

Ridley Corporation Limited
ABN 33 006 708 765

Notice is hereby given that the 24th Annual General Meeting (Meeting) of Ridley Corporation Limited (Company) will be held in the Rialto Room at the Intercontinental Hotel, 495 Collins Street, Melbourne on Tuesday, 22 November 2011 at 10.00am. Registration will commence at 9.00am.

Notice of Annual
General Meeting

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Notice of Meeting

Ordinary items of business

1. Financial statements and reports

To consider the Financial Statements, the Directors' Report and the Independent Auditor's Report for the Company for the year ended 30 June 2011.

2. Remuneration Report

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That the Remuneration Report for the year ended 30 June 2011 be adopted."

The Remuneration Report is set out on pages 43 to 49 of the 2011 Annual Report. Please note that the vote on this item is advisory only and does not bind the Directors or the Company.

Voting exclusion statement

No votes can be cast by or on behalf of a member of Key Management Personnel (as identified in the Remuneration Report) and their Closely Related Parties (collectively referred to as a **Prohibited Voter**). However, a Prohibited Voter may vote directed proxies for someone other than a Prohibited Voter.

If you do not direct the Chairman of the Meeting how to vote and you are not a Prohibited Voter, by marking the designated box on, and submitting, the proxy form, you authorise the Chairman to exercise the proxy even though this resolution is connected directly or indirectly with the remuneration of a member of Key Management Personnel, and you will have directed the Chairman to vote in accordance with the Chairman's stated intention to vote in favour of this resolution. If you do not want your vote exercised in favour of this resolution you should direct the Chairman to vote 'against', or abstain from voting on, this resolution.

3. Election of Directors

(i) To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That Mr John Spark, a Director retiring from office by rotation in accordance with rule 49 of the Company's Constitution, being eligible, be re-elected as a Director of the Company."

(ii) To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That Mrs Patria Mann, a Director retiring from office by rotation in accordance with rule 49 of the Company's Constitution, being eligible, be re-elected as a Director of the Company."

Special items of business

4. Issue of performance rights to Managing Director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That the Company approves, for the purposes of ASX Listing Rule 10.14 and for all other purposes, the issue of 600,000 performance rights under the Company's Long Term Incentive Plan to the Company's Managing Director, Mr John Murray, and the issue of ordinary shares in the Company to him upon the exercise of those performance rights."

Voting exclusion statement

In accordance with the ASX Listing Rules, the Company will disregard any votes cast on this resolution by:

- Mr John Murray, Managing Director of the Company; and
- an associate of the Managing Director of the Company,

however, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Further, a member of Key Management Personnel and their Closely Related Parties may not vote as a proxy on this resolution if the appointment does not specify how the proxy is to vote. However, the Chairman can vote undirected proxies provided that the proxy expressly authorises the Chairman to do so, which you may do by marking the designated box.

5. Giving of financial assistance in connection with the acquisition of Camilleri Stockfeeds Pty Ltd

To consider and, if thought fit, to pass the following resolution as a special resolution:

"For the purpose of section 260A of the Corporations Act and for all other purposes, approval is given for Camilleri Stockfeeds Pty Ltd providing financial assistance for the acquisition by Ridley AgriProducts Pty Ltd of the entire issued share capital of Camilleri Stockfeeds Pty Ltd as described in the Explanatory Memorandum accompanying this notice."

A detailed explanation of the background and reasons for the proposed Resolutions is set out in the attached Explanatory Memorandum.

Chairman's voting intention

The Chairman of the Meeting intends to vote all available proxies in favour of all items of business.

By order of the Board.



Alan M Boyd
Company Secretary

26 September 2011

Notice of Meeting continued

Voting entitlements

Pursuant to regulation 7.11.37 of the Corporations Regulations, the Directors have determined that the shareholdings of each member for the purposes of ascertaining voting entitlements for the Annual General Meeting will be as it appears on the share register at 10.00am on Sunday, 20 November 2011. This means that if you are not the registered holder of a relevant share at that time, you will not be entitled to vote in respect of that share.

Proxies

1. If you cannot attend the Meeting, you may appoint a proxy to attend and vote for you. A proxy may be a person or a company, and need not be a shareholder of Ridley Corporation Limited. If you are entitled to cast two or more votes, you may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no such proportion or number is specified, each proxy may exercise half of your votes. Your personalised proxy form is enclosed. Proxy voting instructions are provided on the back of the proxy form.

