

PRESS RELEASE

Tuesday, 7 September, 2004

PAPERLINX SMALL SHAREHOLDING FACILITIES

PaperlinX has today announced the implementation of three facilities which allow PaperlinX's smallest shareholders the opportunity to either purchase additional PaperlinX shares, or sell the PaperlinX shares they have, without the cost of brokerage.

PaperlinX values the support of all its shareholders, but also recognises that for small shareholders applicable transaction costs may represent an impediment to the disposal of, or increase to, an existing holding. The implementation of these facilities addresses these issues.

Therefore as foreshadowed at the last AGM, PaperlinX is making available three different facilities to shareholders with small holdings in the company, namely:

- a **Small Holding Sale Facility**, which is applicable to shareholders with less than a marketable parcel of PaperlinX shares;
- a **Top-Up Facility**, which is available to Australian shareholders with 200 or less PaperlinX shares; and
- a **Share Sale Facility**, which is available to Australian shareholders with a marketable parcel of 200 or less PaperlinX shares.

The **Small Holding Sale Facility** is a facility under which PaperlinX shareholders who hold less than a marketable parcel of PaperlinX shares will have those shares sold for them without paying brokerage or handling fees, unless they notify PaperlinX that they wish to retain their shares within the applicable timeframe. (A marketable parcel of PaperlinX shares is a parcel of shares with a value of A\$500 or more.) The shares will be sold on market after 11 November 2004.

The **Top-Up Facility** is a facility under which PaperlinX shareholders with a registered address in Australia who hold 200 or less PaperlinX shares can elect to purchase either an additional A\$1,000 or A\$2,000 worth of PaperlinX shares without paying brokerage or handling fees. Participation in the Top-Up Facility is entirely voluntary. Shares will be purchased on market during the course of the facility.

The **Share Sale Facility** is a facility under which PaperlinX shareholders with a registered address in Australia who hold a marketable parcel of 200 or less PaperlinX shares can elect to have those shares sold for them without paying brokerage or handling fees. Participation in the Share Sale Facility is entirely voluntary. Shares will be sold on market during the course of the facility.

The eligibility criteria are different for each of the facilities. However, all PaperlinX shareholders who are eligible to participate in one or more of the facilities will receive a letter from PaperlinX advising them of their eligibility and providing them with the necessary terms and conditions and instruction forms. Copies of pro forma versions of the relevant documents are attached.

The relevant dates relating to the facilities are as follows:

Record Date: 7.00 am on 7 September 2004. Eligibility to participate in one or more of the facilities was determined at that time.

Closing Date: 5.00pm on 10 November 2004

Answers to various frequently asked questions in relation to the facilities will be available on the PaperlinX web site (www.paperlinx.com) together with the financial services guides of the broker to the facilities and PaperlinX's share registry.

About PaperlinX

PaperlinX is a leading international paper merchant, with businesses in Australasia, Asia, Europe, North America and South Africa. Through subsidiary Australian Paper 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 quoted on the Australian Stock Exchange under the code "PPX".

ENDS

For further information please contact:

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7 September 2004

THIS LETTER CONTAINS IMPORTANT INFORMATION ABOUT YOUR SHARES IN PAPERLINX

**IF YOU DO NOT RESPOND TO THIS LETTER PAPERLINX WILL BE ENTITLED TO HAVE YOUR SHARES SOLD FOR YOU
AND THE PROCEEDS SENT TO YOU**

Dear Shareholder

Small Holding Sale Facility and Top-Up Facility

I am writing to all shareholders with a registered address in Australia who held less than a marketable parcel of PaperlinX shares (being a parcel of shares valued at less than A\$500) as at 7.00am (Melbourne time) on 7 September 2004 to see whether you would like to retain your shares or have them sold for you or, alternatively, whether you would like to "top-up" your shareholding.

PaperlinX will pay all brokerage and handling fees related to sales or purchases under the facilities. However, you will bear any other taxes or charges on the transaction.

Your options and what you need to do

Your options are as follows:

- If you would like to **sell** your PaperlinX shares without paying brokerage or handling fees, you do not need to do anything in response to this letter. As a result, PaperlinX will become entitled to have your shares sold for you under the Small Holding Sale Facility, with the proceeds of sale being sent to you.

It is currently anticipated that the proceeds of sale of shares under the facility will be sent to relevant shareholders around the end of November 2004.

- If you wish to **retain** your PaperlinX shares, you **must** do one of the following **before 5.00 pm on 10 November 2004**:
 - complete the enclosed blue headed "Notice of Retention of Small Shareholding" form and return it in accordance with the instructions on the form so that it is received by 5.00pm on 10 November 2004; or
 - elect to participate in the Top-Up Facility (as described below); or
 - otherwise purchase additional PaperlinX shares so that your shareholding becomes a marketable parcel worth more than A\$500. For such purchases to be an effective notification to PaperlinX that you wish to retain your shares, any additional shares must be held in the same holding as your current shares (in particular, under the exact same name and address as set out above) and must be registered by the time referred to above (ie you must advise your broker to purchase the shares under the same holder number (HIN or SRN) that is stated on the enclosed forms).
- If you wish to purchase either an additional A\$1,000 or A\$2,000 worth of PaperlinX shares through the Top-Up Facility without paying brokerage or handling fees, you will need to complete the enclosed yellow headed "Buy Instruction Form" and return it, along with a cheque for the relevant purchase price, in accordance with the instructions on the form so that they are received by us **before 5.00 pm on 10 November 2004**.

Sales and purchases of PaperlinX shares under the facilities will be made by Credit Suisse First Boston Australia Equities Limited (the **Broker**) (acting as execution-only broker) on the Australian Stock Exchange (**ASX**). You will not need to appoint your own broker.

