

4 November 2013

PaperlinX SPS Trust ARSN 123 839 814
ASX Announcement –Market Update

On 30 September 2013, The Trust Company (RE Services) Limited (**The Trust Company**) as the responsible entity for PaperlinX SPS Trust (**Trust**) received a request from 5 members of the Trust (**Requisitioning Members**) to hold a general meeting of members to consider a special resolution (**Withdrawn Resolution**) to amend the constitution of the Trust (**Constitution**).

The Trust announced on 21 October 2013 that it would convene a general meeting to consider the Withdrawn Resolution on 2 December 2013. Shortly after this announcement, the Requisitioning Members withdrew their request.

New Requisition

On 4 November 2013 the Trust received a second request pursuant to Section 252B of the Corporations Act from the Requisitioning Members that the Trust convene a general meeting to consider a special resolution (**New Resolution**) to amend the Constitution as follows:

That the constitution of PaperlinX SPS Trust be amended by:

- (a) *replacing the following words from Schedule 1 — SPS Terms clause 7.5:*

"The Realisation Method (or combination of methods) is to be determined in accordance with clause 7.7 ("Issuer Realisation and Realisation Method determined by PaperlinX")."

with:

"The Realisation Method (or combination of methods) is to be determined by the Responsible Entity or a special resolution of members. Where members have passed a special resolution, the Responsible Entity must act promptly in accordance with such resolution."

The New Resolution requires 3 meetings to be held

As the New Resolution seeks to vary the rights attaching to both the PaperlinX step-up preference securities (**SPS**) and the ordinary unit in the Trust, the New Resolution must be approved as a special resolution at 3 different meetings: a general meeting; a class meeting of SPS holders and a class meeting of the ordinary unit holder (i.e. PaperlinX Limited (**PaperlinX**)).

With a view to resolving continued uncertainty regarding the proposed amendments, the Trust proposes to convene the meetings as early as possible. It is currently expected that the meetings will be held in early to mid December 2013. The Trust is preparing notices of meeting and will provide details of the time and location of the meetings in due course.

PaperlinX support and Corporations Act obligations

In an announcement released to the market on 22 October 2013 PaperlinX stated:

"PaperlinX is not supportive of the proposed amendments and is firmly of the view that these amendments are incapable of execution without its support".

Irrespective of PaperlinX's announcement, The Trust Company is obliged by the Corporations Act to convene and hold the general meeting the subject of the Requisitioning Members request. Accordingly, The Trust Company proposes to proceed with the general meeting and the 2 separate class meetings in accordance with its obligations under the Corporations Act and the Constitution.

Further information

For further information please contact Rupert Smoker on 02 8295 8100.

Ends

