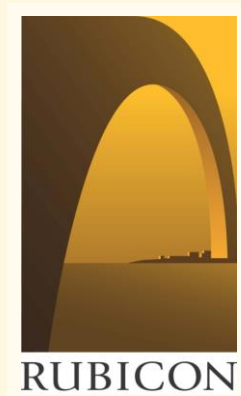


## Special Shareholders' Meeting – 2018



## Special Shareholders' Meeting – 2018



**Stephen Kasnet**  
Chairman of the Meeting

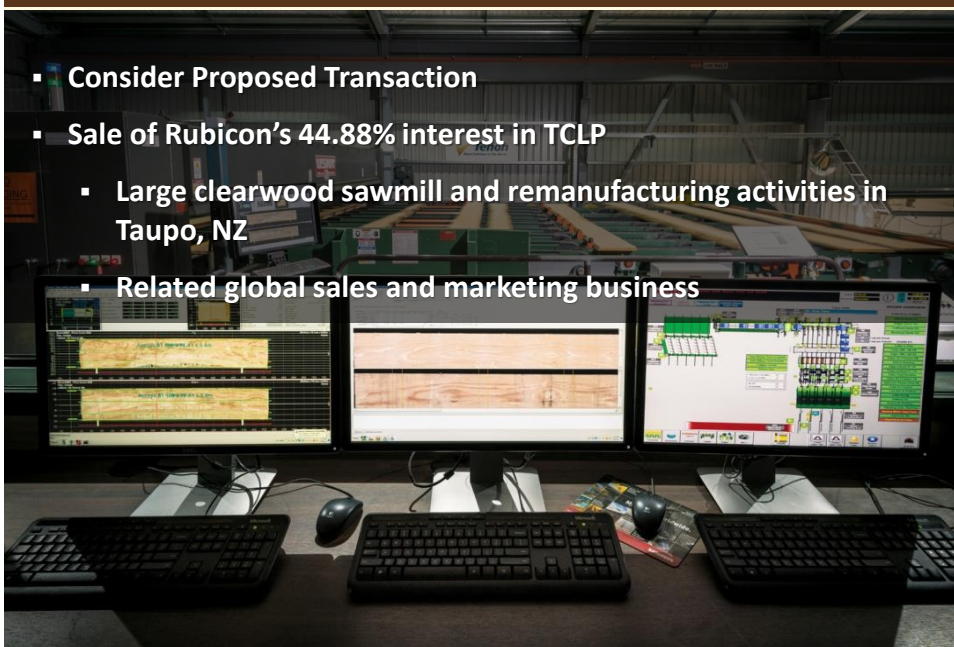
## Special Shareholders' Meeting – 2018

- George Karaplis (teleconference)
- Hugh Fletcher
- Luke Moriarty
- KPMG (Auditors) as scrutineers



## Sole Purpose of Meeting

- Consider Proposed Transaction
- Sale of Rubicon's 44.88% interest in TCLP
  - Large clearwood sawmill and remanufacturing activities in Taupo, NZ
  - Related global sales and marketing business



## Sub-committee of Independent Directors

- **Knott and Libra –**
  - Own ~46% of Rubicon's shares
  - Will acquire 40% of TCLP under the Proposed Transaction
  - Considered 'interested' parties under NZX Listing Rules
- **Independent Committee of RBC Board was established**
  - Steve Kasnet / George Karaplis
  - Lead the negotiation of the Proposed Transaction
  - Recommendation today, is recommendation of Independent Committee
  - Grant Samuel independent report commissioned for shareholders

## Resolution

### **Resolution 1 – Proposed Transaction**

That the sale of Rubicon TC Holdings LP's 44.88% ownership interest in Tenon Clearwood Limited Partnership, on the terms described in the Notice of Meeting, be approved.

- Notice of Meeting contains a full description of the Proposed Transaction

## TCLP Sale – Strategic Rationale

1. **Raise \$ to meet Rubicon's immediate funding requirements**
  - ArborGen acquisition deferred settlement payments (US\$15m)
  - Repayment of subordinated debt notes (US\$6m)
  - No shareholder funding calls
  - Removal of any share price 'overhang' due to funding uncertainty
2. **Refine focus solely to ArborGen**
  - RBC will then be a 'pure play' on the ArborGen value-upside
  - Greater transparency of ArborGen's results in Rubicon financials
  - Increase attractiveness of RBC to potential value investors
3. **Extract up to US\$2m pa in cost-out / savings**

## TCLP Sale – Sale Price

- **Not deemed necessary to run another exhaustive sales process**
  - Tenon had been through a 18-month process with the TCLP business
  - Supported by an international investment banker
  - Only completed that deal in April this year
  - TCLP was the winning bidder, best value outcome
- **Purchase Price under today's Proposed Transaction**
  - Same price as Tenon transaction, adjusted upwards for cash since
  - Price of US\$14.9m is within the G.S. value range
  - G.S. assessed value (adj for actual 31/12 debt) at US\$13.2m – US\$17.8m
  - Rubicon stake is a non-control block in a limited partnership structure

## TCLP Sale – Sale Price (cont)

### ▪ Grant Samuel conclusion –

*“In Grant Samuel’s opinion, based on the analysis of the merits outlined [above], the terms of the Proposed Transaction are fair and reasonable to the shareholders of Rubicon not associated with Knott and Libra.*

*In Grant Samuel’s opinion, the information [to be] provided by Rubicon to its shareholders is sufficient to enable holders of those shares to understand all the relevant factors and make an informed decision as to the sale of Rubicon’s interest in TCLP.”*

## Rubicon post TCLP sale – a ‘pure play’ on ArborGen

- We have great belief in the upside potential of ArborGen
  - Global leader in advanced forestry genetics
    - Operating in world’s major commercial tree species
    - In geographies with high annual tree planting rates
    - Selling to major forestry players
    - A leading market position in the US, its largest market
  - Pre-eminent intellectual property position
    - Industry-leading germplasm
    - Proprietary ‘tree machine’ platform
    - Extensive database of global field trials
    - Varietal and transgenic technology
    - Genomics platform
  - Portfolio of advanced products not requiring regulatory consent
  - Turned EBITDA positive last year, to be cash positive from now on
- Value will be reflected in future earnings and RBC share price

## Resolution

### **Resolution 1 – Proposed Transaction**

That the sale of Rubicon TC Holdings LP's 44.88% ownership interest in Tenon Clearwood Limited Partnership, on the terms described in the Notice of Meeting, be approved.

## Forward-Looking Statements

*There are forward-looking statements included in this document. As forward-looking statements are predictive in nature, they are subject to a number of risks and uncertainties relating to Rubicon, its operations, the markets in which it competes and other factors (some of which are beyond the control of Rubicon). As a result, actual results and conditions may differ materially from those expressed or implied by such statements.*

*All references in this document to \$ or "dollars" are references to United States dollars unless otherwise stated. An exchange rate of 0.70 has been used to calculate any NZ\$ equivalents of US\$ amounts.*