Further details in relation to the Small Holding Sale Facility and the Top-Up Facility are enclosed with this letter.

The price of PaperlinX shares

In the week before 7 September 2004, PaperlinX shares have traded on the Australian Stock Exchange in the range of A\$5.17 to A\$5.45, with the closing price on 6 September 2004 being A\$5.21. The price of PaperlinX shares is subject to change from time to time, and pricing information is available from newspapers or the ASX website (www.asx.com.au) under the ASX code "PPX".

You should be aware that the price for PaperlinX shares that you sell or buy under the facilities will depend on a number of factors (including prevailing market conditions) and will be an average price. Please see the discussion in the enclosed documents as to how the relevant price will be determined.

You should also note that the price at which PaperlinX shares will be sold under the Small Holding Sale Facility is not fixed and is not underwritten, and may be less than the market price of PaperlinX shares at any given time. Further, if a large number of PaperlinX shares are sold under the Small Holding Sale Facility at the same time as your shares, this may have an adverse effect on the price that you receive.

Important Notes

Please read this letter and the enclosed documents carefully as they contain important information. However, you should note that none of those documents constitute advice or a recommendation by any of PaperlinX, the Broker or Computershare Investor Services Pty Ltd (**Computershare**) to buy, sell or hold PaperlinX shares, nor that the facilities are the best way to buy or sell PaperlinX shares.

If you do not respond to this letter, you will be taken to appoint PaperlinX as your agent to receive any notice (including a Financial Services Guide and any update of that document) that the Broker or Computershare is required to provide under the Corporations Act. Any such document will be made available on PaperlinX's website (www.paperlinx.com).

If you are in any doubt about whether to participate, you should consult your licensed financial adviser. You may wish to seek independent professional advice concerning the tax consequences of your decision.

There is a possibility that the Broker may inadvertently act as principal as counterparty to some of the sales or purchases of PaperlinX shares under the facilities. However, any such trading will take place on ASX at market prices.

If you have any questions concerning your PaperlinX shareholding or how the Small Holding Sale Facility or the Top-Up Facility will work, please contact Computershare on 1800 232 867 (from within Australia) or on 61 3 9415 4021 (from outside Australia).

Answers to a number of "Frequently Asked Questions" concerning the facilities will be made available on PaperlinX's website (www.paperlinx.com).

Yours sincerely



David Meiklejohn
Chairman

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Dear Shareholder

Small Holding Sale Facility

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PaperlinX will pay all brokerage and handling fees related to sales under the Small Holding Sale Facility. However, you will bear any other taxes or charges on the transaction.

Your options and what you need to do

Your options are as follows:

- If you would like to **sell** your PaperlinX shares without paying brokerage or handling fees, you do not need to do anything in response to this letter. As a result, PaperlinX will become entitled to have your shares sold for you under the Small Holding Sale Facility, with the proceeds of sale being sent to you.

It is currently anticipated that the proceeds of sale of shares under the facility will be sent to relevant shareholders around the end of November 2004.

- If you wish to **retain** your PaperlinX shares, you **must** do one of the following **before 5.00 pm on 10 November 2004**:
 - complete the enclosed blue headed "Notice of Retention of Small Shareholding" form and return it in accordance with the instructions on the form so that it is received by 5.00pm on 10 November 2004; or
 - purchase additional PaperlinX shares so that your shareholding becomes a marketable parcel worth more than A\$500. For such purchases to be an effective notification to PaperlinX that you wish to retain your shares, any additional shares must be held in the same holding as your current shares (in particular, under the exact same name and address as set out above) and must be registered by the time referred to above (ie you must advise your broker to purchase the shares under the same holder number (HIN or SRN) that is stated on the enclosed forms).

Sales of PaperlinX shares under the Small Holding Sale Facility will be made by Credit Suisse First Boston Australia Equities Limited (the **Broker**) (acting as execution-only broker) on the Australian Stock Exchange (**ASX**). You will not need to appoint your own broker.

Further details in relation to the Small Holding Sale Facility are enclosed with this letter.

The price of PaperlinX shares

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time, and pricing information is available from newspapers or the ASX website (www.asx.com.au) under the ASX code "PPX".

You should be aware that the price for PaperlinX shares that are sold under the Small Holding Sale Facility will depend on a number of factors (including prevailing market conditions) and will be an average price. Please see the discussion in the enclosed documents as to how the relevant price will be determined.

You should also note that the price at which PaperlinX shares will be sold under the Small Holding Sale Facility is not fixed and is not underwritten, and may be less than the market price of PaperlinX shares at any given time. Further, if a large number of PaperlinX shares are sold under the Small Holding Sale Facility at the same time as your shares, this may have an adverse effect on the price that you receive.

Important Notes

Please read this letter and the enclosed documents carefully as they contain important information. However, you should note that none of those documents constitute advice or a recommendation by any of PaperlinX, the Broker or Computershare Investor Services Pty Ltd (**Computershare**) to buy, sell or hold PaperlinX shares, nor that the Small Holding Sale Facility is the best way to sell PaperlinX shares.

If you do not respond to this letter, you will be taken to appoint PaperlinX as your agent to receive any notice (including a Financial Services Guide and any update of that document) that the Broker or Computershare is required to provide under the Corporations Act. Any such document will be made available on PaperlinX's website (www.paperlinx.com).

If you are in any doubt about whether to participate, you should consult your licensed financial adviser. You may wish to seek independent professional advice concerning the tax consequences of your decision.

There is a possibility that the Broker may inadvertently act as principal as counterparty to some of the sales or purchases of PaperlinX shares under the facilities. However, any such trading will take place on ASX at market prices.

If you have any questions concerning your PaperlinX shareholding or how the Small Holding Sale Facility will work, please contact Computershare on 1800 232 867 (from within Australia) or on 61 3 9415 4021 (from outside Australia).

