

PRESS RELEASE

Wednesday, 8 August 2001

PAPERLINX RESTRUCTURES AUSTRALIAN MERCHANTS

PaperlinX today announced the restructuring of its paper merchanting businesses in Australia. The restructure results from a detailed strategic analysis of the businesses following the PaperlinX acquisition of Spicers Paper in January this year.

“This keeps us on track to achieve our targeted synergy benefits, on an annualised basis, as indicated when we acquired Spicers Paper”, said Mr Ian Wightwick, Managing Director of PaperlinX. “Since acquiring Spicers, our management have taken the appropriate steps to prepare for these changes, ensuring the desired benefits are achieved”.

“Our merchants will be re-organised into four businesses focused on the needs of our customers. The businesses will be known as: Dalton Fine Paper, Dalton Web Papers, Spicers Paper and Spicers Office Papers. The new structure is expected to be fully operational by October 1”.

“We look forward to building efficient and focused businesses in Australian paper merchanting achieving the maximum level of customer satisfaction”, added Mr Wightwick. “This is an important development for PaperlinX in our drive to improve returns for our shareholders”.

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