tax uplift in carrying value of an investment in a UK-listed specialist ingredients business.

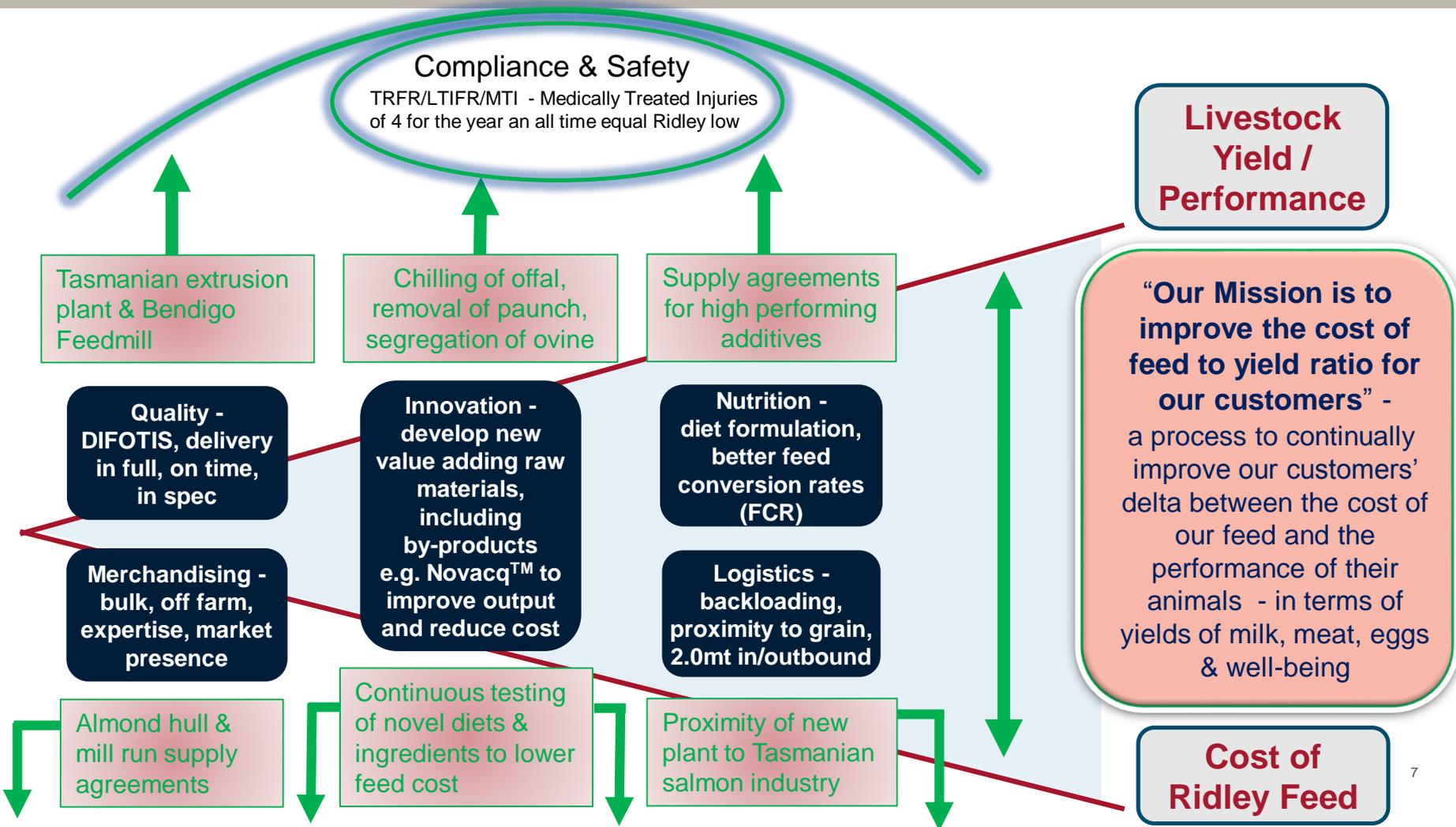
The Directors believe that the presentation of the unaudited non-IFRS financial information on this slide 4 is useful for shareholders as it reflects the significant movements in operations and cash flows of the business.