Answers to a number of "Frequently Asked Questions" concerning the Small Holding Sale Facility will be made available on PaperlinX's website (www.paperlinx.com).

Yours sincerely

A handwritten signature in black ink, appearing to read "David Meiklejohn", with a long, sweeping horizontal line extending to the right.

David Meiklejohn
Chairman

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Dear Shareholder

Share Sale Facility and Top-Up Facility

I am writing to all shareholders with a registered address in Australia who held a marketable parcel of 200 or less PaperlinX shares as at 7.00am (Melbourne time) on 7 September 2004 to see whether you would like to have your shares sold for you or, alternatively, whether you would like to "top-up" your shareholding.

Participation in the facilities described in this letter and the enclosed documents is entirely on a voluntary basis. If you elect to participate, PaperlinX will pay all brokerage and handling fees related to your sales or purchases. However, you will bear any other taxes or charges on the transaction.

Your options and what you need to do

Your options are as follows:

- If you would like to sell **all** (but not some) of your PaperlinX shares through the Share Sale Facility without paying brokerage or handling fees, you will need to complete the enclosed red headed "Sale Instruction Form" and return it in accordance with the instructions on the form so that it is received by us **before 5.00 pm on 10 November 2004**.

As your PaperlinX shares are held in a CHESS holding, before you return your Sale Instruction Form you must ensure that your sponsoring broker affixes its stamp to the Sale Instruction Form in the space marked.

- If you wish to purchase either an additional A\$1,000 or A\$2,000 worth of PaperlinX shares through the Top-Up Facility without paying brokerage or handling fees, you will need to complete the enclosed yellow headed "Buy Instruction Form" and return it, along with a cheque for the relevant purchase price, in accordance with the instructions on the form so that they are received **before 5.00 pm on 10 November 2004**.
- If you do not wish to sell, or top-up, your shareholding, you can disregard this letter.

Sales and purchases of PaperlinX shares under the facilities will be made by Credit Suisse First Boston Australia Equities Limited (the **Broker**) (acting as execution-only broker) on the Australian Stock Exchange (**ASX**). You will not need to appoint your own broker.

The detailed terms and conditions of the Share Sale Facility and the Top-Up Facility are enclosed with this letter.

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- If you would like to sell **all** (but not some) of your PaperlinX shares through the Share Sale Facility without paying brokerage or handling fees, you will need to complete the enclosed green headed "Sale Instruction Form" and return it in accordance with the instructions on the form so that it is received by us **before 5.00 pm on 10 November 2004**.
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You should also note that the price at which PaperlinX shares will be sold under the Share Sale Facility is not fixed and is not

underwritten, and may be less than the market price of PaperlinX shares at any given time. Further, if a large number of PaperlinX shares are sold under the Share Sale Facility at the same time as your shares, this may have an adverse effect on the price that you receive.

Important Notes

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David Meiklejohn
Chairman

Details of the Small Holding Sale Facility

1. PaperlinX Limited (**PaperlinX**) is authorised under its constitution to operate the Small Holding Sale Facility. This document, as well as the letter and blue headed "Notice of Retention of Small Shareholding" form which accompany this document, satisfy the notice requirements set out in the constitution.
2. If you wish for PaperlinX to have your PaperlinX shares **sold** for you with the proceeds being sent to you (without you paying any brokerage or handling charges), you **do not** need to respond to this correspondence.
3. PaperlinX will bear the brokerage and handling costs associated with sales of PaperlinX shares under the Small Holding Sale Facility. However, you will bear any other tax or charge on the sale of your shares.
4. You can **retain** your PaperlinX shares if you wish to do so. If this is the case, **before 5.00 pm on 10 November 2004** you **must** do one of the following:
 - complete the enclosed blue headed "Notice of Retention of Small Shareholding" form and return it in accordance with the instructions on the form so that it is received by 5.00pm on 10 November 2004; or
 - validly elect to participate in the Top-Up Facility, if you are eligible to do so (in which case you will have received details of the Top-Up Facility with this document); or
 - otherwise purchase additional PaperlinX shares so that your shareholding becomes a marketable parcel. For such purchases to be an effective notification to PaperlinX that you wish to retain your shares, any additional shares must be held in the same holding as your current shares (in particular, under the same name and address as set out on the enclosed Notice of Retention of Small Shareholding form) and must be registered by 5.00pm on 10 November 2004.

If none of those events occur before 5.00 pm on 10 November 2004, PaperlinX will be entitled to have your PaperlinX shares sold for you.

5. Credit Suisse First Boston Australia Equities Limited (the **Broker**) (ABN 35 068 232 708) will act as execution-only broker to effect any sales under the Small Holding Sale Facility. Any sales are currently intended to take place as soon as practicable (which is expected to be within 21 days) after 5.00 pm on 10 November 2004. The Broker will effect sales by placing one or more orders to sell shares on the Australian Stock Exchange (**ASX**) in the ordinary course of business (including, in the Broker's sole discretion, by crossings).
6. The price that you receive for your PaperlinX shares if they are sold under the Small Holding Sale Facility will be the volume weighted average price of all PaperlinX shares sold under the Small Holding Sale Facility.
7. You should note that the price obtained for your PaperlinX shares under the Small Holding Sale Facility will depend on a number of factors (including market conditions prevailing at the time) and that you will not have control over the time at which your PaperlinX shares are sold. The price you receive may be different to the price appearing in the newspaper or quoted by ASX on any day, and may not be the best execution price on the trading day or trading days that your shares are sold. However, without limitation to the foregoing, the Broker must sell any Shares sold under the Small Holding Sale Facility at the best price reasonably obtainable for those Shares at the time of the relevant sale.
8. If your PaperlinX shares are sold under the Small Holding Sale Facility, within 10 business days after the settlement of the last sale under the Small Holding Sale Facility:
 - sale proceeds calculated in accordance with clause 6 above will be paid to you in Australian dollars by cheque made out to your name as shown in the PaperlinX share register; and
 - Computershare will notify you, by way of a transaction confirmation statement issued on behalf of the Broker, of the number of your PaperlinX shares sold through the Small Holding Sale Facility and the price and the total sale proceeds you have received.

