

23 June 2004

Market and Media Announcement

INDEPENDENT DIRECTORS' ADVICE TO RURAL EQUITIES LIMITED
SHAREHOLDERS

The Committee of Independent Directors of Rural Equities Limited has noted the recent developments in relation to the H&G Limited and St Laurence Equities Limited offers that have been advised to the market in the last few days.

As outlined in its letter of 11 June 2004, the Committee believes that individual shareholders will have different degrees of interest in retaining their REL shares, and this will significantly affect their view of the relative attractiveness of the two offers. For this reason, and given that both revised offers are now above the relevant fair value ranges assessed by Deloitte Corporate Finance, the Committee has decided to make no recommendation. Shareholders are, however, advised to carefully review the comments and advice contained in the 11 June 2004 letter before deciding what action (if any) to take.

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