

Media Release

June 21, 2004

H & G WELL POSITIONED TO SECURE REL CONTROL

H & G Limited is currently involved in a partial takeover for Rural Equities Ltd (REL) and is seeking to acquire 2,303,551 shares. This will allow H & G and certain associates of H & G to hold 50.1 % of REL.

On 18 June 2004 H & G increased the offer price from \$1.25 to \$1.50 per share which will be paid for all shares acquired under the offer.

H & G has announced today that it has received acceptances to date in excess of the required amount.

“We are pleased with the widespread support for our offer and the level of acceptances received” said H & G Director David Cushing.

The offer is conditional upon approval being obtained allowing H & G to make the offer.

“At this stage, given the strong acceptance of our offer and the positive reaction from shareholders who have decided to retain their shares but welcome H & G as the majority owner, we are confident this condition will be satisfied,” said Mr Cushing.

Mr Cushing said that many shareholders, like H & G, had elected to retain their REL shares as a long-term investment.

“We are of the view that REL is a quality company and has much potential.”

The H & G offer will remain open until July 8, 2004.

REL, split off from Williams & Kettle last year, manages the New Zealand Rural Property Trust and also owns 32% of the Trust.

Issued by Porter Novelli (09 373 3786) on behalf of H & G Limited.