

Murray River Organics Group Limited
ACN 614 651 473
32 Crompton Way
Dandenong South Victoria 3175

Phone: +61 3 8792 8500
Web: www.murrayriverorganics.com.au

13 February 2020

MURRAY RIVER ORGANICS COMPLETES DESPATCH OF PROSPECTUS TO ELIGIBLE SHAREHOLDERS AND DESPATCH OF LETTER TO INELIGIBLE SHAREHOLDERS

Murray River Organics (ASX:MRG) ("Company") advises that it will today complete despatch of the Prospectus for the fully underwritten 3.843 for 1 accelerated renounceable entitlement offer, announced on Thursday, 6 February 2020 ("Entitlement Offer" or "Offer") and personalised entitlement and acceptance forms to eligible retail shareholders. A copy of the Prospectus was released to ASX on Thursday, 6 February 2020.

Only eligible retail shareholders holding shares on the record date of 7.00pm (AEDT) on Monday, 10 February 2020 may participate in the retail entitlement offer. A notification to those retail shareholders ineligible to participate in the Entitlement Offer will also be sent today (a copy of which is attached).

Further information

For further information on the Retail Entitlement Offer, please contact the Share Registry on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) at any time between 8.30am and 5.00pm Monday to Friday during the Entitlement Offer, which closes at 5.00pm (AEDT) on Tuesday, 25 February 2020. Alternatively, you can access information about the Entitlement Offer online at <https://murrayriverorganicsoffer.thereachagency.com>.

For further information, contact:

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The Board of the Company authorised the release of this announcement to ASX.

Murray River Organics Group Limited (ASX: MRG) is a leading Australian producer, manufacturer, marketer and seller of certified organic, natural and better-for-you food products. We service the organic, natural and healthy food and snack market globally.

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Dear Shareholder

MURRAY RIVER ORGANICS GROUP LIMITED - ENTITLEMENT OFFER NOTIFICATION TO INELIGIBLE SHAREHOLDERS

On 6 February 2020, Murray River Organics Group Limited (ASX: MRG) (**Company**) announced its intention to raise approximately \$25 million through an accelerated pro-rata renounceable entitlement offer of new fully paid ordinary shares in the Company (**New Shares**) at an Offer Price of \$0.015 per New Share (**Entitlement Offer**).

The Entitlement Offer is being conducted in two components:

- (a) an accelerated renounceable institutional entitlement offer of New Shares to eligible institutional shareholders (**Institutional Entitlement Offer**); and
- (b) a renounceable retail entitlement offer of New Shares to eligible retail shareholders (**Retail Entitlement Offer**).

The Entitlement Offer is fully underwritten by Canaccord Genuity (Australia) Limited (**Canaccord**) and Shaw and Partners (**Shaw**) (**Underwriters**).

The Entitlement Offer is being made pursuant to a Prospectus prepared in accordance with section 713 of the Corporations Act 2001 (Cth) (**Act**) (**Prospectus**).

This letter is to inform you about the Entitlement Offer, and to explain why you will not be able to subscribe for New Shares under the Entitlement Offer. This letter is not an offer to issue entitlements or New Shares to you, nor an invitation for you to apply for entitlements or New Shares, but there may be financial implications for you as a result of the Entitlement Offer that you should be aware of. You are not required to do anything in response to this letter.

Details of the Entitlement Offer

The Institutional Entitlement Offer closed on 7 February 2020 and the results of that component of the Entitlement Offer were announced to the market on 10 February 2020.

The Retail Entitlement Offer is being made to Eligible Retail Shareholders (as defined below) to subscribe for 3.843 New Shares for every 1 existing fully paid ordinary share held in the Company as at 7.00pm (Melbourne time) on 10 February 2020 (**Record Date**).

Under a top up facility (**Top Up Facility**), Eligible Retail Shareholders who take up all of their entitlement under the Retail Entitlement Offer may subscribe for additional new shares in excess of that entitlement.



Further details about the Entitlement Offer, including the Top Up Facility and the Bookbuild (as defined below), are set out in the Prospectus, which was lodged with the Australian Securities & Investments Commission and the Australian Securities Exchange (**ASX**) on 6 February 2020 and will be despatched to Eligible Retail Shareholders (as defined below) on or around 13 February 2020.

The proceeds from the Entitlement Offer will be applied towards completing existing vineyard development, sales and marketing expenses, working capital for new product development and launch, repayment of existing debt, interest payments for 18 months, payment of the surrender fee in connection with the exit by MRG from the Colignan lease and costs of the Entitlement Offer.

Eligibility Criteria

Shareholders who are eligible to participate in the Retail Entitlement Offer (**Eligible Retail Shareholders**) are those who:

- (a) were not invited to participate (other than as nominee in respect of other underlying holdings) under the Institutional Entitlement Offer (unless the Underwriters have agreed, in their absolute discretion, that an existing shareholder of the Company who was invited to participate in the Institutional Entitlement Offer, may defer their participation to the Retail Entitlement Offer), and were not treated as Ineligible Institutional Shareholders (as that term is defined in the Prospectus) (**Ineligible Institutional Shareholders**) under the Institutional Entitlement Offer;
- (b) are registered as an existing shareholder of the Company as at 7.00pm (Melbourne time) on the Record Date;
- (c) have a registered address on the Company's share register in Australia or New Zealand as at the Record Date;
- (d) are not in the United States and are not, and are not acting for the account or benefit of, a U.S. Person (as that term is defined in the Prospectus); and
- (e) are eligible under all applicable securities laws to receive an offer under the Entitlement Offer without any requirement for a prospectus or offer document to be lodged or registered.