2. Proxies must be received not less than 48 hours before the meeting, and be lodged:

By fax

Australia 1800 783 447
Overseas +61 3 9473 2555

In person

Registered office
Level 4, 565 Bourke Street
Melbourne Victoria 3000

Share registry

Computershare Investor Services
Yarra Falls, 452 Johnston Street
Abbotsford Victoria 3067

By mail

Registered office
Level 4, 565 Bourke Street
Melbourne Victoria 3000

Share registry

Computershare Investor Services
GPO Box 242
Melbourne Victoria 3001

Online

www.investorvote.com.au

Please submit your votes electronically by entering the control number on the front page of the proxy form and follow the prompts. For custodians who are subscribers of Intermediary Online, please submit your votes via www.intermediaryonline.com

Explanatory Memorandum

This Explanatory Memorandum is an important document and should be read carefully.

Item 1 – Financial statements and reports

As required by section 317 of the Corporations Act, the Financial Statements, Directors' Report and Auditor's Report of Ridley Corporation Limited (the **Company**) for the financial year ended 30 June 2011 will be laid before the Meeting.

During this item, there will be an opportunity for shareholders to ask questions and comment on the above mentioned financial statements and reports. Shareholders will also be provided the opportunity to ask questions about the Company generally.

Shareholders will also have the right to question the auditors in connection with such matters as the Auditor's Report or the conduct of the audit. Written questions must be submitted no later than five business days before the Annual General Meeting and the answers will be available at and after the Meeting.

There will be no formal resolution in respect of this item.

Item 2 – Non-binding vote on the Remuneration Report

A copy of this report is set out on pages 43 to 49 of the full Annual Report and can also be found on the Company's website at www.ridley.com.au

The Remuneration Report forms part of the Directors' Report for the financial year ended 30 June 2011, and contains information required by section 300A of the *Corporations Act 2001* and accounting standard AASB124: *Related Party Disclosures*.

The Remuneration Report includes:

- a discussion of the Board's policy in relation to the nature and level of remuneration paid to Directors and senior executives of the Company and its controlled entities;

- a discussion of the relationship between the Board's remuneration policy and the Company's performance, including information about performance conditions; and
- details of the remuneration paid to each Director of the Company (including the Chief Executive Officer) and to the employees with the responsibility and authority for planning, directing and controlling the activities of the Company and its controlled entities (**Key Management Personnel**), which include the five highest paid Group Executives for the financial year ended 30 June 2011.

The vote on this resolution is advisory only and does not bind the Directors or the Company. However, if 25% of the votes that are cast are voted against the adoption of the Remuneration Report at two consecutive Annual General Meetings, shareholders will be required to vote at the second of those Annual General Meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which meeting those of the Company's Directors (other than the Managing Director) who held office when the resolution was passed to cause the Directors' Report to be considered at the second Annual General Meeting, must stand for re-election.

During this item of business, the members as a whole at the Meeting will be given a reasonable opportunity to ask questions about, and make comments on, the Remuneration Report.

Recommendation

The Directors recommend that shareholders vote in favour of Resolution 2.

Item 3 – Election of Directors

3.1 Mr John M Spark BComm FCA Independent Non-Executive Director

Appointed a Director in January 2008 and Ridley Chair on 22 November 2010, John is a Director of Newcrest

Mining Limited and was formerly the Managing Partner of Ferrier Hodgson Melbourne and a global partner of Arthur Andersen Melbourne. He was a Director and Chairman of the Audit Committee of ANL Limited and Baxter Group Limited and has an extensive background in accounting, auditing and financial analysis.

Mr John Spark retires as a Director by rotation in accordance with the Company's Constitution and, being eligible, has offered himself for re-election.

Recommendation

The Directors of the Company, other than Mr John Spark, recommend that shareholders vote in favour of this Resolution 3.1 and the Chair of the Meeting will be voting any open proxies in favour of it.

3.2 Mrs Patria M Mann BEc CA MAICD Independent Non-Executive Director

Appointed in March 2008, Patria is currently a Non-Executive Director of First State Superannuation Trustee Corporation, The Doctors' Health Fund Limited and Perpetual Superannuation Limited. Formerly a partner at KPMG, Patria brings strong audit, investigation, risk management and compliance experience to the Board and is Chair of the Audit and Risk Committee. Patria is a member of the Institute of Chartered Accountants and the Institute of Company Directors.

