

PRESS RELEASE

1 July 2004

EXECUTIVE RETIREMENT

PaperlinX announced today that, after 41 years with Spicers Paper and PaperlinX, Peter Waterworth has advised the Board he will retire as an Executive of PaperlinX and resign as a Director on 1 November 2004.

Peter was Managing Director of Spicers Paper Limited when PaperlinX acquired the business in 2001. He was then appointed a Director of PaperlinX and Chief Operating Officer Merchanting and Paper Trading.

Mr David Meiklejohn, Chairman of PaperlinX said, "Peter has made a substantial contribution to the establishment and growth of the PaperlinX Merchanting business. His achievements as a Director of the company and Chief Operating Officer of Merchanting have assisted greatly to the development of what is today the largest and only global fine paper merchant, with a clear strategy for future success. On behalf of the Board and the PaperlinX Executives, I thank Peter for his contribution and wish him a happy and productive retirement in the future."

As a result of this announcement, the businesses previously reporting to Peter will now report directly to PaperlinX Managing Director, Thomas Park. Commenting on today's announcement, Mr Park said, "Peter has been a valued and respected member of the senior management team of PaperlinX. We have strong management teams in our regional merchanting businesses, and the current changes in reporting lines are a logical extension of the development of our global paper merchanting platform."

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Editors Note:

PaperlinX is the world's leading fine paper merchant, with businesses in Australia, New Zealand, Asia, North America and Europe. Through its Australian Paper division, it is also the only Australasian producer of high quality communication papers, and a major producer of high performance packaging and industrial papers.