The relevant cheque and transaction confirmation statement will be sent by post, at your risk, to your address as shown on the PaperlinX share register.

9. In accordance with PaperlinX's constitution, the Small Holding Sale Facility will lapse if a takeover bid for PaperlinX is announced before sales under the facility are completed, although it may be started again after the close of offers made under the takeover.

Terms and Conditions – Top-Up Facility

1. Terms of Participation

- 1.1 All persons (**Eligible Shareholders**) who hold 200 ordinary shares (**Shares**) or less in PaperlinX Limited (ABN 70 005 146 350) (**PaperlinX**) as at 7.00 am (Melbourne time) on 7 September 2004 and have a registered address in Australia are entitled to participate in the top-up facility (**Top-Up Facility**) described in these terms and conditions (**Terms and Conditions**). Participation in the Top-Up Facility is voluntary. Applications to participate must be made on the Buy Instruction Form enclosed with these Terms and Conditions.
- 1.2 An Eligible Shareholder who elects to participate in the Top-Up Facility (**Participating Shareholder**) does so on the basis of the Buy Instruction Form, these Terms and Conditions and any associated documents provided or made available by PaperlinX to Eligible Shareholders (**Facility Documents**). Participation is also on the basis that a Participating Shareholder may only elect to purchase either A\$1,000 or A\$2,000 worth of Shares under the Top-Up Facility.
- 1.3 An Eligible Shareholder can only participate in either the Top-Up Facility or one of the sale facilities (being the Share Sale Facility or the Small Holding Sale Facility – the letter which accompanied these Terms and Conditions will indicate which of those facilities is open to each Eligible Shareholder). If an Eligible Shareholder attempts to participate in more than one of the facilities, only the first valid instruction received will be acted upon or, if separate valid instructions are received at the same time, only the instructions under the Top-Up Facility will be acted upon.
- 1.4 A Participating Shareholder will not be liable to pay any brokerage or handling fees for the purchase of Shares under the Top-Up Facility.

2. Offer Period

- 2.1 The Top-Up Facility will operate from 7 September 2004 to 10 November 2004 or for such shorter or longer period as may be determined by PaperlinX (**Offer Period**). PaperlinX reserves the right, on behalf of Credit Suisse First Boston Australia Equities Limited (ABN 35 068 232 708) (**Broker**) and for any reason, to modify the timetable for, or to terminate or suspend (for any period of time), the Top-Up Facility in its sole discretion. Any extension or shortening of the Offer Period, or suspension or termination of the Top-Up Facility, will be announced to the Australian Stock Exchange (**ASX**) and on its website (www.paperlinx.com), and will be advertised in "The Australian" newspaper, as soon as practicable by PaperlinX.

3. Roles of Computershare and the Broker

- 3.1 Each Participating Shareholder irrevocably appoints the Broker as execution-only broker to purchase Shares on behalf of the Participating Shareholder in accordance with the Facility Documents. The Broker is the holder of Australian financial services licence number 237237. Instructions from Participating Shareholders will be taken to be provided to the Broker at the time that Computershare Investor Services Pty Limited (ABN 48 078 279 277) (**Computershare**) advises the Broker of the batch in which the relevant Participating Shareholder's instructions are included in accordance with clause 5.2. PaperlinX will pay brokerage (and any applicable Australian GST) to the Broker in relation to the purchase of Shares through the Top-Up Facility.
- 3.2 **The Broker's appointment as 'execution-only' broker means that the Broker is not, nor are PaperlinX or Computershare, giving, nor are any of them obliged to give, any advice to any Eligible Shareholder. The Facility Documents do not constitute advice or a recommendation by any of the above to buy, sell or hold securities in PaperlinX, nor that the Top-Up Facility or any other facility is the best way to buy Shares.** Accordingly, before electing to participate in the Top-Up Facility, a Participating Shareholder should ensure that the Top-Up Facility meets the Participating Shareholder's own objectives, financial situation and needs. Any Eligible Shareholder unsure of what action to take should consult a licensed financial adviser.
- 3.3 Computershare will assist in the administration of the Top-Up Facility, including by processing Buy Instruction Forms received by it, communicating with Eligible Shareholders, collating and advising the Broker of batches of Shares to be purchased under the Top-Up Facility and liaising with the Broker in relation to purchases of Shares, banking cheques, and issuing transaction confirmation statements. PaperlinX will pay any handling fees (and any applicable Australian GST) to Computershare in respect of its role in the Top-Up Facility.
- 3.4 Each of the Broker and PaperlinX is irrevocably authorised by each Participating Shareholder to do all things and execute all documents

(including to effect any holding adjustment, securities transformation or other transmission or transaction in relation to Shares purchased for a Participating Shareholder under the Top-Up Facility, and whether personally or, where practicable, through an agent) to facilitate the purchase of the relevant Shares by the Broker as broker under the Top-Up Facility.

