



RIDLEY

Status of Ridley Compensation Agreement

Melbourne, Australia, 14 April 2014

On Friday 11 April 2014, Penrice Soda Holdings (**Penrice, ASX:PSH**) announced “that it has resolved to appoint a voluntary administrator (**Administrator**) to the Penrice group of companies.”

On 28 June 2013, Ridley (**Ridley, ASX: RIC**) announced that formal agreement (**Agreement**) had been reached, subject to approval from the financiers of Penrice, with regard to compensation payable to Ridley by Penrice in respect of the early termination by Penrice of the long term take or pay contract for the supply of brine to Penrice from the Ridley salt field located at Dry Creek, South Australia. This followed Penrice’s earlier announcement of its intention to cease production of soda ash at its Osborne, South Australia plant from the end of June 2013.

Although the Agreement was intended to take effect from 1 July 2013, the receipt of financier approval by Penrice was not forthcoming prior to the appointment of the Administrator.

Ridley has not brought to account any of the components of compensation contemplated by the Agreement in its half year reported result nor in its outlook for the full year operating result.

Ridley will actively pursue with the Administrator its rights under the original long term take or pay contract and the recovery of the debt of \$1.07 million currently owing from Penrice in respect of prior year brine sales.

For further information please contact:

Tim Hart
Chief Executive Officer
Ridley Corporation Limited
+61 (03) 8624 6500

RIDLEY BACKGROUND

Ridley Corporation Limited (ASX: RIC) is Australia’s leading producer of premium quality, high performance animal nutrition solutions. Ridley’s operations service both ends of the food production value chain. Ridley is a leading supplier of animal nutrition products to producers in the dairy, poultry, pig, sheep, beef and aquaculture industries, laboratory animals and equine and canine animals in the recreational sector. Through its rendering operations, Ridley is also one of Australia’s largest processors of animal by-products, supplying a range of products to service Australian and export markets. Ridley has a diversified production base across eastern and southern Australia and a portfolio of well recognised brands servicing customers across Australia.