

14 May 2007

**Market and Media Announcement**

**PARTIAL OFFER FOR 10 % OF RURAL EQUITIES LIMITED (REL)**

H&G Limited, an investment company of Sir Selwyn and David Cushing, today advised of its intention to make a partial offer for 10% of the shares in REL (2,223,792 shares).

Currently H&G owns 40.83% of REL and other Cushing family entities own 9.27% (50.1 % combined). The partial offer is for 16.89% of the REL shares which are not already held or controlled by H&G (which equates to 10% of the shares in REL).

The consideration offered is \$2.75 in cash and the offer is conditional on acceptances being received for at least 2,223,792 shares (together with various other conditions relating to, in summary, no material changes occurring in respect of REL and its subsidiaries).

The price represents a premium of 31% to the last traded price on the unlisted market prior to H&G advising its intention to make the partial offer.

“This partial offer gives shareholders an opportunity to sell shares in this thinly traded company at a substantial premium to market price” said David Cushing.

Issued by : H&G Limited