OPERATIONS

RIDLEY JOURNEY



Excludes China and Vietnam already licensed



- ❑ **EBIT result for agribusiness of \$43.3m before non-recurring items** - Dairy, Poultry, Beef and Sheep, Supplements and Laverton Rendering all enjoyed growth in a year impacted by the loss of Maroota's largest supplier of poultry raw material and by inventory legacy issues arising from the termination of supply to Huon in the prior year. These two adverse events are covered in the following slide.
- ❑ **Poultry** - reliable year on year performance for broiler and layer, with further volume increases reflective of increasing bird numbers and consumer demand.
- ❑ **Pig** - the industry is currently suffering from an oversupply which is causing price weakness and widespread financial distress for farmers, the knock on effect for Ridley being a contraction of pig volume by 8,000 tonnes (kt).
- ❑ **Ruminant** - Dairy has been the real success story for the year with good growth and solid margins, boosted by opportunistic beef and sheep volumes in drought affected areas of the country. Farmer confidence and forecast milk prices have generally been positive.
- ❑ **Aquafeeds** - peak period salmon volumes were affected by an influx of warm water in Tasmania while prawn and other fin fish volumes were consistent with the prior year. A number of significant Huon inventory legacy issues arose from the ageing of unsold finished goods and unused raw materials.
- ❑ **Rendering** - a combination of improved plant performance and higher Laverton red meat raw material input volumes contributed to positive earnings growth for the site, while the significant reduction in poultry raw material input at Maroota materially impacted its full year contribution.
- ❑ **Packaged Products** - margins were squeezed by the lag in passing through raw material price rises during the year, however aggregate sales volumes rose for the first time in several years to vindicate the marketing and refresh strategies.
- ❑ **Supplements** - the return to a more traditional dry season in northern Australia positively impacted Dry Season block sales and restored the business unit to profitability.
- ❑ **Energy** - the Energy Buyers Group in Victoria had a positive impact on pricing for group participants in the year, however the Australian manufacturing industry will continue to be challenged by continuing increases in the price of energy.

❑ MAROOTA

- The MD's 2017 AGM address noted that "Reduced intake volumes from major poultry supplier to Maroota is a concern" and this was followed up in the half year investor presentation with "Sharp reduction in Q2 poultry raw material intake at Maroota rendering plant."
- The 3 April 2018 ASX release advising of the appointment of Voluntary Administrator to Red Lea Chickens was followed by the 16 April 2018 update confirming (i) cessation and unlikelihood of future supply; (ii) a \$6-7m EBIT full year estimated impact on Maroota operations; and (iii) a downsizing of that site to anticipated ongoing raw material input volumes.
- The full year Review of Operations confirms the full year EBIT impact at c.\$7.3m.
- Three projects have been initiated to seek to replace lost earnings, comprising the rendering of (i) whole mackerel; (ii) whole birds; and (iii) the stabilisation of raw material to prevent degradation and thereby improve the reach of the raw material supply chain.

❑ HUON

- The half year investor presentation advised that the Aquafeed result is being "impacted by Huon inventory legacy issues" associated with the prior year termination of supply of salmon feed to Huon.
- On 16 April 2018 the market was updated to reflect continuing efforts, uncertainty of the final commercial outcome, and a second half year estimated impact of c.\$3.0m on top of a first half year impact of c.\$2.6m.
- The Board resolved and announced on 28 June 2018 the \$8.4m write off of all remaining legacy inventory for a full year estimated impact of \$11.0m.
- The full year non-recurring pre-tax impact is reported at \$11.6m with an attributable tax benefit of \$3.4m.