4. Buy Instruction Form

- 4.1 To participate in the Top-Up Facility, an Eligible Shareholder must complete and sign the Buy Instruction Form in accordance with the instructions on it and return it to Computershare at an address shown on the Buy Instruction Form, together with an Australian dollar cheque for the amount nominated in the Buy Instruction Form made payable to "Computershare Investor Services Pty Limited – PPX Top-Up Trust Account". No interest will be payable to Participating Shareholders in relation to funds contributed by them in relation to the Top-Up Facility. Buy Instruction Forms and cheques must be received by Computershare at such an address by 5.00 pm (Melbourne time) on the last day of the Offer Period or sooner.
- 4.2 PaperlinX may, in its sole discretion, at any time determine that a Buy Instruction Form is valid in accordance with the Facility Documents, even if the Buy Instruction Form is incomplete, contains errors or is otherwise defective or is received after the end of the Offer Period. PaperlinX (or any agent of PaperlinX acting on its instructions) may correct any error in, or omission from, a Buy Instruction Form and complete the Buy Instruction Form by the insertion of any missing details. Notwithstanding anything to the contrary in these Terms and Conditions, none of PaperlinX, Computershare or the Broker is under any obligation to accept any Buy Instruction Form, whether completed correctly or not, and in particular none of the above is under any obligation to act on any Buy Instruction Form where a cheque for the amount nominated in the Buy Instruction Form has not been provided by the Eligible Shareholder, or is not denominated in Australian dollars and drawn on an Australian bank or an Australian branch of a foreign bank, or is not honoured on presentation.

5. Purchases of Shares

- 5.1 Computershare will establish and maintain an account called the "Computershare Investor Services Pty Limited – PPX Top-Up Trust Account" for the purposes of the Top-Up Facility, into which Computershare will deposit cheques received from Participating Shareholders and from which Participating Shareholders will be taken to instruct Computershare to remit the required amounts to the Broker for the settlement of purchases of Shares under the Top-Up Facility.
- 5.2 Computershare will process Buy Instruction Forms received by it as soon as practicable after receipt and may, from time to time and in consultation with the Broker, aggregate valid Buy Instruction Forms in respect of two or more Participating Shareholders according to the order in which they are processed to form batches of Shares to be purchased by the Broker. Computershare will advise the Broker of the Australian dollar amount available to purchase Shares in respect of each batch and the Broker will purchase Shares in the order in which the instructions in relation to each batch are provided by Computershare.
- 5.3 Purchases of Shares under the Top-Up Facility will be made by the Broker placing one or more orders to buy Shares comprising a batch on ASX in the ordinary course of business (including, in the Broker's sole discretion, by crossings). The Shares included in a batch may therefore be purchased by multiple trades at multiple prices and on multiple days.
- 5.4 The Broker may, in its sole discretion, purchase Shares for a Participating Shareholder at any time during the period commencing when the relevant Buy Instruction Form is processed by Computershare and ending on the date that is two weeks after the end of the Offer Period.
- 5.5 Without limitation to clauses 5.3 and 5.4, the Broker will generally attempt to purchase Shares comprising a batch on the trading day after being advised of the batch by Computershare under clause 5.2. However, the Broker may, in its sole discretion, delay the purchase of some or all of the Shares available to be purchased on a trading day, if it considers that to be in the best interests of the relevant Participating Shareholders (for example, because it considers market conditions to be unsuitable or to avoid an excessive concentration of purchases on a particular trading day).
- 5.6 The price (**Top-Up Price**) at which each Share will be purchased for a Participating Shareholder through the Top-Up Facility will be the volume weighted average price achieved by the Broker for the purchase of all Shares purchased by the Broker through the Top-Up Facility in the batch in which the Participating Shareholder's Shares

were purchased. The Top-Up Price will be calculated by the Broker and may not be challenged in the absence of manifest error.

5.7 Participating Shareholders should note that they will not have control over the time of the purchase of their Shares, and therefore will not be able to personally ensure that the purchase occurs at a certain price. The Top-Up Price will depend upon the market conditions prevailing at the time of the purchase and may be different to the price for Shares appearing in the newspaper or quoted by ASX on the day that a Participating Shareholder's Buy Instruction Form is sent or on any other day, and may not be the best execution price on the trading day or trading days that the Participating Shareholder's Shares are purchased. The Shares purchased for different Participating Shareholders under the Top-Up Facility may be purchased at different Top-Up Prices. None of PaperlinX, Computershare, the Broker nor any other person will on any account be liable, and a Participating Shareholder may not bring any claim or action against them, for not having purchased Shares at any specific price or on any specific date. However, without limitation to the foregoing, the Broker must purchase any Shares purchased under the Top-Up Facility at the best price reasonably obtainable for those Shares at the time of the relevant purchase.

5.8 The number of Shares purchased for a Participating Shareholder through the Top-Up Facility will be calculated on the basis of the amount nominated in the relevant Buy Instruction Form (being a value of either A\$1,000 or A\$2,000 only), divided by the Top-Up Price in respect of that Participating Shareholder, rounded down to the nearest whole number of Shares. Participating Shareholders will not have any entitlement to any residual Shares remaining following such rounding. If, after execution of a Participating Shareholder's purchase order under the Top-Up Facility, any amount remains of the amount provided by the Participating Shareholder for the purposes of the Top-Up Facility which was insufficient to purchase a Share, then that amount remaining will vest in PaperlinX. PaperlinX will donate all such amounts to The Salvation Army.

6. Confirmation

6.1 Computershare will notify each Participating Shareholder, by way of a transaction confirmation statement issued on behalf of the Broker and sent to the relevant Participating Shareholder's address as shown on the PaperlinX share register, of the number of Shares purchased for that Participating Shareholder through the Top-Up Facility and the Top-Up Price for those Shares, within 10 business days after settlement of the sale of the last Share in the batch in which the Shares for the Participating Shareholder were purchased.

