

30 September 2021

Capital Management Initiatives and Suspension

Murray River Organics Group Ltd (ASX: MRG) (**Company** or **MRG**) has today advised the ASX that due to ongoing delays in completing its FY21 Audited Financial Statements (**FY21 Audited Financial Statements**) it is unable to lodge its FY21 Audited Financial Statements within the timeframe required by the ASX listing rules and, as a consequence, trading in its ordinary shares will be suspended by ASX.

Completion of the FY21 Audited Financial Statements has been impacted by the delays in the sale of the Company's remaining farm portfolio which is a key component of its refinance with its current debt financier. MRG has requested an extension from its financier to the timing for lodgment of its FY21 Audited Financial Statements.

The Company has commenced a sale process for the remainder of the Company's farming properties, which has been delayed due the challenges of completing confirmatory due diligence by interested parties during the COVID-19 restrictions imposed by the NSW and Victorian governments. This has also impacted the timing of the Company's other capital raising initiatives that were expected to be completed over the coming months.

MRG expects that the suspension will continue until the earlier of MRG releasing its FY21 Audited Financial Statements and the close of normal trading on Friday 29 October 2021.

MRG intends to rely on the reporting relief granted by ASIC under *ASIC Corporations (Extended Reporting and Lodgment Deadlines - Listed Entities) Instrument 2020/451* (as amended) to extend the lodgment date of its FY21 Audited Financial Statements to a date no later than 31 October 2021. MRG was not able to rely on ASX's Class Waiver for the later lodgment date, as MRG did not expect to lodge its accounts after the due date. As a result MRG did not lodge notification of its intention to rely on the ASIC relief at the time of lodgment of the Appendix 4E.

The Company will provide a further update ahead of the extended lodgment deadline if it becomes aware that there is a material difference between its Appendix 4E and its FY21 Audited Financial Statements.

As previously announced the Company is part way through a transformation strategy which will result in a more stable and resilient retail and wholesale trading Company. The Company is divesting its farm assets and transitioning to an Organic and Better for You FMCG company. The proceeds of the farm assets are expected to facilitate the refinance of its current debt provider.

As accretive acquisitions are an integral part of its transformation strategy, MRG also advises it is in confidential and incomplete discussions with several parties regarding potential value accretive acquisitions and or mergers. It is currently expected that any acquisition along with the Company's ongoing working capital requirements will be funded from an equity raise, anticipated to be announced during Q2 FY22.

Furthermore, MRG advises it has completed the settlement of the Company's sale of a portion of the Nangiloc property with proceeds used to repay bank debt. Following the settlement, the Company's bank loans have reduced to \$29.5m and its Equipment Loans have decreased to \$0.6m.

Authorised for release by the Board of the Company.

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