



News Release

TO: THE BUSINESS EDITOR

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Please note: If you do not receive 1 page(s) including this page, or if any page is not readable, please call the Marlene Krone immediately on telephone 64-9-571 9808.

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 BEGINS PROCESS OF WINDING UP ADR PROGRAMME

Auckland, 10 August, 2004 – Tenon announced today that it is moving to wind up its American Depositary Receipt (“ADR”) Programme in the United States, and to de-list from the New York Stock Exchange (“NYSE”).

The Company said that, “With a reduction in the overall size of the Company following the sale of the forest estate, a preference on the part of North American shareholders to invest in Tenon by way of shares traded on our more liquid home exchange (the NZX) rather than in ADR form on the NYSE, and one of the principal reasons for initially listing in the United States – access to United States’ capital – being no longer relevant to Tenon, the rationale for an ADR programme and NYSE listing is no longer compelling.”

The cost of maintaining the ADR listing has become disproportionate to the number of shares in Tenon that are held by United States investors through that programme. ADRs represent less than 3.5% of Tenon’s share register.

Notice of cancellation will be given within two weeks and the NYSE de-listing will take effect in approximately one month after that notice, although the full process of winding up the ADR programme will take approximately seven months to complete. A letter will be sent shortly to each ADR holder advising them of the process and of their options.

ENDS