SECTOR VOLUME HISTORY – IN '000 TONNES



Sector	FY18	FY17	FY16	FY15	FY14	FY13	FY12	FY11	FY10	Long term Industry Outlook
Poultry	1,207	1,155	1,044	1,013	1,019	872	933	900	764	↑
Aqua-feed	32	35	54	65	50	42	47	50	47	↑
Packaged	75	75	78	83	90	90	85	84	90	↑
Dairy	260	226	284	291	275	251	260	236	215	↑
Pig	186	193	177	168	178	184	197	224	325	↑
Rendering	159	159	193	184	171	93	34	9	-	↑
Beef & Sheep	57	32	41	36	58	46	26	24	35	↔
Supplements	20	11	20	15	21	22	22	22	30	↔
Other	55	46	44	47	32	35	46	44	64	↔
Total Tonnes	2,051	1,932	1,935	1,902	1,894	1,635	1,650	1,593	1,570	

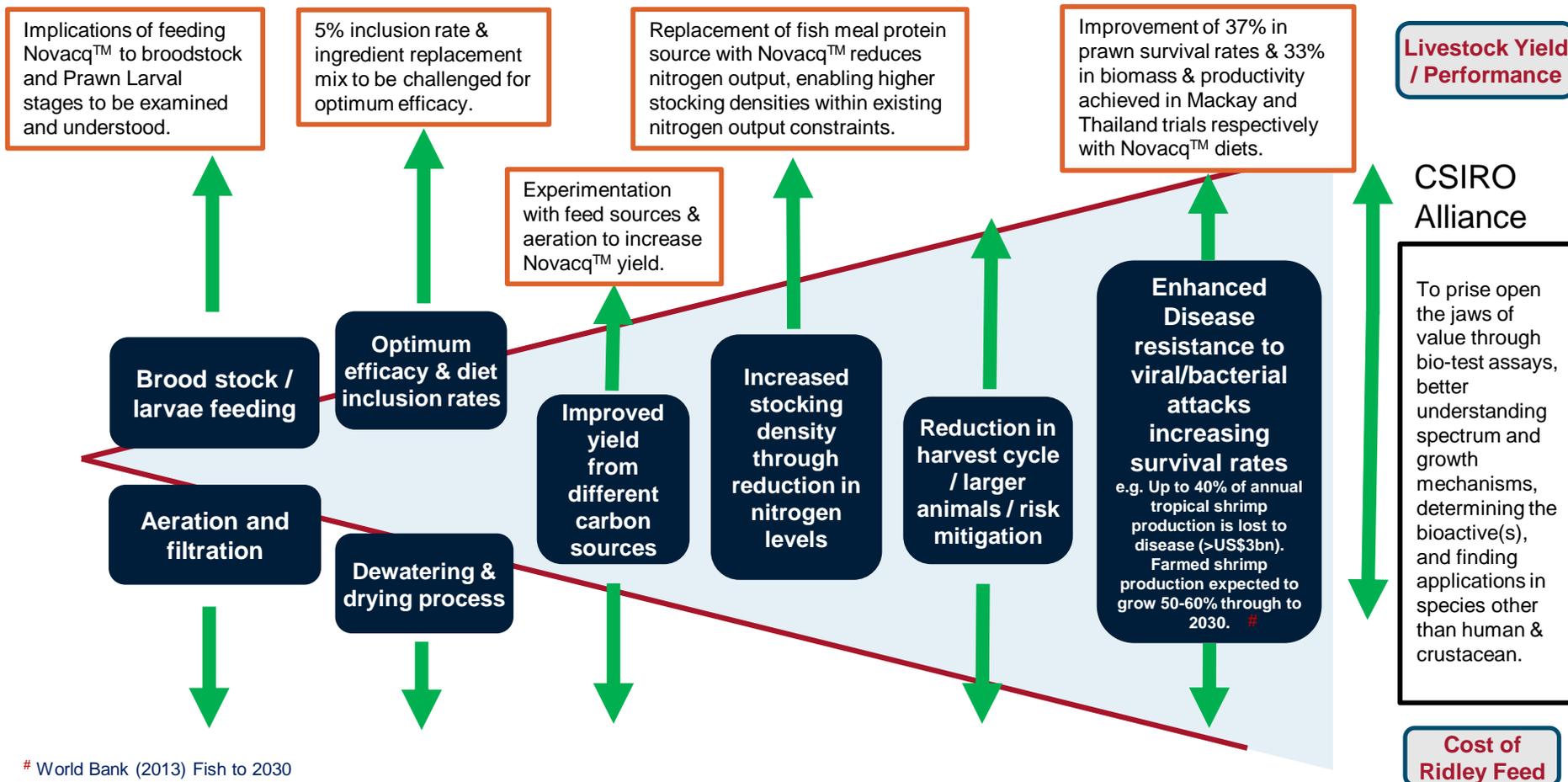
NOVACQ™

NOVACQ™ - 1 YEAR AHEAD OF ORIGINAL PLAN



CSIRO Licence

Crustacean – All the world secured in FY17 except for China and Vietnam. For all other non-human species – all the world secured in FY17.



