

**Melbourne, Australia, 9 December 2011: Ridley (ASX:RIC) and Ruralco (ASX: RHL)** today announce the completion of a sale of business and a national supply agreement.

Under the sale of business agreement, Ridley will acquire part of the business operated by Monds & Affleck Pty Ltd (**Monds**), a subsidiary of Ruralco Holdings Ltd (**Ruralco**), which is based in Tasmania and comprises the processing and distribution of stockfeed products throughout Tasmania using the name Monds & Affleck and associated brands.

Under the sale agreement, Ridley will manufacture the Monds range at its existing locations throughout Australia and will distribute the products under a national supply agreement.

Ridley Managing Director, John Murray commented “The Monds & Affleck name is synonymous with a broad range of innovative, high quality stock feed products, and we are proud to be entrusted with the responsibility to continue a tradition that was started in Tasmania back in the 1860’s. Ridley and Monds share the same passion for delivery of stock feed products for livestock that maximise feed conversion efficiency and animal health, and we are delighted to extend our existing relationship with them into an effective long term arrangement.”

Ruralco Holdings Ltd Managing Director, John Maher, added “The decision to divest any business from within the Ruralco portfolio is one we take seriously and thoroughly review. We see this sale and ongoing agreement with Ridley to be in the best interest of both parties. We have been particularly conscious of our existing customers who have supported the Monds & Affleck brand over many years and this arrangement with Ridley will ensure a seamless transition and guarantee ongoing supply to our clients. The divestment of Monds & Affleck is consistent with our strategic approach to concentrate on our core activities of servicing the Australian primary producer through a high quality, customer focused distribution channel.”

John Murray concluded “Ruralco is a national agribusiness with strong ties to local communities and with extensive regional coverage, particularly in the sale of rural supplies and merchandise. The agreements collectively combine Ruralco’s network of CRT Members, Town & Country Members, wholly-owned subsidiaries such as Roberts Limited, Rodwells & Co Pty Ltd and other joint venture operations, with the backing of Ridley’s extensive network of milling operations. The agreements will allow further leveraging of opportunities while enabling both companies to focus on their core businesses of providing animal nutrition and Australia-wide rural retail distribution.”

For further information, please contact:

John Murray

John Maher

Managing Director, Ridley Corporation Ltd

Managing Director, Ruralco Holdings Ltd

Tel: (03) 8624 6519

Tel: 0418 687 016

Ruralco Holdings Limited (ASX: RHL), is a leading Australian owned agribusiness. Ruralco operates through a national footprint of businesses that specialise in providing rural customers with products and services in merchandise, fertiliser, seed, wool, livestock, real estate, stock feed, risk management, water, grain, finance and insurance. Ruralco’s businesses around the country operate under their own brands. They have their own cultures, their own service models and their own unique value propositions - all designed to meet the demands of local or regional markets. The group’s businesses are committed to supporting the communities that support them.