



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 LOOKING AT SHAREHOLDER PLAN

Auckland, 15 July, 2004 – Tenon announced today that its Board of Directors was considering the introduction of a shareholder plan that would provide shareholders with small parcels with a means of rationalising their holdings.

The Board is conscious that following the recent partial takeover by Rubicon, shareholders' participation in the takeover was scaled back, leaving many shareholders with uneconomic parcels of shares in the Company. The second capital return, to be made later this year, will further impact this position.

To address this concern, it is likely that a small shareholding plan will be offered to shareholders in conjunction with the second capital return.

ENDS