World Bank (2013) Fish to 2030

YAMBA - LAST TWELVE MONTHS

- ✓ Ongoing process of continuous improvement to further improve yield and drive down the cost of production. Increase in power supply has facilitated uplift in aeration and consequently yield.
- ✓ Dewatering and drying solution achieved, equipment purchased and installed at Yamba (and delivered to Chanthaburi, Thailand for installation in 1H FY19).
- ✓ Use of Yamba Novacq™ by three major domestic prawn farmers for 2017/18 growing season on profit share arrangement. Two of the farmers have committed to scale up their Novacq™-inclusive ponds for the coming season, while the third is uncommitted pending the sale of their business.



Yamba aerial of 2 active ponds plus overflow pond

- ✓ 37% improvement in survival rates achieved in Mackay farm trials.



Harvested Novacq™ to be dewatered and dried



After drying

After drying/processing "pure" Novacq™



After grinding



Prawn feed with Novacq™ included

CHANTHABURI - LAST TWELVE MONTHS



- ✓ **Ten year lease** - 14 former prawn ponds now converted and local production of Novacq™ has commenced at Chanthaburi, with infrastructure established (power, concrete pad, site office, storage silos, access road, water intake, etc.).



Lay out of existing 14 ponds



Power, storage silos, site office



Test cages, feedmill in background



Test cages with underwater aeration.

- ✓ **Pond testing** - dedicated pond established with 48 cages and IBC's for internal testing of new diets, Novacq™ inclusion rates, variations in protein content, salinity, etc.

- ✓ **Bol** - Board of Investment approval received which provides significant new business concessions (e.g. tax holiday) and facilitates land ownership by 100% Ridley-owned Thailand entity.

Trial feed delivery



Salinity testing in IBC's



Water testing



- ✓ Management Committee - fully functional, with meetings held at CSIRO Brisbane office, CSIRO facilities on Bribie Island, Clayton in Victoria, and at Yamba operating site in NSW.
- ✓ Science & Operational Committee - similarly functioning effectively, with detailed Position Descriptions in place and Work Package leaders appointed.
- ✓ Nursery ponds and raceways at Bribie Island are stocked at appropriate times with Prawn Larvae (**PL**), Post Larvae, and juveniles for examination and trial populations.
- ✓ Work Package (**WP**) 1 - to increase timeliness and precision of bioactivity predictions from the Novacq™ production facilities: numerous experiments have been conducted and planned to generate a process to test the level of bioactivity of the Novacq™ and fractions on a timely basis.
- ✓ WP 2 - Nutrition requirements and digestion: tests conducted to evaluate growth and feeding response, digestibility and utilisation of Novacq™.
- ✓ WP 3 - Metabolism: understanding the metabolic drivers of Novacq™ activity and defining growth pathways.
- ✓ WP 4 - Immune competence: testing to determine if Novacq™ can change the prawn gut to impact function and immunity. Activity scheduled for later year(s).
- ✓ WP5 - Production of Novacq™ in bioreactor facility: Novacq™ has been successfully on-grown on a small scale in CSIRO's Clayton bioreactor facility.
- ✓ WP 6 - Produce a spectrum of Novacq™ samples and assess application for new species: different ingredient inputs to be tested for impact on Novacq™ yield and bioactivity.

