

NEWS RELEASE

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FOR IMMEDIATE RELEASE

UPDATE ON BSE LAWSUITS AGAINST RIDLEY INC. AND CANADIAN FEDERAL GOVERNMENT

Mankato, Minnesota / Winnipeg, Manitoba, June 6, 2005 — Ridley Inc., (www.ridleyinc.com) disclosed in early April that it was named as a co-defendant in class action lawsuits filed in Ontario, Quebec, Alberta and Saskatchewan. Other co-defendants are the Canadian Government and Ridley Inc.'s majority shareholder, Ridley Corporation Limited of Sydney, Australia. Ridley Inc. is today providing an up date on the status of these proceedings.

The law suits seek recovery of damages, including punitive damages, for losses allegedly incurred by Canadian cattle farmers as a result of the imposition of international bans on the export of Canadian beef and cattle following discovery in May 2003 of a BSE infected cow in Alberta. The four law suits assert substantially the same allegations and it is unclear at this time whether the plaintiffs intend to actively proceed in each of the four provinces, or whether one of the suits will be pursued and the other three stayed pending its outcome. This should become known over the next few months.

Before any of the law suits can proceed as class actions, the courts must first determine whether the claims raised in these suits are suitable for class action treatment. The determination of this issue requires a certification hearing with contested arguments and evidence being advanced on behalf of each of the parties. Only if the law suits are certified as class actions, will the merits of

the plaintiffs' allegations then be considered by the courts. Ridley Inc. intends to vigorously defend the law suits.

Prior to the certification hearings, there are a number of substantial preliminary legal arguments that Ridley Inc., Ridley Corporation Limited and/or the Canadian Government may pursue. It may be many months, possibly years, before such arguments are fully resolved. Only after these preliminary legal arguments have been resolved and only if the law suits are certified as class actions, will the courts, to the extent it remains necessary, proceed to address the substantive factual allegations that have been raised by the plaintiffs.

A case conference of counsel for all parties is scheduled to be held in Toronto on June 23, 2005. It is premature at this stage, and would not be meaningful, for Ridley Inc. to provide any guidance as to the likely outcome of any aspect of the law suits or any preliminary legal arguments that might be advanced by the parties. Ridley Inc. understands that the nature of the allegations made and the particular losses sought to be recovered will require the plaintiffs to overcome a number of significant legal and factual hurdles to succeed against any of the defendants.

Notification of these law suits has been given to each of Ridley Inc.'s relevant insurers. However, due to the nature of the claims Ridley Inc. cannot yet confirm the existence or extent of insurance coverage that may be available. Discussions with the relevant insurers are on going and, subject to the outcome of these discussions, Ridley Inc. will fund the cost of its defence of these law suits.

Based on information presently available, Ridley Inc. expects that the costs of defending these proceedings will be in the order of \$1.0 to \$1.5 million per year after tax. Costs to be incurred this financial year are not expected to materially affect Ridley Inc.'s financial performance.

Further information concerning these lawsuits will be provided by Ridley Inc. as and when significant and material events occur and will also be included as part of its continuous disclosure reporting.

Ridley Inc., headquartered in Mankato, Minnesota and Winnipeg, Manitoba is one of North America's leading commercial animal nutrition companies. Ridley Inc. manufactures and/or distributes a full range of animal nutrition products under a number of highly regarded trade names.

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