

RIDLEY CORPORATION LIMITED
ANNUAL GENERAL MEETING 26 NOVEMBER 2013
CHAIRMAN'S ADDRESS

In my address today as Chairman of Ridley, I will reflect on the achievements of the year and our operational and financial highlights. At the conclusion of my address, I will invite our new Managing Director and CEO, Tim Hart, to provide some insights into our strategy and direction for the Ridley AgriProducts business moving forward, and to touch on the latest developments for realisation of our surplus properties. After Tim's address, we shall proceed to the formal items of business of the meeting.

OUR 2013 FINANCIAL RESULTS

This has been a particularly complicated and busy year for Ridley. We started the year in the midst of a sale process for the Cheetham Salt business, with our largest shareholder looking to exit the register, with our new mill at Pakenham midway through construction, and with high hopes for a recovery in the Dairy sector.

Early in the year a significant opportunity in the rendering sector emerged by way of the Laverton rendering business, and already strained resources were engaged to pursue this opportunity whilst continuing with the Cheetham Salt divestment process. The timing for each potential transaction was a moving feast and required great agility and support from the Board, management, and our bankers and advisers.

The execution of sale and acquisition agreements in November 2012 was followed in December 2012 with the commissioning of the new dairy mill at Pakenham and the completion of the acquisition of Victoria's leading rendering business. For an outlay of approximately \$80 million, the acquisition marked Ridley's entry into the Victorian rendering sector and a critical step in securing strategic feed ingredients through the acquisition of businesses with proven track records, substantial growth prospects, good management and strong conversion of earnings to cash.

The January 2013 announcement by Penrice of its intention by 30 June 2013 to cease its soda ash production and requirement for brine produced at Dry Creek, highlighted the uncertainties associated with the longevity of the Dry Creek operation that led to its exclusion from the Cheetham Salt sale process. The recovery of appropriate compensation for Ridley shareholders for the early termination of the Penrice salt supply agreement became a priority for the second half year.

In February 2013, the Board announced the appointment of a new CEO to provide long term leadership for the Company through its next phase of development and commenced an orderly transition program which led to Mr Murray's resignation from the Ridley Board on 1 July 2013 and appointment as Non-Executive Chair of the dedicated Ridley property holding entity.

The divestment of the Cheetham Salt business was finally completed on 28 February 2013 for a gross consideration of \$150 million. In order for Ridley shareholders to be able to participate in the potential significant uplifts in property value through sale or redevelopment, Dry Creek and the non-operating salt field assets at Moolap, Lara and Bowen, were all excluded from the sale transaction and retained by Ridley. Thus all of our significant landholdings have been retained for future long term development.

In May 2013, the largest shareholder on the Ridley register sold 19.5% of its 22.1% holding to an overseas private equity firm with a reputation for typically seeking minority interests and looking to cultivate profitable, long term growth in the food and agriculture sectors.

The final part of this complex year was completed on 28 June 2013 with the execution of an agreement with Penrice to secure compensation for its early termination of the Dry Creek salt supply agreement. The commercial outcome is considered by the Board to deliver a fair and reasonable solution for the shareholders of each entity but at the present time, still remains subject to the receipt of formal approval from Penrice's financiers by way of granting Ridley priority rights over the land fill asset.

With the rendering acquisition and salt business divestment complete, the ongoing cash flows, forecast earnings and borrowing requirements were examined, and a capital return of 7.5 cents per share approved by shareholders in June 2013 and distributed after year end on 5 July 2013.

Financial

Against the backdrop of these far reaching structural changes, the financial performance of the core business was affected during the year by a number of significant factors, including continued price pressure in the dairy industry and ongoing reductions in the use of compound feed by dairy farmers, over-supply and fierce competition in the packaged product sector, and ongoing restrictions on rendered product exports to certain Asian countries arising from Avian Influenza outbreaks.

The Ridley AgriProducts' underlying operational result of \$28.1 million at the Earnings Before Interest and Tax level compares respectably to the \$27.2 million reported in the prior year, with a half year of earnings from the Victorian rendering business offsetting the lower Dairy and Packaged Products performance.

