



News Release

TO: THE BUSINESS EDITOR

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Information on Tenon Limited can be found at <http://www.tenon.co.nz>.

STOCK EXCHANGE LISTINGS: NEW ZEALAND (TEN), AUSTRALIA (TNN) & NEW YORK (FFS).

TENON SAYS “TAKE NO ACTION” ON REVISED RUBICON OFFER

Auckland, 19 May, 2004 – The Independent Directors of Tenon Limited are advising its shareholders to take no action on the revised partial takeover Offer announced today by Rubicon Forests Limited.

The Independent Directors say they will make a further announcement to Tenon shareholders shortly.

In advising Tenon shareholders to take no action in the meantime, the Independent Directors note:

- The new Offer price of NZ\$1.95 is still substantially below the valuation range assessed by the independent adviser Grant Samuel & Associates of between NZ\$2.01 and \$2.22 per share.
- The Offer is still a partial offer – for only 37.5% of the company’s shares not owned by Rubicon.
- The Offer is highly conditional – and Rubicon has not waived any of its previously stated conditions in the offer.
- There is no advantage in accepting the Rubicon Offer early.

In its statement advising the revised Offer price, Rubicon has referred to an “updated Independent Adviser’s report.” Shareholders should note that Rubicon is not referring to the Grant Samuel report on the merits of the Offer, but to an independent report prepared by Ferrier Hodgson for Rubicon which simply compared the fairness of the offer as between ordinary and preference shares.

END