



RIDLEY TO BUILD NEW FEEDMILL AT GEELONG

Melbourne, Australia, 8 September 2015: Ridley Corporation Limited (**Ridley**) (**ASX: RIC**)

Ridley Corporation Limited today announces its commitment to construct and operate a new feedmill on the strategic parcel of land acquired in August 2014 on the north eastern outskirts of Geelong. As announced last year, the land comprises a total of 5.3 hectares with frontage and access to the Princes Highway and was acquired with approximately 21,000 tonnes of existing grain silo storage capacity and other infrastructure of considerable value in any future development of the site.

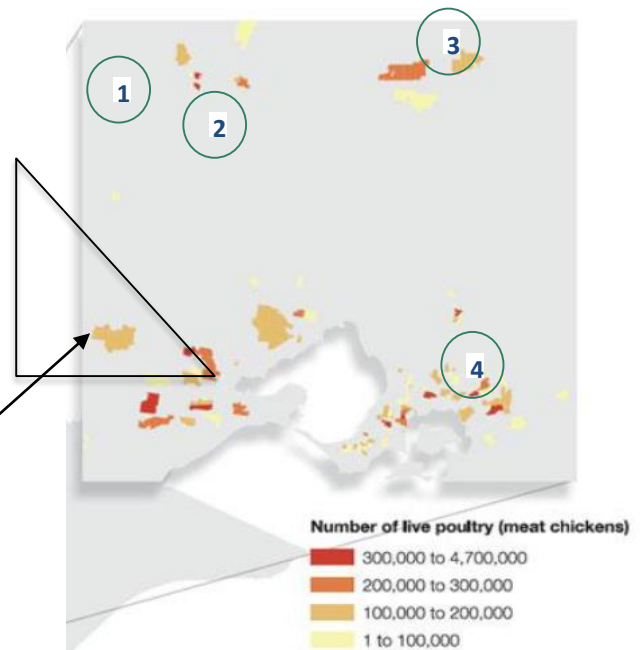
In the period since the site was acquired, Ridley has been working to secure the incremental contracted sales volumes and freight arrangements required for the project to meet its Ridley internal financial hurdles. Today's announcement effectively confirms a successful outcome to these discussions and the securing of long term contracted production volumes sufficient to underwrite the performance of the feedmill whilst retaining excess capacity to acquire significant volumes of new business.

The new Ridley feedmill will service monogastric (poultry and pig) customers in the region around Geelong and wider Western Victoria, being the key growth area for broiler (chicken meat) farms in Victoria. The new facility will benefit from proximity to raw material grain supply and allow us to service our broiler customers' expansion in this region much more effectively, as well as representing a major new offering for pig and layer (chicken egg) farmers.

The adjacent map (courtesy of the DEPI website) shows the concentration of existing poultry production in the broader region and the absence of a local Ridley presence in the Geelong area, which is currently serviced from Ridley's mill at Pakenham, (mill number 4 in the map).

There is a similar concentration of sows in the region to the immediate west of Geelong which would benefit from the local supply of a premium quality, high performance animal nutrition solution.

The planned Golden Plains Shire Food Production Precinct, a dedicated 4,000 hectare site set aside for intensive farming and livestock production in Lethbridge, is less than 40km from our site which is consequently ideally located to provide a cost effective and comprehensive feed solution for the precinct.