- ❑ On 25 May 2018 Ridley announced the appointment of Investec to explore options to accelerate the growth of Novacq™ into new markets.
- ❑ Acceleration includes acquisition of production land in Thailand, pond conversion and equipment, corporatisation of Novacq™ as a stand alone business, expansion in new overseas territories etc.
- ❑ Ridley is considering a broad range of options, including the potential for a third party investment in Novacq™.
- ❑ Discussions are being held with a number of parties under Confidentiality.
- ❑ Information Memorandum and Process Letter adopted on 20 August 2018 for issue to selected parties.
- ❑ Moving to next stage of the project to seek non-binding offers for evaluation.
- ❑ Timetable adopted to reach a conclusion before the end of 1H FY19.
- ❑ Outcome to be announced but no assurance that any acceptable offers will result in any transaction being agreed.

CONSOLIDATED FINANCIALS

BALANCE SHEET - ASSETS



Balance Sheet - in \$m	June 2018	June 2017	June 2016	June 2015	June 2014
Cash & equivalents	23.4	16.5	28.5	35.0	19.2
Inventory	76.7	83.7	87.7	81.7	64.5
Receivables	104.0	116.2	112.3	101.0	96.4
Assets held for sale	1.1	-	-	34.1	1.4
Other - tax asset	3.0	0.4	-	-	-
Total Current Assets	208.2	216.8	228.5	251.8	181.5
Investment property	1.3	3.2	3.1	3.2	37.2
P,P&E	202.6	182.8	160.2	139.5	118.6
Investments - equity accounted	1.1	1.3	3.7	2.3	3.3
Available for sale	2.3	1.3	-	-	-
Intangibles	82.5	79.3	76.4	78.2	80.5
Non-current Receivables	8.6	0.8	5.5	-	-
Other non-current assets - deferred tax	3.6	5.1	7.4	1.5	2.0
Total Assets	510.3	490.6	484.8	476.5	423.1

- ❑ **Cash and cash equivalents** - closing balance is a function of timing of receipts/payments and draw down/repayment of bank funding.
- ❑ **Inventory** - reflects write off of Huon inventory legacy plus actions to progressively reduce holdings.
- ❑ **Receivables** - movement reflects recovery in July 2017 of \$17.7m owing from Huon.
- ❑ **Assets held for sale** - comprises surplus Lara land holdings sold in July 2018 and under option agreement.
- ❑ **Investment property** - residual balance of \$1.3m comprises 100% Nelson Cove project land at Moolap.
- ❑ **P,P&E** - movement comprises new extrusion plant in Tasmania (\$12.4m) plus profit improvement projects, including Narangba, Thailand, Maroota and Laverton.
- ❑ **Investments equity accounted** - investment in Thai feedmill with movement reflecting Ridley's 49% share of loss for the year.
- ❑ **Available for sale financial assets** - movement reflects increase to a 1.2% interest in a UK-listed specialist ingredients business uplifted to its year end market value.
- ❑ **Intangibles** - reflects the capitalisation of non-P,P&E activity at Yamba and Chanthaburi offset by amortisation.
- ❑ **Non-current receivables** - includes NPV of deferred sale proceeds for 28 June 2018 sale of Lara Lot B and \$5.3m loan to Thailand JV feedmill.

BALANCE SHEET - LIABILITIES



Balance Sheet - in \$m	June 2018	June 2017	June 2016	June 2015	June 2014
Current payables	155.9	148.6	145.9	158.7	129.4
Current provisions	14.6	13.5	12.9	12.7	13.1
Current tax liabilities	-	-	8.3	7.1	4.2
Non-current borrowings	76.2	68.1	69.4	67.7	55.6
Non-current Provisions	0.5	0.6	0.5	0.5	1.0
Total Liabilities	247.2	230.8	237.0	246.7	203.3
Net Assets	263.1	259.8	247.8	229.8	219.8

- ❑ **Payables** - reflects timing of creditor payments within agreed terms.
- ❑ **Tax** - tax payable on current year profits is fully covered by instalment payments based on low 23.3% effective tax rate for the year on continuing operations.
- ❑ **Borrowings** - \$8.1m increase reflects timing differences within components of working capital and cash balance offset.
- ❑ **Net debt** - net debt of \$52.8m, an increase of \$1.2m compared to \$51.6m in FY17 (calculated after offsetting \$23.4m of cash at year end).
- ❑ **Issued capital** - no changes in any of the last five years.
- ❑ **Dividend** - interim dividend of 1.5cps paid on 30 April 2018 plus final dividend maintained at 2.75cps to be paid on 31 October 2018, each franked to 100%.