To avoid any doubt, an Eligible Retail Shareholder also includes any institutional shareholder who was eligible to participate in the Institutional Entitlement Offer but was either not invited to participate in the Institutional Entitlement Offer and was not treated as an Ineligible Institutional Shareholder under the Institutional Entitlement Offer (as determined by the Underwriter in consultation with the Company), or was invited to participate in the Institutional Entitlement Offer but indicated a preference to participate in the Retail Entitlement Offer instead (subject to compliance with applicable laws).

Shareholders who are not Eligible Retail Shareholders or Eligible Institutional Shareholders (as that term is defined in the Prospectus) are not entitled to participate in the Entitlement Offer (**Ineligible Shareholders**) and will not be sent the Prospectus.



The restrictions upon eligibility of shareholders in certain countries to participate in the Entitlement Offer are because of the relatively small number of shareholders in those countries, the small number of shares they hold, the relatively low value of New Shares to which those shareholders would otherwise be entitled and the potential cost of complying with the legal requirements and the requirements of regulatory authorities in those countries. The Company has determined, pursuant to ASX Listing Rule 7.7.1(a), that it would be unreasonable to make offers under the Retail Entitlement Offer to retail shareholders of the Company in countries other than Australia or New Zealand due to the legal limitations and potential cost of complying with regulatory requirements in those countries.

Unfortunately, according to our records, you did not satisfy the eligibility criteria for an Eligible Retail Shareholder stated above. Accordingly, in compliance with ASX Listing Rule 7.7.1(b), the Company wishes to advise you that it will not be extending the Retail Entitlement Offer to you, you will not be sent the Prospectus and you will not be able to subscribe for New Shares under the Retail Entitlement Offer.

However, as the Entitlement Offer is renounceable, Ineligible Shareholders may receive value for the entitlements they would have received had they been eligible to participate in the Entitlement Offer as explained below:

- the Company has appointed the Canaccord-related entity CG Nominees Pty Ltd ABN [54 163 796 674](#) as the nominee in respect of the Ineligible Shareholders (**Nominee**). Entitlements that Ineligible Shareholders would otherwise have been entitled to will instead be issued to the Nominee, who will sell those entitlements to institutional investors under a bookbuild process managed by the Underwriter (**Bookbuild**), which is expected to occur on 27 February 2020.
- if the price at which the New Shares are acquired by participants in the Bookbuild (**Bookbuild Price**) is higher than the Offer Price, the difference between the Bookbuild Price and the Offer Price (**Premium**) will be paid on a pro-rata basis to Ineligible Shareholders and Eligible Shareholders who do not take up their full entitlement under the Entitlement Offer (net of expenses and any applicable withholding tax). The Offer Price will be received by the Company as application monies for the New Shares.
- if the Bookbuild Price is not higher than the Offer Price the Company will receive the Offer Price in respect of all New Shares issued under the Bookbuild and no amount will be payable to Ineligible Shareholders.
- the Registry will distribute any Premium proportionately to Ineligible Shareholders. However there is no guarantee that you will receive any value for your ineligible entitlements.

Indicative Timetable - Key Entitlement Offer details	
Announcement of the Entitlement Offer and Prospectus lodgement date	Thursday, 6 February 2020
Institutional Entitlement Offer opens	Thursday, 6 February 2020
Institutional Entitlement Offer closes	5.00pm (AEDT) Friday, 7 February 2020
Announcement of Institutional Entitlement Offer results	Monday, 10 February 2020

Retail Entitlement Offer Record Date	7.00pm (AEDT) Monday, 10 February 2020
Retail Entitlement Offer opens	Thursday, 13 February 2020
Prospectus dispatched to Eligible Shareholders	Thursday, 13 February 2020
Institutional Entitlement Offer settlement, funds received by Company	Monday, 17 February 2020
Allotment of New Shares to be issued under the Institutional Entitlement Offer	Tuesday, 18 February 2020
Retail Entitlement Offer closes	5.00pm (AEDT) Tuesday, 25 February 2020
Retail Shortfall notification and announcement of Retail Entitlement Offer results	Wednesday, 26 February 2020
Bookbuild (if required)	Thursday, 27 February 2020
Announcement of results of Bookbuild (if required)	Friday, 28 February 2020
Retail Entitlement Offer, Bookbuild and Top Up Facility settlement, funds received by Company	Tuesday, 3 March 2020
Issue of New Shares under Retail Entitlement Offer and additional New Shares under the Top Up Facility and the Bookbuild (Additional New Shares)	Wednesday, 4 March 2020
Quotation of all New Shares issued under the Retail Entitlement Offer and Additional New Shares issued under the Top Up Facility and the Bookbuild Voluntary suspension lifted and commencement of trading	Thursday, 5 March 2020
Dispatch of holding statements for all New Shares under the Retail Entitlement Offer and Additional New Shares issued under the Top Up Facility and the Bookbuild, and payment (if any) in respect of renounced and ineligible entitlements	Thursday, 5 March 2020

This timetable is indicative only. The directors may vary these dates subject to the ASX Listing Rules. An extension of the closing date will delay the anticipated date for issue of the New Shares.

The directors of the Company also reserve the right not to proceed with the Entitlement Offer any time prior to allotment and issue of the New Shares under the Entitlement Offer. In that event, the relevant application monies (without interest) will be returned in full to applicants.

Further Information

If you have any questions in relation to any of the above matters please contact the Share Registry on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) at any time from 8.30am to 5.00pm (Melbourne)



Time) during the Entitlement Offer period. You may also wish to contact your stockbroker, accountant or other professional adviser.

On behalf of the Board and management of the Company, I thank you for your continued interest in the Company.

Yours sincerely

Andrew Monk
Chairman
Murray River Organics Group Limited