

# NEWS RELEASE

Trading symbol: RCL on The Toronto Stock Exchange

**FOR IMMEDIATE RELEASE**

## **UPDATE ON BSE LAWSUITS AGAINST RIDLEY INC AND GOVERNMENT OF CANADA**

**Mankato, Minnesota / Winnipeg, Manitoba, January 5, 2006** — Ridley Inc. has learned today that the Ontario Superior Court of Justice has denied its motion for early dismissal of the proposed class action lawsuit filed against Ridley by an Ontario dairy farmer.

In October 2005, Ridley disclosed that it had filed and argued preliminary motions seeking early dismissal of the BSE lawsuit filed in the Ontario Superior Court for failure to state actionable claims under Canadian law. Ridley had asserted strong legal arguments supporting its request that the Court strike the claims in advance of class certification hearings or commencement of discovery.

“We are disappointed with today’s ruling on our preliminary motion,” said Steve VanRoekel, Chief Executive Officer of Ridley Inc, “but we remain confident in our defence of the case on the merits. We will continue to vigorously defend the lawsuits at each and every stage of the litigation as it progresses.”

The Court’s denial of Ridley Inc.’s preliminary motion does not impact the merits of the case itself. The issue before the Court was whether the Ontario case would be allowed to proceed to the next stages of the litigation, including determination of class certification and discovery. Ridley will consider all available options regarding appeal of today’s ruling.

In April 2005, Ridley Inc. along with its majority shareholder, Ridley Corporation Limited of Sydney Australia, and the Government of Canada were named defendants in proposed class action lawsuits filed in four Canadian provinces. These lawsuits sought damages, including punitive damages, for losses allegedly incurred by Canadian cattle producers as a result of international bans on the importation of Canadian beef and cattle. These bans followed the May 20, 2004 announcement of a bovine spongiform encephalopathy (BSE) diagnosis in an Alberta cow. None of the plaintiffs in any of the cases alleged any direct connection between them and Ridley Inc.

Today’s ruling struck all of the plaintiff’s claims against Ridley Corporation Limited. The claims against the Canadian Federal government will remain.

“Ridley Inc. has at all relevant times been in full compliance with all applicable laws and regulations.” VanRoekel said. “We take food safety issues seriously and are committed to producing and distributing the highest quality animal nutrition products in the industry.”

Ridley Inc. ([www.ridleyinc.com](http://www.ridleyinc.com)), headquartered in Mankato, Minnesota and Winnipeg, Manitoba, is one of North America’s leading commercial animal nutrition companies. Ridley manufactures and/or distributes a full range of animal nutrition products under a number of highly regarded trade names.

Ridley’s common shares are listed on The Toronto Stock Exchange (Trading symbol: RCL).

###

For more information contact:

Steven J. VanRoekel  
President & CEO  
RIDLEY Inc  
(507) 388-9618