Consolidated Cash flow in \$m	-	FY18	FY17	FY16	FY15	FY14
Consolidated group EBITDA		43.7	54.4	61.1	51.0	41.0
Movement in working capital		15.3	(2.6)	(19.3)	7.0	(5.5)
Maintenance capex		(15.1)	(14.2)	(14.9)	(12.8)	(11.4)
Operating cash flow		43.9	37.6	26.9	45.2	24.1
Development capex		(21.1)	(19.6)	(19.3)	(20.6)	(2.3)
Payment for Intangibles		(4.3)	(3.6)	(0.7)	(0.4)	(5.2)
Net capital return / cash dividends		(12.9)	(12.2)	(10.6)	(10.6)	(27.7)
Net proceeds from sale of assets		7.2	13.5	22.0	3.5	1.4
Payment for Investments		(1.8)	-	(1.3)	-	(6.6)
Net finance expense		(4.6)	(5.5)	(5.4)	(4.9)	(4.8)
Net tax (payments)/refund		(5.9)	(14.7)	(13.9)	(4.3)	1.6
Other net cash outflows		(1.6)	(6.0)	(6.1)	(4.3)	1.0
Cash in/(out) flow for the year		(1.2)	(10.5)	(8.4)	3.6	(18.5)
Opening net debt as at 1 July		(51.6)	(41.1)	(32.7)	(36.3)	(17.8)
Closing net debt		(52.8)	(51.6)	(41.1)	(32.7)	(36.3)

- ❑ Consolidated group EBITDA of \$43.7m after non-recurring item of \$11.6m.
- ❑ \$15.3m improvement in working capital includes \$8.4m non-cash write off of Huon inventory legacy.
- ❑ Release of working capital delivers \$6.3m uplift in Operating cash flow to \$43.9m.
- ❑ \$21.1m Development capex includes \$12.4m to commence construction of new extrusion plant in Tasmania, establishment of Novacq™ production ponds in Thailand, & test extruder line, fat coater and pellet cooler at Narangba.
- ❑ 2.75cps final 2017 and 1.5cps interim 2018 cash dividends paid, fully franked.
- ❑ \$6.0m of deferred Dry Creek sale proceeds received plus \$1.2m of Lara property sale proceeds.
- ❑ 2017 final tax payment plus 2018 instalment payments totalling \$5.9m for the year.

The Directors believe that the presentation of the unaudited non-IFRS financial information on this slide 20 is useful for shareholders as it reflects the significant movements in operations and cash flows of the business.

RETURN ON FUNDS EMPLOYED



Consolidated results - in \$m	FY18	FY17	FY16	FY15	FY14	FY13
Consolidated group EBITDA	43.7	54.4	61.1	51.0	41.0	37.9
Add back: Property - (profit)/loss	(4.2)	1.0	2.0	2.7	2.2	1.9
Non-recurring items (inc Dry Creek FY13-16)	11.6	(4.3)	(4.0)	2.7	1.9	(3.4)
Core business EBITDA	51.1	51.1	59.1	56.4	45.1	36.4
Depreciation & Amortisation	17.3	15.2	15.0	14.9	13.6	14.0
Core business EBIT (i.e. Operations + Head office excluding Property)	33.8	35.9	44.1	41.5	31.5	22.4
Comprising: Operating EBIT (before non-recurring items)	43.3	45.8	53.7	50.4	40.1	28.1
Corporate EBIT	(9.5)	(9.9)	(9.6)	(8.9)	(8.6)	(5.7)
Consolidated Funds Employed	309.2	305.9	289.7	268.2	258.5	221.8
Less: FY18 - Westbury Extrusion Plant under construction (FY16 Lara feedmill; FY15 and prior: Assets held for sale)	(12.4)	-	(12.2)	(34.1)	(1.4)	(0.7)
Less: Investment properties & Assets for sale	(2.4)	(3.2)	(3.1)	(3.1)	(37.2)	(38.4)
Funds Employed (FE) (excl. Property)	294.4	302.7	274.4	231.0	219.9	182.7
Annualised ROFE (EBIT: average FE)	11.3%	12.4%	17.5%	18.4%	15.6%	13.2%

The Directors believe that the presentation of the unaudited non-IFRS financial information on this slide 21 is useful for shareholders as it reflects the significant movements in operations and cash flows of the business.

