

Media Release

AUSTRALIAN PAPER AWARDED FSC CHAIN OF CUSTODY CERTIFICATION

Melbourne (Thursday 30th June 2006) – **Australian Paper**, Australia's leading pulp and paper manufacturer announced today that it has been awarded Forest Stewardship Council (FSC) Chain of Custody Certification (Cert. Number SW-COC-1908) for its Shoalhaven Mill operations.

An international not-for-profit organisation, the FSC promotes environmentally responsible, socially beneficial and economically viable management of the world's forests, by recognising Principles of Forest Stewardship. Its certification programs are well established, with more than 500 forest managers and 2500 producers having demonstrated their commitment to responsible forest management by certifying their operations to FSC standards.

WWF, the conservation organisation, currently considers the Forest Stewardship Council (FSC) certification system to be the only credible system to ensure environmentally responsible, socially beneficial and economically viable management of forests. WWF therefore recommends the FSC system to consumers, forest managers, policy makers, businesses and the public.

FSC Chain of Custody Certification provides a guarantee about the production of FSC-certified products. Chain-of-custody is the path taken by raw materials from the forest to the consumer, including all successive stages of processing, transformation, manufacturing and distribution.

Following independent verification for adherence to FSC chain of custody processes, Australian Shoalhaven Mill operations were certified to FSC standard. Accordingly, all wood fibres utilised in the manufacture of the company's speciality papers meet all FSC criteria, as either FSC Certified or FSC 'Controlled Wood' from well managed forests.

Further supporting its commitment to environmentally sustainable manufacturing practices, Australian Paper aims to achieve FSC Chain of Custody across all its operations. The company's Maryvale and Tasmanian mills are currently undergoing FSC assessment with a view to certification later this year.

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About Australian Paper

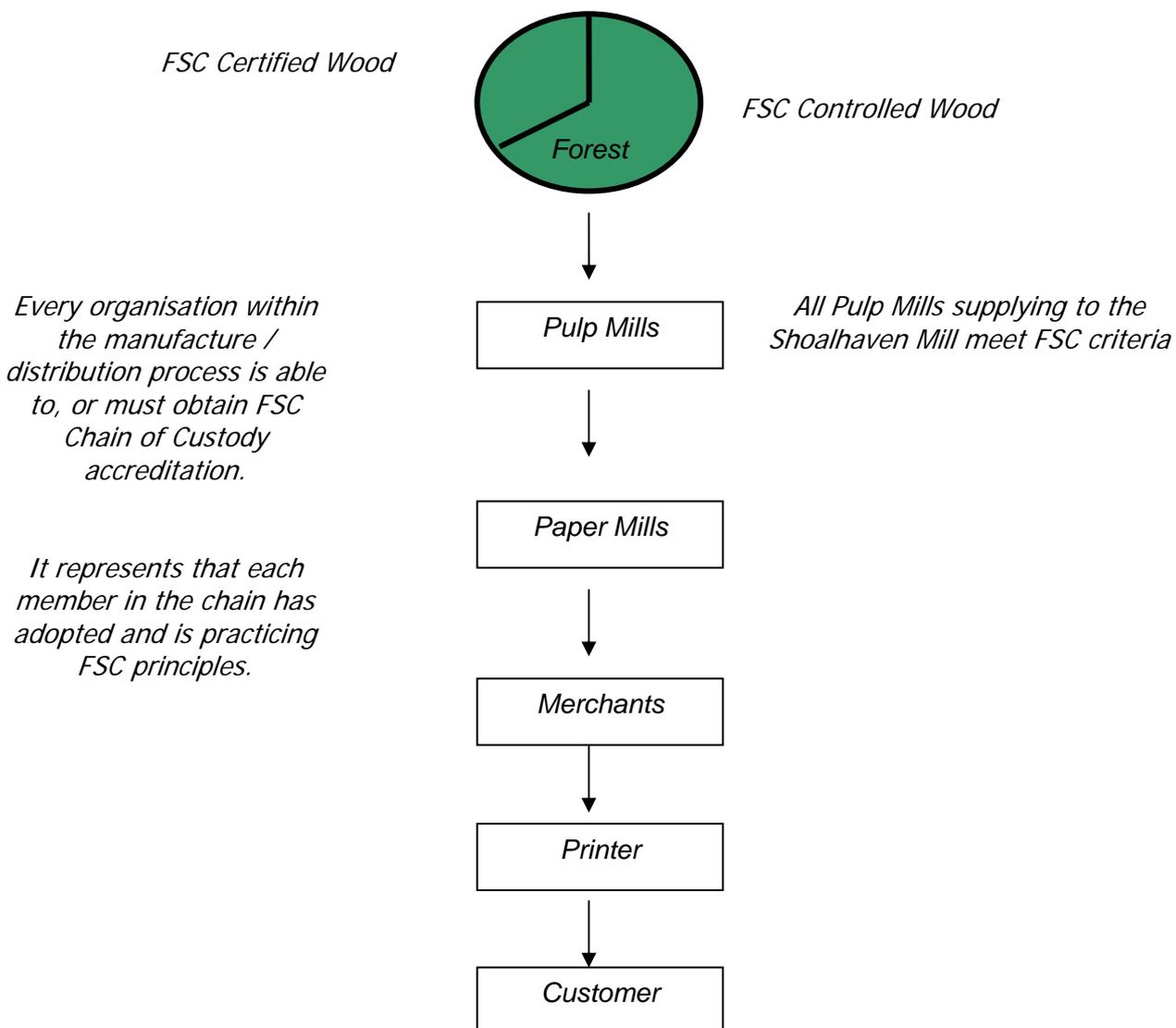
Australian Paper is the leading producer of fine printing and writing papers together with packaging and industrial paper grades in Australia. It produces a range of papers suitable for printing, packaging, and office purposes, which reach millions of homes and businesses every day. Headquartered in Melbourne, Australian Paper employs more than 1700 people. Australian Paper's recycled, virgin, bleached and brown packaging papers for corrugated box, paper sack, envelope and bag applications deliver value and increase profitability through supply chain efficiencies, reducing costs and developing new products and services. Further information on Australian Paper and its products can be found at: <http://www.australianpaper.com.au>

Notes

Forest Stewardship Council

Chain of custody is the path taken by raw materials from the forest to the consumer, including all successive stages of processing, transformation, manufacturing and distribution. From a customer perspective, the FSC label represents a promise that is being made to them. Chain of custody standard is the mechanism FSC has to ensure that 'promise' is delivered.

Chain of Custody – Paper Products



FSC Certified Wood: Certified Wood provides a guarantee that the Chain-of-Custody path taken by raw materials from the forest to the consumer, including all successive stages of processing, transformation, manufacturing and distribution, meets all standards established by FSC to ensure that the greatest possible contribution to forest stewardship has been achieved.

FSC Controlled Wood: Controlled Wood is non-FSC certified wood that has been evaluated by FSC to ensure wood DOES NOT come from:

1. Forest areas, which have been illegally harvested.
2. Forest areas where traditional or civil rights are violated.
3. Forests with threatened High Conservation Values.
4. Genetically modified (GM) trees.
5. Forests cleared for plantation or other use.