

ASX RELEASE

12 November 2018

SETTLEMENT WITH THE NETHERLANDS HOLDINGS BANKRUPTCY TRUSTEES

Spicers Limited ('Spicers', the 'Spicers Group' including subsidiary companies) advises that it has entered into a settlement agreement with the Bankruptcy Trustees of PaperlinX Netherlands Holdings B.V., the holding company of PaperlinX's former continental European operations ('the Netherlands Holdings Bankruptcy Trustees').

This settlement agreement primarily relates to legacy loan obligations between entities within the Spicers Group and PaperlinX Netherlands Holdings B.V. While the other terms of the settlement agreement are confidential, it also provides for the discharge and release of all other obligations between the parties, thus removing the possibility of any residual claims being brought against the Spicers Group by the Netherlands Holdings Bankruptcy Trustees.

A settlement amount of €5.65 million (A\$9.1 million), to be paid by the Spicers Group, has been agreed between the parties. Spicers will fund this payment out of existing net cash reserves, and settlement of this matter is expected to result in a net gain of approximately A\$1.9 million in the result from 'discontinued operations' for the first-half of FY2019.

For further information contact:

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About Spicers Limited (SRS)

Spicers is a dynamic and solutions-focused distribution business with an extensive network in the geographies we serve. We offer a full suite of products and services to our customers, incorporating commercial print, digital media, label & packaging, industrial packaging, sign & display consumables and hardware, and architectural offerings.