Mrs Patria Mann retires as a Director by rotation in accordance with the Company's Constitution and, being eligible, has offered herself for re-election.

Recommendation

The Directors of the Company, other than Mrs Patria Mann, recommend that shareholders vote in favour of this Resolution 3.2 and the Chair of the Meeting will be voting any open proxies in favour of it.

Special items of business

Item 4 – Issue of performance rights to Managing Director

Resolution 4 seeks approval, for the purposes of ASX Listing Rule 10.14 and for all other purposes, for the issue of 600,000 performance rights under the Company's Long Term Incentive Plan (LTIP) to the Company's Managing Director, Mr John Murray, and for the issue of ordinary shares in the Company upon exercise of those performance rights.

4.1 Background

The LTIP was introduced in October 2006 and Mr Murray is presently the only Director of the Company entitled to participate in the LTIP.

The participation of Mr Murray (and potentially other selected executives of the Company) in the LTIP is a result of the Company's decision to provide long term rewards that are linked to shareholder returns. Under the LTIP, selected executives and the Managing Director may be offered a number of performance rights (**Right**). Each Right provides the entitlement on exercise to acquire one fully paid ordinary share in the Company at nil cost.

In the prior year, the Board engaged the Godfrey Remuneration Group to market benchmark the competitiveness of the total remuneration packages for the Company's senior management, including the Managing Director. Benchmarked against an Australian listed industrial group of 20 comparator companies, the report concluded that the base remuneration and short term incentive remuneration levels were appropriate but that the long term incentive remuneration levels were significantly below the comparator group median. The report therefore recommended an annual issue of a number of Rights, with such Rights having appropriate vesting profiles and performance hurdles. The number of Rights for the Managing Director

approved by the Board and hereby tabled for shareholder approval in 2011 reflects that recommendation.

Under the LTIP, Rights vest three years after the effective date on which they are issued, the three years being the performance period, provided that the following performance criteria are satisfied:

- that the employee is employed by the Company on the date of vesting (subject to certain exceptions including where employment ceases due to death, disability or redundancy more than 12 months into the performance period); and
- that over the performance period the Company achieves a target performance level, as measured by reference to the Company's Total Shareholder Return (TSR), as compared against a comparator group of companies. The TSR indicates the Company's performance as compared to a comparator group of companies, comprising those companies ranked 100 to 300 in the ASX/S&P 300 Index on the date of the Rights being issued. The TSR is calculated having regard to, broadly, the movement in share price over the performance period on the assumption that all dividends are reinvested. The proportion of Rights which vest depends on the Company's TSR ranking.

A description of the LTIP can be found in the Remuneration Report on pages 45 and 46 of the Company's 2011 Annual Report. A copy of the Plan Rules of the LTIP will be made available free of charge if requested by a shareholder from the Company Secretary.

4.2 Terms of the proposed issue of Rights

Timing of issue

If approved by shareholders, the Rights will be issued before 31 December 2011.

Consideration for issue and exercise

The Rights issued to Mr Murray will be issued for nil consideration payable, and each Right will provide the entitlement on exercise to acquire one fully paid ordinary share in the Company for nil consideration.

Maximum number of Rights

The maximum number of Rights which may be acquired by Mr Murray under the shareholder approval being sought is 600,000.

Details of Rights previously granted under the LTIP to Directors

Mr Murray is presently the only Director of the Company entitled to participate in the LTIP.

Approval was last given to the issue of Rights for the purposes of Listing Rule 10.14 at the 2010 Annual General Meeting, at which shareholders approved the grant of 643,000 Rights to Mr Murray as Managing Director of the Company. Those Rights were issued to him in December 2010.

No other Director, nor any associate of a Director, has received any Rights since the date of that last approval.

4.3 Other information

A voting prohibition and exclusion statement is set out immediately beneath the relevant resolution.

No loans have been or will be provided by the Company in relation to the issue of Rights to, or the exercise of Rights by, Mr Murray under the LTIP.

Details of any Rights issued to a Director under the LTIP will be published in the Company's Annual Report relating to the period in which the Rights have been issued. The Annual Report will also contain a statement that shareholder approval for the issue of the Rights was obtained under ASX Listing Rule 10.14.

Any person other than Mr Murray who becomes entitled to participate in the LTIP, and who requires approval to participate in the LTIP under ASX Listing Rule 10.14, will not be issued Rights until that approval is obtained under ASX Listing Rule 10.14.

