

31 October 2019

MURRAY RIVER ORGANICS OFFERS DRIED VINE FRUIT GROWERS PRICE INCREASES AS PART OF SUNRAYSLIA GROWERS WATER SUPPORT PACKAGE

Murray River Organics (ASX: MRG) (“MRG”) today announced up to \$200 per tonne increase in prices for third party grower dried fruit as part of their Sunraysia Grower Water Support Package for 2020 Crop.

MRG Chief Executive Valentina Tripp said given the severe drought conditions in Mildura and the increasing expensive price of temporary water the Company wanted to provide Sunraysia growers with certainty for the coming season.

“We recognise the impact that the ongoing drought and water is having on growers in the Mildura area and as significant grower ourselves we understand the issues they are facing. As a result, at this critical time, we have decided to initially offer up to \$200 per tonne on top of last year’s pricing increases to source irrigation water for key in demand varieties. We believe this will deliver much needed confidence to our growers.”

Last year Murray River Organics led the industry when the Company increased prices to third party dried vine fruit growers by up to 25 percent as part of its plan to ensure a fair return for fruit commensurate with global pricing trends.

The price increases are part of the “Growing Together” program which has been very successful for MRG, with the intake of third-party grower dried vine fruit reaching 1240 tonnes in 2019, an increase of 15% on 2018.

This was a significant achievement considering the challenging growing conditions in Sunraysia in 2019 with many growers experiencing lower yields of up to 40%.

Valentina Tripp said the current water issues in Mildura are still challenging for the agriculture industry with irrigation water from the Murray costing up to \$950 a megalitre nearly double the average price paid last season.

“Encouragingly, demand fundamentals for dried vine fruit remain strong, with the global fruit market experiencing growth in demand.”

MRG is the largest dried vine fruit grower in Sunraysia with over 1000 hectares planted and is part way through a major transformation and turnaround journey. It has identified significant sales growth opportunities in Asia, Europe and the USA.

MRG's Sunraysia Grower Support Package is open to Sunraysia Dried Vine Fruit Growers who sign up prior to Friday, 29 November 2019.

MRG also commits to hold 2019 pricing for the 2020 Harvest.

For Growers who take up the above offer, this would result in opening prices as follows:

Variety & Grade	2020*	2020* Sun Muscat Variety
4 & 5 Crown (Light)	\$2,800/MT	\$2,850/MT
4 & 5 Crown (Brown)	\$2,400/MT	\$2,450/MT
3 Crown (Light)	\$2,500/MT	\$2,550/MT
3 Crown (Brown)	\$2,200/MT	-
Currants	\$2,500/MT	-
TSR	\$2,300/MT	-

*Above pricing is based on minimum 100T commitment (Includes a >100T volume bonus of \$50/t) and assumes Grower is on 5-year contract (includes a five-year contract bonus payment of \$100/t).

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Murray River Organics Group Limited (ASX: MRG) is a leading Australian producer, manufacturer, marketer and seller of certified organic, natural and better-for-you food products. We service the organic, natural and healthy food and snack market globally.

For further information please visit www.murrayriverorganics.com.au