



Ridley capital return and update

Melbourne, Australia 21 May 2013: Ridley Corporation Limited (**Ridley**) (**ASX: RIC**)

Ridley announces that a General Meeting of Ridley shareholders is to be held on Monday 24 June 2013 to approve a return of capital to Ridley shareholders of 7.5 cents per share. The explanatory memorandum forming part of the notice that is being sent to shareholders includes a pro forma balance sheet as at 31 December 2012, adjusted for the 28 February 2013 completion of the Cheetham Salt sale, and the proposed return of capital of \$23.1 million plus associated costs.

Recent trading conditions for the Ridley AgriProducts business and the outlook for the remainder of the financial year have been generally in accordance with the full year outlook provided on 22 March 2013.

Discussions with Penrice Soda Holdings Ltd (Penrice) continue to progress in relation to the compensation for Ridley arising from the imminent termination by Penrice of the long term take or pay contract to supply brine from the Ridley Dry Creek salt field. Management is concurrently working to recover some value for the Dry Creek plant and inventory assets no longer required, which are in excess of \$15 million. It is expected that final positions on these issues can be achieved in the near future.

In determining the amount of capital to be returned to shareholders, the Ridley Board has adopted a conservative position on the Penrice and Dry Creek issues and also taken account of what the Board considers to be a prudent and sustainable level of borrowing and gearing for the company moving forward.

For further information please contact:

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RIDLEY BACKGROUND

Ridley Corporation Limited (ASX: RIC) is Australia's leading supplier of animal nutrients, ingredients and feeds for the safe and sustainable production of food from livestock. Ridley's operations service both ends of the food production value chain. Ridley is a leading supplier of animal nutrition products to producers in the beef, dairy, poultry, pig, sheep, and aquaculture industries, laboratory animals and equine and canines animals in the recreational sector. Through its rendering operations, Ridley is also one of Australia's largest processors of animal by-products, supplying a range of products to service Australian and export markets. Ridley has a diversified production base across eastern and southern Australia and a portfolio of well recognised brands servicing customers across Australia.