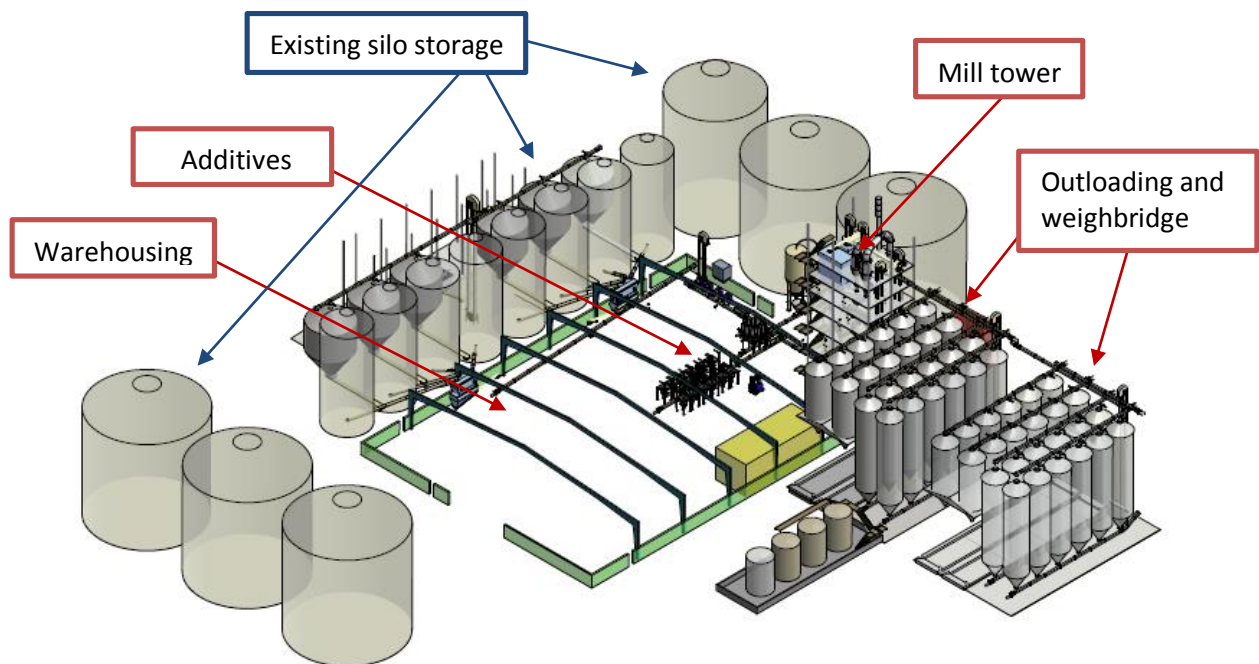


Approximately 20 full-time operational and support roles will be generated to operate the state of the art monogastric feedmill, which incorporates environmentally friendly and highly energy efficient global best practice technology and engineering solutions not previously seen in Australia. This technology is designed to deliver the highest and most consistent levels of product quality and safety, whilst retaining flexibility to adapt to the ever changing requirements of our customers.

As announced on 31 October 2014, up to \$800,000 of external Government funding support has already been awarded to Ridley under the Geelong Regional Innovation and Investment Fund (GRIIF). In addition to the jobs on site, there are substantial flow-on economic benefits for the local construction, freight, maintenance and farming industries.

The raw material inputs to service a 250,000 tonne annual capacity feedmill will increase both the volume and the range of grades of grain currently being delivered to the site, and merchandising opportunities are also anticipated to be derived from the close proximity of the site to the Port of Geelong.

With an initial annual production capacity of 250,000 tonnes, the plant design is modular in concept to allow for incremental capacity to be added as the market demand develops over time. The 14 existing silos marked in grey in the design below will be incorporated into the feedmill.



A competitive tender process has been undertaken to identify Ridley's preferred construction partner whilst the project scope and costings have been reviewed and validated by an independent third party expert. The project will be funded from operating cash flows and banking facilities, with an estimated outlay in the vicinity of \$20 million over a construction period of up to 18 months.

The feedmill project is one part of Ridley's broader commitment to invest in the Geelong region, with a further \$1.6 million invested in 2015 by Ridley and its development partner Sanctuary Living in conducting feasibility studies and developing concept designs for the redevelopment of the former salt fields at Moolap into the Nelson Cove master planned community as depicted on the website nelsoncove.com.au .

Ridley is currently assisting the Victorian State Government with its strategic land use assessment of the Corio Bay peninsula area, which encompasses the Moolap Saltworks site, Alcoa Point Henry site and adjacent coastal Crown land.

Construction at the North East Geelong site will commence upon receipt of the requisite council development approvals.

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