Within the reported after tax loss for the year of \$21.7million is an aggregate loss of \$5.1 million from the discontinued operations of Cheetham Salt, and \$37.3 million of Business Restructuring costs. The after tax result from the ongoing operations was a profit of \$11.9 million. Included within the Business Restructuring costs are aggregate non-cash write downs of \$34 million resulting from the cessation of the Penrice salt supply agreement at the end of June 2013 which terminated the operations at the Dry Creek salt field in Adelaide, which is now reflected as a development asset.

People

The appointment of Tim Hart as the new Ridley Managing Director coincides with the start of a new era for the Company as a dedicated agribusiness. The retention of John Murray to provide continuity in the newly-established property realisation segment is important to ensure that no traction is lost in the critical approvals processes underway in Victoria and South Australia. I would like to express my sincere thanks to John for his extensive achievements in recent years, including unshackling the Company from its former constraints and positioning it well for future growth.

Mr Lee stepped down from the Board on 30 June 2013 after 12 years of service, and I would like to thank Rick for his contribution to the Company and the wise counsel and support he has provided to me throughout our time together at Ridley.

I would like to welcome Mr Ejnar Knudsen to the Ridley Board as representative of our new 19.7% shareholder. Ejnar will introduce himself later in the meeting and brings to the Ridley Board extensive experience and networks in the agribusiness sector in the United States. The Ridley Board looks forward to a long and successful involvement with its new and largest shareholder.

2013 has been another challenging year for Ridley, and has required and achieved a high degree of commitment and support from everyone involved, both internally and also with external service providers. I thank my fellow directors, former Managing Director John Murray and his management team, and our bankers and advisers, for their continuing efforts to help us achieve our objective of repositioning the

Company for future growth that can maximise the value of Ridley for its shareholders as a growing business in the Agricultural processing space with further value to be developed in our surplus land holdings.

Capital return

With the uncertainties associated with what has been a turbulent year, there was no interim dividend paid however shareholders received a return of capital of 7.5 cents per share in the first week of July 2013. Whilst recognising the Company's long and consistent dividend history, the future dividend prospects will be determined by the forecast earnings and cash flow conversion of the business, plus the capital growth opportunities prevalent and foreseeable at the time of dividend declaration.

Shareholder questions

I would like now to respond to shareholder questions received and not covered during the business of the meeting.

Experience and availability

Those directors re-elected or elected to the Ridley Board during the meeting will be providing details of their current directorships and professional positions, and will be confirming their ability to devote sufficient time as a Ridley director and committee member to perform their duties in a satisfactory manner.

Board composition

With the two incumbent directors offering themselves for re-election and Mr Knudsen standing for election as the representative proposed by the Company's largest shareholder, the gender composition of the Ridley Board remains the same. Ridley has articulated its workplace diversity policy within the Our People section of the 2013 Annual Report, and remains committed to providing an equal opportunity to all employees irrespective of gender, age, ethnicity and cultural background.

Shareholder meetings

With the Company's head office and share register located in Melbourne, unfortunately the logistics of holding shareholder meetings outside of Victoria are such that the holding of the AGM will remain in Melbourne for the foreseeable future.

Outlook

I believe Australian agricultural processing is well positioned to take advantage of the ever increasing demand from Asia for protein from livestock, and that Ridley is well positioned to become a leading participant and compelling proposition for investors. Regional imbalances between population numbers and animal production capacity continue to provide long term growth opportunities for Ridley.

The 2013 financial year was a year of restructure containing a number of once off and restructuring-type transactions. We are hoping that in the year ahead we can focus on growing our business without the complexities we have faced and successfully addressed over the last couple of years.

We are currently undertaking a strategic review of our existing mill assets as a basis for modernisation, renewal, consolidation and expansion and will look to conclude that exercise in the current year.

I would now like to hand over to our Managing Director Tim Hart who will share his thoughts with you on the outlook for 2014, progress on property realisation, and the strategic priorities for the future.