



Ridley response to Fonterra quality issue

Melbourne, Australia 5 August 2013: Ridley Corporation Limited (**Ridley**) (**ASX: RIC**)

Ridley today responds to the 3 August and 5 August announcements by Fonterra with regard to a quality issue involving three batches of its whey protein concentrate product (WPC80).

Fonterra has advised Ridley that a consignment of animal grade Infant Formula sold to Ridley in May 2013 contained a small amount of the potentially contaminated WPC80.

Ridley only uses Infant Formula as an ingredient in the manufacture of its infant animal powdered milk replacer products which are sold through rural retail outlets rather than direct to farm.

Ridley does not manufacture any products for human consumption, nor does it use Infant Formula in the manufacture of any of its pelleted or blended grain or supplement feeds.

Ridley has its infant animal powdered milk replacer products manufactured by a third party at a dedicated site isolated from all other Ridley operations. The batch of potentially contaminated Infant Formula purchased from Fonterra has therefore not come into contact with any Ridley site or any other Ridley feed.

Ridley has established that the defective consignment of animal grade Infant Formula was used in two production runs of its powdered milk replacer products which are consumed by new-born livestock such as calves, lambs and kids.

Notwithstanding that Fonterra has not received any reported cases of livestock illness, the safety of our customers and their livestock is of paramount importance to Ridley. Consequently, as a prudent precautionary measure, on the afternoon of Saturday 3 August, Ridley instigated a product recall for all of its potentially affected powdered milk replacer products, the majority of which are still warehoused in Ridley-controlled facilities.

Ridley has advised the relevant state authorities of its actions, and is working with these agencies to ensure appropriate containment and quarantine processes are followed.

Ridley is looking to resume manufacturing and distribution at the earliest opportunity and in the intervening period is using its best endeavours to meet customer requirements through existing reserves of unaffected inventory.

Being a very small but important part of the Ridley product offering to provide a lifecycle nutrition solution, and with "track and trace" product distribution systems in place, we believe we have minimised the exposure to our customers' livestock. The following contact details are provided for anyone who thinks they may be affected and has not yet been contacted by Ridley.

For further information please contact:

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