Recommendation

The Non-Executive Directors of the Company unanimously recommend that shareholders vote in favour of Resolution 4.

Item 5 – Approval for the provision of financial assistance in accordance with section 260B(2) of the Corporations Act 2001 (Cth).

Resolution 5 is to be passed under section 260B(2) of the Corporations Act to approve the giving of financial assistance by Camilleri Stockfeeds Pty Ltd (**Camilleri**) in connection with the acquisition by Ridley AgriProducts Pty Ltd (**Purchaser**) of the entire issued share capital in Camilleri, which was completed on 1 March 2011 (**Acquisition**).

5.1 Background

Pursuant to section 260A(1) of the *Corporations Act 2001 (Cth)* (**Corporations Act**), a company may financially assist a person to acquire shares in the company only if:

- (a) giving the financial assistance does not materially prejudice:
 - (1) the interests of the company or its shareholders; or
 - (2) the company's ability to pay its creditors;
- (b) the assistance is approved by shareholders under section 260B of the Corporations Act; or
- (c) the assistance is exempted under section 260C of the Corporations Act.

For the reasons set out below, it will be necessary for shareholders to approve the giving of financial assistance in the context of the Acquisition.

Section 260B of the Corporations Act provides a process for the shareholders in the acquired company to approve the giving of financial assistance. That approval has been given by Ridley AgriProducts Pty Ltd, as the sole shareholder of Camilleri.

Under section 260B(2) of the Corporations Act, if a company will be a subsidiary of an Australian listed corporation (the **Listed Holding Corporation**) immediately after the acquisition of shares in the company, then the financial assistance must also be approved by a special resolution of the shareholders of the Listed Holding Corporation.

As such, shareholders are asked to consider and, if thought fit, resolve to approve Resolution 5 as a special resolution in accordance with the requirements of section 260B(2) of the Corporations Act.

5.2 The Acquisition

The Purchaser, a wholly owned subsidiary of the Company, purchased the entire issued share capital in Camilleri on 1 March 2011. Upon completion of the Acquisition, the Company became the Listed Holding Corporation of Camilleri.

Explanatory Memorandum continued

5.3 Funding arrangements

Under a facility agreement dated 29 December 2010 (**Facility Agreement**), the Australia and New Zealand Banking Group Limited and Westpac Banking Corporation (the **Lenders**) agreed to provide the Company with various financial facilities. Funds to finance the Acquisition were drawn down under certain of those facilities on 1 March 2011.

The Facility Agreement contains terms consistent with a facility of this nature including representations, warranties, undertakings (including a negative pledge and undertakings not to dispose of assets, incur financial obligations, subject to agreed exceptions) and events of default.

Under the Facility Agreement, any Australian corporation which becomes a wholly-owned subsidiary of the Company must enter into a guarantee assumption agreement (**Guarantee Assumption Agreement**) whereby it, the Company and each other wholly-owned Australian subsidiary of the Company (collectively, **Ridley Companies**), jointly and severally guarantee to the Lenders the payment of all outstanding moneys owing under the Facility Agreement.

5.4 Financial assistance

Entry by Camilleri into, and the performance by Camilleri of its respective obligations under, the Guarantee Assumption Agreement will constitute the provision of financial assistance by Camilleri in connection with the Acquisition for the purposes of the Corporations Act.

The reason Camilleri proposes to give the financial assistance described above is to enable the Company to comply with certain of its obligations under the Facility Agreement. If such obligations are not complied with, an 'Event of Default' may occur under the Facility Agreement.

5.5 Effect of the proposed financial assistance

The proposed giving of financial assistance by Camilleri described in this Explanatory Memorandum is unlikely to have any adverse effect on the Company.

The substantial effect of the financial assistance on Camilleri is that it will have, on a joint and several basis together with the other Ridley Companies, guaranteed amounts payable to the Lenders under the Facility Agreement. If the Company (or the other Ridley Companies) do not comply with their obligations under the Facility Agreement, the Lenders may be entitled to claim, in whole or in part, the amounts owed to them from Camilleri.

Based on the information available at this time, the Directors of the Company have no reason to believe that the Company, or any of the other Ridley Companies, are likely to default in their obligations under the Facility Agreement and as such do not believe that the giving of the financial assistance would materially prejudice the interests of the Company (or any other Ridley Company) or their shareholders. Nor do the Directors of the Company believe that the giving of financial assistance described in this Explanatory Memorandum will materially prejudice the ability of Camilleri to pay its creditors.

