

### Stephen Kasnet – Chairman's address

In terms of ArborGen, our objective is clear – i.e. to have the company independently listed on an international stock exchange. This is typically effected by way of an initial public offering of shares to new shareholders - more commonly referred to as an IPO.

This will provide several major benefits -

- The capital raised in the IPO would mean that the current funding from ArborGen's partners would immediately cease. ArborGen would then financially be "stand-alone," with the necessary capital to allow its additional growth opportunities to be realised;
- ArborGen's public disclosures would increase significantly – providing shareholders with greater insights into the future path of its profitability, and business value;
- New shareholders would enter the share register and provide buying investor interest and momentum;
- Expanded analyst coverage would follow;
- And, as a result, value recognition over time well beyond that currently implied within Rubicon's share price today, should result.

So, for all these reasons, an IPO of ArborGen is still our core focus.

Where immediate material gains can be made which we know will be recognised in value in an IPO, they will be put in place.

So, –

- Selling a higher proportion of US seedling production in MCP and varietal form;
- Beginning commercial production and sales in Brazil;
- Realising seedling sales into the bioenergy markets;

- Expanding further in existing markets, for example here in NZ; and
- Turning EBITDA positive

are each very important value milestones to higher IPO value realisation.

Each of these will be executed upon in 2014.

**While we are determined to choose the optimal mix of equity market conditions and business progress to execute an IPO of the company, we are also not of a mind to unnecessarily delay the event either. 2014 will be a busy and productive year!**

That completes my comments today, thank you.

#### **FORWARD-LOOKING STATEMENTS**

*There are statements in this presentation that are "forward looking statements." As these forward-looking statements are predictive in nature, they are subject to a number of risks and uncertainties relating to Rubicon, and our Tenon and ArborGen investments, some of which are beyond our control. As a result of the foregoing, actual results and conditions may differ materially from those expressed or implied by such statements. Tenon's risks and uncertainties include - that its operations and results are significantly influenced by the level of activity in the various sectors of the economies in which it competes, particularly in North America. Fluctuations in industrial output, foreign exchange changes, commercial and residential construction activity, capital availability, housing turnover and pricing, levels of repair and remodelling and additions to existing homes, new housing starts, relative exchange rates, interest rates, and profitability of customers, can have a substantial impact on Tenon's results of operations and financial condition. ArborGen's risks and uncertainties include (in addition to those of Tenon) - the global markets and geographies in which it operates, intellectual property protection, regulatory approvals, public and customer acceptance of genetically engineered products, customer adoption of advanced seedling products, the success of ArborGen's research and development activities, weather conditions and biological matters.*

*As a result of the foregoing, actual results and conditions may differ materially from those expressed or implied by such statements.*