



## PROPERTY SALES

Melbourne, Australia, 24 July 2018

Ridley Corporation Limited (**Ridley**) (**ASX:RIC**) wishes to advise that it has completed the sale of its largest parcel of surplus land at Lara, referred to as Lot A, for total consideration of \$8.0 million. The undeveloped land represents a total of 417.7 Hectares (**Ha**) in close proximity to Avalon airport as shown below. In addition, the 124.1 Ha of land referred to below as Lot C has also been sold for total consideration of \$1.5 million.



The terms of the two separate sale agreements include the payment of \$1.15 million at the date of sale, with the balance to be received in four instalments with amounts and dates comprising:

- (i) \$2.35 million by no later than 30 June 2019;
- (ii) \$2.35 million by no later than 30 June 2020;
- (iii) \$2.30 million by no later than 30 June 2021; and
- (iv) \$1.35 million by no later than 30 June 2022.

The sales follow the 28 June 2018 ASX announcement of the sale of Lot B for gross consideration of \$5.0 million.

The estimated pre-tax profit on sale is c.\$8.2 million based on a cost base of the two parcels of land of \$0.95 million and after allowing for commission and legal costs.

In respect of the residual surplus land holding at Lara identified as Lot D, a twelve month Option agreement has recently been executed for a land-based aquaculture company to purchase the entire holding of 97.8 Ha. The purchaser has twelve months in which to conduct its due diligence and determine whether or not it wishes to exercise its option to complete the contract of sale for total consideration of \$1.5 million.

Ridley Chief Executive Officer Mr Tim Hart commented "We are delighted with the return we have now created for shareholders from this surplus land at Lara, having eliminated the vast majority of Lara landholding costs and generated gross cash proceeds of \$15.6 million against a historical cost base of \$1.9 million, with the potential for a further \$1.5 million from the sale of Lot D. We remain optimistic about the prospects of completing the sale of the final Lara land parcel in the coming year to a leading-edge land-based aquaculture company with whom there are positive synergies in feed supply and rendering of fish bi-products."

**For further information please contact:**

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