5.5.1 Advantages of the proposed financial assistance

The advantages from shareholders resolving to approve the proposed financial assistance are as follows:

- (a) Camilleri will enter into the Guarantee Assumption Agreement and the Company will avoid a potential 'Event of Default' occurring under the Facility Agreement;

- (b) the Company will avoid a situation where the Lenders may exercise their Rights to demand repayment of all money owing by the Company under the Facility Agreement upon an 'Event of Default' occurring; and

- (c) Camilleri, on a basis consistent with the other Ridley Companies, will continue to derive a number of benefits from being a subsidiary of the Company, including:

- access to funding available under the Facility Agreement, including for working capital purposes;
- access to enhanced management experience and oversight; and
- access to intra-group administrative and support services.

5.5.2 Disadvantages of the proposed financial assistance

As the Company has already guaranteed amounts due under the Facility Agreement, the Directors of the Company do not believe there are any disadvantages to the Company in connection with the proposed financial assistance.

The disadvantages for Camilleri of the proposed financial assistance are as follows:

- (a) it will become jointly and severally liable (with the other Ridley Companies) for amounts due under the Facility Agreement; and
- (b) its operations will be restricted by the representations and undertakings given by it pursuant to the Guarantee Assumption Agreement.

The Directors of the Company are of the view that these potential disadvantages are acceptable in the circumstances.

5.6 Voting

Resolution 5 is set out in the Notice and must be passed as a special resolution of the Company. It will be passed if 75% of the shareholders entitled to vote, vote in favour of the resolution.

Subject to the Company's Constitution and the law, shareholders of the Company may vote either for or against Resolution 5.

5.7 Directors' views in relation to the effect of the proposed financial assistance on the interests of the Company and its shareholders

The Directors of the Company have formed the view, based on information available at this time, that the giving of financial assistance by Camilleri as described in this Explanatory Memorandum is in the best interests of the Company and its shareholders and for its corporate benefit for the reasons outlined above. The Directors of the Company are also of the view that the giving of financial assistance referred to in this Explanatory Memorandum is not materially prejudicial to:

- (a) the Company (or any other Ridley Company);
- (b) the interests of the Company's shareholders (or the shareholders of any other Ridley Company); or
- (c) the ability of the Company (or any other Ridley Company) to pay its creditors.

Notwithstanding the above, the Facility Agreement requires that approval of shareholders of the Company is obtained in connection with the proposed financial assistance.

5.8 Prior notice to Australian Securities & Investment Commission

As required by section 260B(5) of the Corporations Act, copies of the Notice and this Explanatory Memorandum were lodged with the Australian Securities & Investment Commission prior to dispatch to the Company's shareholders.

5.9 Disclosure

The Directors consider that this Explanatory Memorandum contains all information known to the Company that would be material to the Company's shareholders in deciding how to vote on the proposed resolution (other than information that is not required to be included because it has been previously disclosed to the Company's shareholders).

Recommendation

The Directors of the Company recommend that shareholders vote in favour of Resolution 5.

Glossary

Bill means the *Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Bill 2011*.

Closely Related Party of a member of the Key Management Personnel means:

- a spouse or child of the member; or
- a child of the member's spouse; or
- a dependant of the member or of the member's spouse; or
- anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the Company; or
- a company that the member controls; or
- a person prescribed by the *Corporations Regulations 2001 (Cth)*.

Corporations Act means the *Corporations Act 2001 (Cth)*.

Corporations Regulations means the *Corporations Regulations 2001 (Cth)*.

Key Management Personnel has the same meaning as in the accounting standards, so the term broadly includes those persons with the authority and responsibility for planning, directing and controlling the activities of the Company (whether directly or indirectly), and includes any Director of the Company.

Questions from Shareholders



Please use this form to submit any questions concerning the Company that you would like us to respond to at the Annual General Meeting. Your questions should relate to matters that are relevant to the business of the meeting, as outlined in the accompanying Notice of Meeting and Explanatory Notes.

We will respond to as many of the more frequently asked questions as possible at the AGM. Please note we will not be able to reply individually.

Please return this form to the Company's Share Registry, Computershare by fax to (03) 9473 2555.

Shareholder's name _____

Address _____

Question(s): Please tick box if it is a question directed to the auditor.



