

22 December 2021

Capital Management Initiatives and Suspension

Murray River Organics Group Ltd (ASX: MRG) (**Company** or **MRG**) today advises that following a further strategic review undertaken by Lion Advisory the Company is currently seeking expressions of interest from both institutional investors and private equity funds to take a strategic stake in the Company. The Company is also seeking expressions of interest from parties interested in an acquisition of the Company. Lion Advisory is assisting the Company with its Capital Management initiatives.

Farm sale process update

The Company has received an indicative offer from a third party to acquire the entire remaining farm portfolio. Confirmatory due diligence is currently underway by the prospective purchaser and legal documentation is to be finalised. The transaction is anticipated to result in a multi-year off-take agreement for dried vine fruit supply to the Company.

The Company anticipates to complete the transaction by the end of April 2022. The proceeds of the transaction will be used to retire debt.

Trading update

Whilst we expect year-on-year revenues to decline due to our exit from Fresh produce and reduced exposure to Private Label, the higher margin MRO Retail Branded products continue to grow strongly with sales for the 5 months to 30 November up 32% on the prior year. This was despite ongoing supply chain disruptions, which the Company has sought to manage by prioritising its Branded Retail business ahead of its Wholesale and Ingredients division.

Status of FY21 Financial Statements and Suspension

The Company now expects any future equity capital raise or sale of the Company to occur in the 3rd quarter of FY22. Due to the delay the Company is unable to lodge its FY21 Audited Financial Statements and as result the Company's securities will continue to be suspended.

The Company also advises that following release of the Appendix 4E Preliminary Report on 1st September 2021 a change to the profit and loss and financial position reported in the Appendix 4E Preliminary Final Report lodged was identified. The change relates to the recognition of an onerous water lease commitment whereby the fixed volume of water (to

be used for irrigation) exceeded the Group's requirements at 30 June 2021 following the sale of a number of farms over the last 12 months.

It is expected that an additional expense of \$1.64 million will be recorded in the statement of profit or loss for the year ended 30 June 2021 once finalised. The Company is actively managing the sale of the excess water and future commitments.

The Company continues to have the support of its financier with appropriate waivers being secured through to 28 February 2022 relating to the delay in lodging its FY21 Audited Financial Statements.

Board Changes

Following the recent review and simplification of Company direction which had the unanimous support of the Board, non-executive directors Naseema Sparks and John Maher have tendered their respective resignations effective 21 December 2021.

Appendices 3Z are attached to this announcement.

Authorised for release by the Board of the Company.

Birol Akdogan
Chief Executive Officer
P: +61 409 361 715
E: bakdogan@murrayriverorganics.com.au

Graeme Fallet
Chief Financial Officer
P: +61 417 573 463
E: gfallet@murrayriverorganics.com.au

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

Appendix 3Z

Final Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/9/2001.

Name of entity	Murray River Organics Group Limited
ACN	614 651 473

We (the entity) give ASX the following information under listing rule 3.19A.3 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of director	John Maher
Date of last notice	8 April 2021
Date that director ceased to be director	21 December 2021

Part 1 – Director's relevant interests in securities of which the director is the registered holder

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Number & class of securities
Nil

Appendix 3Z

Final Director's Interest Notice

Part 2 – Director's relevant interests in securities of which the director is not the registered holder

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Name of holder & nature of interest Note: Provide details of the circumstances giving rise to the relevant interest	Number & class of securities
Maher Superannuation Fund	72,117

Part 3 – Director's interests in contracts

Detail of contract	N/A
Nature of interest	N/A
Name of registered holder (if issued securities)	N/A
No. and class of securities to which interest relates	N/A

+ See chapter 19 for defined terms.

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Introduced 30/9/2001.

Name of entity	Murray River Organics Group Limited
ACN	614 651 473

We (the entity) give ASX the following information under listing rule 3.19A.3 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of director	Naseema Sparks
Date of last notice	9 June 2020
Date that director ceased to be director	21 December 2021

Part 1 – Director's relevant interests in securities of which the director is the registered holder

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Number & class of securities
Nil

Appendix 3Z

Final Director's Interest Notice

Part 2 – Director's relevant interests in securities of which the director is not the registered holder

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Name of holder & nature of interest Note: Provide details of the circumstances giving rise to the relevant interest	Number & class of securities
Nil	

Part 3 – Director's interests in contracts

Detail of contract	N/A
Nature of interest	N/A
Name of registered holder (if issued securities)	N/A
No. and class of securities to which interest relates	N/A

+ See chapter 19 for defined terms.