7. Warranties and Acknowledgements

7.1 By signing and returning a Buy Instruction Form, a Participating Shareholder will, or will be deemed to:

(a) acknowledge that the Participating Shareholder has read, and agrees to, the terms and conditions of the Facility Documents;

(b) acknowledge that the Participating Shareholder is irrevocably bound to purchase the relevant amount of Shares through the Top-Up Facility at the Top-Up Price, and otherwise in accordance with the Facility Documents;

(c) warrant that the Participating Shareholder has not participated in either the Share Sale Facility or Small Holding Sale Facility (one of which will have been made available to the Participating Shareholder in conjunction with the Top-Up Facility), and has not previously participated in the Top-Up Facility;

(d) acknowledge that none of PaperlinX, Computershare, the Broker nor any other party involved in the Top-Up Facility has any liability to the Participating Shareholder other than for the provision of the Shares purchased for the Participating Shareholder in accordance with these Terms and Conditions;

(e) acknowledge that none of PaperlinX, Computershare, the Broker nor any other party involved in the Top-Up Facility has provided the Participating Shareholder with any investment advice or made any securities recommendations, nor has any obligation to provide such advice or make any such recommendations, concerning the Participating Shareholder's decision to purchase Shares, and that the Participating Shareholder has made its own decision to purchase Shares through the Top-Up Facility based on its consideration of its own objectives, financial situation and needs and its own investigations of the affairs of PaperlinX and its own analysis of the Facility Documents;

(f) acknowledge that if the Participating Shareholder's cheque is not honoured on presentation, Computershare or the Broker may place a holding lock (or similar) on, and cause to be sold, any Shares purchased for the Participating Shareholder through the Top-Up Facility and the Participating Shareholder must pay all costs and losses incurred as a result;

(g) appoint PaperlinX as the Participating Shareholder's agent to receive any notice (including a Financial Services Guide and any update of that document) that the Broker or Computershare is required to provide under the Corporations Act. Any such document will be made available on PaperlinX's website (www.paperlinx.com); and

(h) acknowledge that the Facility Documents are governed by the laws in force in Victoria.

Terms and Conditions – Share Sale Facility

1. Terms of Participation

1.1 Subject to clause 4.3, all persons (**Eligible Shareholders**) who hold a marketable parcel of ordinary shares (**Shares**) in PaperlinX Limited (ABN 70 005 146 350) (**PaperlinX**), not exceeding 200 shares in number as, at 7.00 am (Melbourne time) on 7 September 2004, have a registered address in Australia and who have not been advised by PaperlinX that they are eligible to participate in the Small Holding Sale Facility (which is being offered by PaperlinX to certain shareholders at the same time as this facility) are entitled to participate in the share sale facility (**Share Sale Facility**) described in these terms and conditions (**Terms and Conditions**). Participation in the Share Sale Facility is voluntary. Applications to participate must be made on the Sale Instruction Form enclosed with these Terms and Conditions.

1.2 An Eligible Shareholder who elects to participate in the Share Sale Facility (**Participating Shareholder**) does so on the basis of the Sale Instruction Form, these Terms and Conditions and any associated documents provided or made available by PaperlinX to Eligible Shareholders (**Facility Documents**). Participation is also on the basis that **all**, and not only some, of a Participating Shareholder's PaperlinX Shares will be sold under the Share Sale Facility.

1.3 An Eligible Shareholder can only participate in one of the Share Sale Facility or the Top-Up Facility. If an Eligible Shareholder attempts to participate in more than one of the facilities, only the first valid instruction received will be acted upon or, if separate valid instructions are received at the same time, only the instructions under the Top-Up Facility will be acted upon.

1.4 A Participating Shareholder will not be liable to pay any brokerage or handling fees for the sale of Shares under the Share Sale Facility. However, any other tax or charge on the sale of the Participating Shareholder's Shares will be for the account of the Participating Shareholder.

2. Offer Period

2.1 The Share Sale Facility will operate from 7 September 2004 to 10 November 2004 or for such shorter or longer period as may be determined by PaperlinX (**Offer Period**). PaperlinX reserves the right, on behalf of Credit Suisse First Boston Australia Equities Limited (ABN 35 068 232 708) (**Broker**) and for any reason, to modify the timetable for, or to terminate or suspend (for any period of time), the Share Sale Facility in its sole discretion. Any extension or shortening of the Offer Period, or suspension or termination of the Share Sale Facility, will be announced to the Australian Stock Exchange (**ASX**) and on its website (www.paperlinx.com), and will be advertised in "The Australian" newspaper, as soon as practicable by PaperlinX.

3. Roles of Computershare and the Broker

3.1 Each Participating Shareholder irrevocably appoints the Broker as execution-only broker to sell **all** of the Participating Shareholder's Shares on behalf of the Participating Shareholder in accordance with the Facility Documents. The Broker is the holder of Australian financial services licence number 237237. Instructions from Participating Shareholders will be taken to be provided to the Broker at the time that Computershare Investor Services Pty Limited (ABN 48 078 279 277) (**Computershare**) advises the Broker of the batch in which the relevant Participating Shareholder's Shares are included in accordance with clause 5.1. PaperlinX will pay brokerage (and any applicable Australian GST) to the Broker in relation to the sale of Shares through the Share Sale Facility.

3.2 **The Broker's appointment as 'execution-only' broker means that the Broker is not, nor are PaperlinX or Computershare, giving, nor are any of them obliged to give, any advice to any Eligible Shareholder. The Facility Documents do not constitute advice or a recommendation by any of the above to buy, sell or hold securities in PaperlinX, nor that the Share Sale Facility or any other facility is the best way to sell Shares.** Accordingly, before electing to participate in the Share Sale Facility, a Participating Shareholder should ensure that the Share Sale Facility meets the Participating Shareholder's own objectives, financial situation and needs. Any Eligible Shareholder unsure of what action to take should consult a licensed financial adviser.

