



## RIDLEY ACQUIRES STRATEGIC LAND PARCEL NEAR GEELONG

Melbourne, Australia, 7 August 2014:

Ridley Corporation Limited (**Ridley**) (**ASX: RIC**) today announces signing an agreement to acquire a strategic parcel of land on the north eastern outskirts of Geelong from Riordan Group Pty Ltd (**Riordan**). The land parcel comprises a total of 5.3 hectares on two titles, with frontage and access to the Princes Highway just North-East of Geelong. The land also contains significant grain silo storage, which can accommodate approximately 21,000 tonnes, and other infrastructure which will be of value in any foreseeable development of the site.

The grain silos on the site being acquired are currently operated by Riordan as part of its grain trading and packing business and, post-Settlement, Riordan will continue its existing business on the site as a tenant under a long term lease arrangement with Ridley.

The long-term aspiration for Ridley is to build a monogastric (poultry and pig) feedmill on the site, whilst continuing to share synergies on the silo infrastructure arrangement with Riordan. Construction of the feedmill would be subject to planning approval, local and state Government support, and customer commitment before it can be formally considered.

Commenting on the acquisition, Ridley's Managing Director and CEO Tim Hart said "This is an important and strategic acquisition for us. Whilst Ridley already has established facilities west of Melbourne with its rendering operation at Laverton and dairy mill at Terang in Western Victoria, we do not yet have a presence in the poultry and pig industries.

The area around Geelong and wider Western Victoria is going to be a key growth area for broiler (chicken meat) farms. A new facility at the acquired location, which also benefits from proximity to raw material grain supply, would allow us to service our broiler customers' expansion in this region much more effectively. A new local feedmill would also represent a major new offering for pig and layer (chicken egg) farmers in the region."

Mr Hart continued "We also note other local developments such as the planned Golden Plains Shire Food Production Precinct, which will be a dedicated, 4,000 hectare site, set aside for intensive farming and livestock production in Lethbridge. Less than 40km from this precinct, our new site at North-East Geelong would be the most logical source for its livestock feed requirements. We are also delighted to be investing in the Geelong region during what has been a particularly difficult period of job losses and uncertainty. A state of the art feedmill, not dissimilar to our new dairy mill at Pakenham, generates around 20 full-time operational and support roles, with substantial flow-on economic benefits for the local construction, maintenance, freight and farming industries."

Commenting on the acquisition, Riordan's Managing Director Jim Riordan said "The site is already a major destination for Victorian grain growers, and having a Ridley feedmill on the site would increase both the volume and the range of grades of grain delivered to the site. We look forward to partnering with Ridley on this important new offering for agriculture in Western Victoria, and for our existing customers, it will be business as usual."

The acquisition is subject to customary land conveyancing procedures, with settlement expected to occur in a matter of weeks.

**For further Ridley information please contact:**

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