

PRESS RELEASE

Monday, 8 October, 2001

PAPERLINX SELLS CHEMICAL TRADING BUSINESS

PaperlinX today announced the sale of Amtrade, its chemical trading business in Australia and New Zealand to AWL Enterprises Pty Ltd, a management buyout consortium comprising Amtrade's General Manager, Stuart Speight, ANZ Private Equity and a number of other private investors.

Ian Wightwick, Managing Director of PaperlinX Limited commented, "Amtrade, while a successful and profitable business, is not aligned with the core business strategy of PaperlinX. We believe this sale is in the best interest of PaperlinX, Amtrade, and Amtrade's employees, customers and suppliers. Proceeds from this sale will be reinvested in paper merchandising internationally in line with our strategic growth path for PaperlinX."

Amtrade had annual sales in the year just completed of A\$150m. It will remain a major supplier to Australian Paper, the paper manufacturing division of PaperlinX.

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For further information please contact:

Mr Ian Wightwick
Managing Director
PaperlinX Limited
Ph: (03) 8540 2222

Mr Darryl Abotomey
Chief Financial Officer
PaperlinX Limited
Ph: (03) 8540 2305

Mr David Shirer
Executive General Manager
Corporate & Investor Relations
PaperlinX Limited
Ph (03) 8540 2302