3.3 Computershare will assist in the administration of the Share Sale Facility, including by processing Sale Instruction Forms received by it, communicating with Eligible Shareholders, collating and advising the Broker of batches of Shares to be sold under the Share Sale Facility and liaising with the Broker in relation to sales of Shares, issuing

transaction confirmation statements and remitting sale proceeds. PaperlinX will pay any handling fees (and any applicable Australian GST) to Computershare in respect of its role in the Share Sale Facility.

3.4 Each of the Broker and PaperlinX is irrevocably authorised by each Participating Shareholder to do all things and execute all documents (including to effect any holding adjustment, securities transformation or other transmission or transaction in relation to a Participating Shareholder's Shares (such as converting a CHES holding to an issuer sponsored holding where (if necessary) the relevant controlling participant has affixed its stamp to a Sale Instruction Form) and whether personally or, where practicable, through an agent) to facilitate the sale of all of their Shares by the Broker as broker under the Share Sale Facility.

4. Sale Instruction Form

4.1 To participate in the Share Sale Facility, an Eligible Shareholder must complete and sign the Sale Instruction Form in accordance with the instructions on it and return it to Computershare at an address shown on the Sale Instruction Form. Sale Instruction Forms must be received by Computershare at such an address by 5.00 pm (Melbourne time) on the last day of the Offer Period or sooner.

4.2 **Once a Participating Shareholder has returned their Sale Instruction Form, they are not permitted to sell any of their Shares outside the Share Sale Facility.** However, if following the time specified in clause 1.1 of these Terms and Conditions there is a decrease in the number of Shares held by an Eligible Shareholder before the Sale Instruction Form is processed, any Sale Instruction Form from that Eligible Shareholder will be taken as an instruction to sell their entire decreased holding.

4.3 If there is an increase in the number of Shares held by an Eligible Shareholder before any Sale Instruction Form for their Shares is processed, they will cease to be eligible to participate in the Share Sale Facility and any Sale Instruction Form received from them will not subsequently be acted upon.

4.4 PaperlinX may, in its sole discretion, at any time determine that a Sale Instruction Form is valid in accordance with the Facility Documents, even if the Sale Instruction Form is incomplete, contains errors or is otherwise defective or is received after the end of the Offer Period. PaperlinX (or any agent of PaperlinX acting on its instructions) may correct any error in, or omission from, a Sale Instruction Form and complete the Sale Instruction Form by the insertion of any missing details. Notwithstanding anything to the contrary in these Terms and Conditions, none of PaperlinX, Computershare or the Broker is under any obligation to accept any Sale Instruction Form, whether completed correctly or not.

5. Sales of Shares

5.1 Computershare will process Sale Instruction Forms received by it as soon as practicable after receipt and may, from time to time and in consultation with the Broker, aggregate valid Sale Instruction Forms in respect of two or more Participating Shareholders according to the order in which they are processed to form batches of Shares to be sold by the Broker. Computershare will advise the Broker of the number of Shares available to be sold in respect of each batch and the Broker will sell the Shares in the order in which the instructions in relation to each batch are provided by Computershare.

5.2 Sales of Shares under the Share Sale Facility will be made by the Broker placing one or more orders to sell Shares comprising a batch on ASX in the ordinary course of business (including, in the Broker's sole discretion, by crossings). The Shares included in a batch may therefore be sold by multiple trades at multiple prices and on multiple days.

5.3 The Broker may, in its sole discretion, sell a Participating Shareholder's Shares at any time during the period commencing when the relevant Sale Instruction Form is processed by Computershare and ending on the date that is two weeks after the end of the Offer Period.

5.4 Without limitation to clauses 5.2 and 5.3, the Broker will generally attempt to sell Shares comprising a batch on the trading day after being advised of the batch by Computershare under clause 5.1. However, the Broker may, in its sole discretion, delay the sale of some or all of the Shares available to be sold on a trading day, if it considers that to be in the best interests of the relevant Participating Shareholders (for example, because it considers market conditions to be unsuitable or to avoid an excessive concentration of sales on a particular trading day).

5.5 The price (**Sale Price**) that a Participating Shareholder will receive for each of their Shares that are sold through the Share Sale Facility will

be the volume weighted average price achieved by the Broker for the sale of all Shares sold by the Broker through the Share Sale Facility in the batch in which the Participating Shareholder's Shares were sold. The Sale Price will be calculated by the Broker and may not be challenged in the absence of manifest error.

5.6 Participating Shareholders should note that they will not have control over the time of the sale of their Shares, and therefore will not be able to personally ensure that the sale occurs at a certain price. The Sale Price will depend upon the market conditions prevailing at the time of the sale and may be different to the price for Shares appearing in the newspaper or quoted by ASX on the day that a Participating Shareholder's Sale Instruction Form is sent or on any other day, and may not be the best execution price on the trading day or trading days that the Participating Shareholder's Shares are sold. Different Participating Shareholders may receive different Sale Prices for their Shares. None of PaperlinX, Computershare, the Broker nor any other person will on any account be liable, and a Participating Shareholder may not bring any claim or action against them, for not having sold Shares at any specific price or on any specific date. However, without limitation to the foregoing, the Broker must sell any Shares sold under the Share Sale Facility at the best price reasonably obtainable for those shares at the time of the relevant sale.

5.7 The proceeds of sale of the Shares in each batch will be transferred as soon as practicable following settlement from the general trust accounts of the Broker to an account nominated and maintained by Computershare on behalf of Participating Shareholders, for the purpose of effecting payment to the relevant Participating Shareholders in accordance with clause 6.1.

