

PRESS RELEASE

04 December 2002

PAPERLINX ANNOUNCES SHARE BUY-BACK

PaperlinX announced today an on-market, share buy-back of up to 10 million of the Company's shares. The Company will fund the buy-back with cash generated in excess of its current needs, largely through its focussed working capital management program.

In announcing the buy-back Ian Wightwick, PaperlinX's Managing Director, said, "This buy-back will not impact adversely our ability to further pursue options for growth by acquisition in North America and Europe. However we are also committed to actively manage the capital base of the company and current stock market conditions have provided us with the opportunity to enhance shareholders' returns by buying back our own stock at this time."

The buy-back period will commence on 19 December 2002 and will continue for up to 6 months. The level of buy-back does not require specific shareholder approval. Credit Suisse First Boston will act on behalf of PaperlinX.

ENDS

For further information please contact:

Mr Ian Wightwick
Managing Director
PaperlinX Limited
Ph: +61 (0)3 8540 2222

Mr Darryl Abotomey
Chief Financial Officer
PaperlinX Limited
Ph: +61 3 8540 2305
Ph: +61 (0)419 838 059

Editors Note:

PaperlinX is a leading international paper merchant, with businesses in Australia, New Zealand, Asia, North America, the United Kingdom and Ireland. 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. PaperlinX is listed on the Australian Stock Exchange under the symbol "PPX".