PROPERTY

LARA

- \$6.1m of property sale proceeds generated in FY18 from 3 separate sale transactions, generating Property segment EBIT of \$4.2m.
- Further \$9.5m raised in July 2018 for sale of Lots A & C, for EBIT of c.\$8.2m.
- Lot D under option agreement for land-based aquaculture purchaser to acquire within 12 months for \$1.5m subject to positive due diligence outcome.
- Sale of Lot D would complete divestment of Lara assets for total proceeds of \$17.1m and potential EBIT of c.\$13.6m over FY18-19.

MOOLAP

- No meaningful progress to report for the year. Will be a focus for FY19.



OUTLOOK

- ❑ **Poultry and Pig** - we are working to mitigate the loss of Ingham volume from mid-October 2018 with other incremental volume. The positive long term outlook for poultry remains unchanged and will be supported by the new 350kt capacity feedmill in Central Victoria. The Pig industry is bracing itself for a tough period as it adjusts back to a sustainable supply and demand equilibrium, however this is expected to provide consolidation opportunities and longer term growth opportunities for the more efficient farmers.
- ❑ **Ruminant** - the outlook for the Dairy sector remains positive, with milk price confidence and stability being progressively restored and despite increasing raw material prices. With no end to the regional drought conditions predicted for the foreseeable future, beef and sheep volumes are expected to remain at historically high levels in FY19.
- ❑ **Aquafeed** - the test extruder line and plant upgrades will facilitate a focus on quality and innovation in the year ahead, together with the trials to be conducted with Tassal. Planning for the transfer of feed volumes and rationalisation to a two site operation will be important to facilitate a seamless transition when the new extrusion plant in Tasmania is commissioned around the end of FY19.
- ❑ **Rendering** - the outlook for Laverton is positive, with a focus on plant efficiency and segregation of higher value raw material intake for the coming year. The extent of the earnings recovery at Maroota will be strongly influenced by the success of the new projects to render whole mackerel and whole birds and to stabilise raw material in order to extend the reach of the raw material supply chain. We are making progress on developing innovative solutions for each project.
- ❑ **Packaged Products** - a new range of products and shift in sales mix, improved store coverage and presence, a focus on Equine markets, where sales volumes have been eroded in recent years, and on the positive exposure for Canine, are expected to be the key drivers to growth in FY19.
- ❑ **Supplements** - profitability is currently highly dependent on a traditional pattern of wet and dry seasons in northern Australia. Innovation is critical to develop new value adding products - such as pig and chicken blocks - to reduce this dependency, improve plant efficiency and optimise earnings.
- ❑ **Energy** - the continuing rises in energy costs provide a challenge to the international competitiveness of Australian manufacturing, and Ridley is no exception in having to combat these energy price rises with operating efficiencies.



- ✓ New poultry and pig feed mill announced in September 2017, with final site preparation being undertaken by the vendor to facilitate completion of land acquisition & project commencement.
- ✓ Underpinned by 10 year supply agreement with Hazeldene's Chickens, with capacity to facilitate retirement of existing Bendigo mill and accommodate regional growth.
- ✓ At >350,000t capacity, significantly the largest feedmill in the Ridley portfolio, using latest technology and mill design.
- ✓ Total capital outlay of \$45-50m with focus on efficiency and low energy footprint.

- ✓ Construction commenced on site in March 2018.
- ✓ World class extrusion facility to service all aquafeed species, to target new and returning salmon customers & industry growth, and expand in-house pet food capability.
- ✓ Salmon production to transfer to Tasmania - improved supply chain, lead times, collaboration and diet testing capability.
- ✓ 50,000t annual capacity on 5 day shift structure.
- ✓ Total capital outlay of \$45-50m supported by existing supply contracts, FY17 restructure of aqua-feed and pet food operations, and future growth opportunities.



