

Announcement for Rural Equities Limited

St Laurence Equities Limited – Formal Takeover Offer

St Laurence Equities Limited (“St Laurence”) recently announced its intention to make a formal takeover offer for up to 100% of Rural Equities Limited (“Rural Equities”) for \$1.50 cash per share.

St Laurence also announced on 2 June 2004 that it was seeking to immediately acquire up to 19.9% of the Rural Equities shares from shareholders for \$1.50 per share in cash.

St Laurence has taken the step of immediately acquiring up to 19.9% to provide shareholders with greater certainty if they wish to sell their Rural Equities shares.

As a result of its intention to acquire up to 19.9% of the shares, St Laurence has decided not to proceed with its formal takeover offer at this time to avoid confusion for shareholders.

A letter from St Laurence Equities Limited outlining the above has been mailed to Rural Equities shareholders on 4 June 2004.

Any shareholder wishing to sell their Rural Equities shares to St Laurence should complete and return the St Laurence offer document to Computershare in the postage paid supplied with the offer document. If any shareholder has not received the documents or has any questions about participating they should contact First NZ Capital on 0800 805 584.

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St Laurence Equities Limited

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