Ridley Locations and Sectors

Business Unit	Structure
Monogastric	Pellets, meals, concentrates and pre-mixes for poultry and pigs
Ruminant	Pellets, meals, blends, concentrates and pre-mixes for dairy cattle, beef cattle and sheep
Packaged Products	Bagged poultry, dairy, dog, horse and lifestyle animal feed
Extrusion Plants	Extruded and steam pelleted products for all major finfish and prawns, and specialist pet foods
Supplements	Block and loose lick supplements
Rendering	Rendered poultry, red meat and fish products for the pet food, stock feed and aquaculture sectors
Ingredients	Unique and sustainable value adding raw material ingredients for stock feed and animal well-being



		Business Unit						
Ridley Assets		Ingredients	Monogastric	Ruminant	Packaged	Extrusion Plants	Supplements	Rendering
1 Yamba*		1 Toowoomba	1 Toowoomba	1 Toowoomba	1 Toowoomba	1 Narangba	1 Townsville	1 Maroota
2 Chanthaburi†		2 Mooroopna	2 Tamworth	2 Tamworth	2 Tamworth	2 Chanthaburi*		2 Laverton
		3 Pakenham	3 Pakenham	3 Pakenham	3 Pakenham	3 Westbury‡		
		4 Murray Bridge	4 Maffra	4 Murray Bridge				
		5 Bendigo*	5 Gunbower					
		6 St Arnaud	6 Terang					
		7 Wasleys	7 Taree					
		8 Clifton						
		9 Lara						

* Novacq™ production site.
 † 100% interest in Novacq™ production site.

* 49% interest.
 ‡ Under construction.

New extrusion plant under construction at Westbury

Novacq™ Australia

- ✓ Move to commercial status from 1 July 2018, one year ahead of original five year timeline;
- ✓ Implement dewatering & drying process using the preferred technology solution;
- ✓ Establish pricing model for 2018/19 Australian growing season based on 2017/18 profit share results; &
- ✓ Continue to experiment with diet formulation to improve bioactive content and pond yield and Novacq™ inclusion rates.

Novacq™ Thailand

- ✓ Secure additional ponds for Phase 2 expansion of production capacity from current 14 ponds;
- ✓ Install and implement dewatering and drying equipment;
- ✓ Identify local customers and determine basis upon which to sell Novacq™-inclusive trial feed; &
- ✓ Prepare for anticipated 1 July 2019 commercial go-live.

Thailand feedmill

- ✓ Implement strategy to secure local & export sales of prawn & fin fish feed.

CSIRO alliance and licence

- ✓ Continue with Work Package 1 to establish bioassays to test the extent of bioactivity & understand spectrum of activity and mechanisms for prawn growth;
- ✓ Conduct initial series of poultry trials; &
- ✓ Select overseas country in which to extend Novacq™ production and establish a presence in that country.

- ❑ **Poultry** - newly appointed General Manager to lead Commercial Feed team to execute plan to secure new poultry and pig volume (i) based on customer value proposition from Lara feedmill and (ii) to replace Ingham volume expected to be withdrawn in October 2018.
- ❑ **New extrusion plant and feedmill** - commission the new Tasmanian extrusion plant & be well advanced in construction of new Central Victorian poultry & pig feedmill by FY19 year end.
- ❑ **Innovation** - continue to pursue opportunities to introduce novel and value-adding feed ingredients through a process of innovation and/or acquisition.
- ❑ **Novacq™** - (i) conclude the project to explore options to accelerate the growth of Novacq™, including the option of third party investment, and (ii) select the next location for Novacq™ production and establish a presence and relationships in that country and region.
- ❑ **Thailand feedmill** - given the disease challenges currently facing the local region's prawn farmers, increase the focus on establishing a network of domestic fin fish, and overseas prawn and fin fish markets using Ridley diets and feed produced locally in Chanthaburi.
- ❑ **CSIRO alliance** - the focus needs to remain on reaching a satisfactory conclusion to the first work package which forms the basis for identification of the relevant characteristics and the selection process for targeting Novacq™ applications in other species.

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