6. Payment and Confirmation

6.1 Within 10 business days after the settlement of the sale of the last Share in the batch in which the Participating Shareholder's Shares were included:

- (a) sale proceeds calculated in accordance with clause 5.5 will be paid to each Participating Shareholder in Australian dollars by cheque to the name or names shown in the PaperlinX share register; and
- (b) Computershare will notify each Participating Shareholder, by way of a transaction confirmation statement issued on behalf of the Broker, of the number of their Shares sold through the Share Sale Facility and the Sale Price for those Shares.

The relevant cheque and transaction confirmation statement will be sent by post, at the risk of the Participating Shareholder, to the Participating Shareholder's address as shown on the PaperlinX share register.

7. Warranties and Acknowledgements

7.1 By signing and returning a Sale Instruction Form, a Participating Shareholder will, or will be deemed to:

- (a) acknowledge that the Participating Shareholder has read, and agrees to, the terms and conditions of the Facility Documents;
- (b) acknowledge that the Participating Shareholder is irrevocably bound to sell **all** of the Participating Shareholder's Shares through the Share Sale Facility at the Sale Price, and otherwise in accordance with the Facility Documents;
- (c) warrant that the Participating Shareholder has not participated in the Top-Up Facility being made available in conjunction with the

Share Sale Facility, and has not previously participated in the Share Sale Facility;

- (d) warrant that at the time of executing and returning the Sale Instruction Form the Participating Shareholder is the registered holder of the Shares specified in the Sale Instruction Form;
- (e) warrant (and authorise the Broker to warrant on the Participating Shareholder's behalf) to any buyer of the Participating Shareholder's Shares through the Share Sale Facility that the buyer will acquire good title to those Shares and full legal and beneficial ownership of them free from all mortgages, charges, liens, encumbrances (whether legal or equitable), restrictions on transfer of any kind and from any third party rights;
- (f) agree not to sell any of the Participating Shareholder's Shares to any person once the Sale Instruction Form has been sent, and authorise Computershare to lock the Participating Shareholder's holding to prevent transfer of the Shares until they are required for settlement. If any Shares are sold in breach of this warranty, the Participating Shareholder will be deemed to have appointed the Broker or any officer of the Broker as their attorney to purchase Shares in the Participating Shareholder's name, and at the Participating Shareholder's expense, to satisfy the Participating Shareholder's obligations in relation to the sale of its Shares, and will indemnify the Broker and the attorney for all costs incurred by it in connection with any such purchase;
- (g) authorise the transfer of their Shares to the Broker (or its nominee) for settlement of the sale under the Share Sale Facility;
- (h) authorise the treatment of the sale proceeds for the Shares in accordance with clause 5.7;
- (i) acknowledge that none of PaperlinX, Computershare, the Broker nor any other party involved in the Share Sale Facility has any liability to the Participating Shareholder other than for the payment of any sale proceeds determined and payable in accordance with these Terms and Conditions;
- (j) acknowledge that none of PaperlinX, Computershare, the Broker nor any other party involved in the Share Sale Facility has provided the Participating Shareholder with any investment advice or made any securities recommendations, nor has any obligation to provide such advice or make any such recommendations, concerning the Participating Shareholder's decision to sell Shares, and that the Participating Shareholder has made its own decision to sell Shares through the Share Sale Facility based on its consideration of its own objectives, financial situation and needs and its own investigations of the affairs of PaperlinX and its own analysis of the Facility Documents;
- (k) appoint PaperlinX as the Participating Shareholder's agent to receive any notice (including a Financial Services Guide and any update of that document) that the Broker or Computershare is required to provide under the Corporations Act. Any such document will be made available on PaperlinX's website (www.paperlinx.com); and
- (l) acknowledge that the Facility Documents are governed by the laws in force in Victoria.

All correspondence to:
Computershare Investor Services Pty Limited
GPO Box 52 Melbourne
Victoria 8060 Australia
Enquiries (within Australia) 1800 232 867
(outside Australia) 61 3 9415 4021
Facsimile 61 3 9473 2529
web.queries@computershare.com.au
www.computershare.com



SAMPLE CUSTOMER
SAMPLE STREET
SAMPLE STREET
SAMPLE STREET
SAMPLE STREET
SAMPLETOWN TAS 7000

Holder Identification Number (HIN)



X 1234567890 IND

Use a black pen.
Print in CAPITAL letters
inside the grey areas.

A B C

1 2 3

Where a choice is required,
mark the box with an 'X'

X

Notice of Retention of Small Shareholding

IMPORTANT:

This is an important document and requires your immediate attention. If you are in any doubt as to how to deal with it, please consult your financial or other professional advisor.

If you wish to retain your ordinary shares ("Shares") in PaperlinX Limited ("PaperlinX"), you must complete this form and return it to Computershare Investor Services Pty Limited ("Computershare"), as the share registry for PaperlinX, so that it is received at one of the addresses set out below by no later than 5.00pm (Melbourne time) on 10 November 2004.

If this form is not received by that time PaperlinX will be entitled to have your Shares sold for you. If your Shares are in a CHESS holding, PaperlinX may, without further notice to you, initiate a holding adjustment to move those Shares from that CHESS holding to an issuer sponsored or certificated holding for the purposes of sale under the Small Holding Sale Facility.

If you wish to sell your Shares under the Small Holding Sale Facility, you should not complete this form.

A Existing number of Shares

Number of Shares held as at 7.00am (Melbourne time) on 7 September 2004:

XXXXXXXXXX

B Retention of Shares

I/we give notice that I/we wish to retain my/our shareholding in PaperlinX and that I/we do not want the provisions of Rule 99 of PaperlinX's constitution to apply to my/our Shares at this time.

C Sign Here - This section must be signed for your instructions to be executed.
By signing and returning this form, I/we confirm that I/we understand that my/our Shares will not be sold under the Small Holding Sale Facility.

Signature Instructions

If you do not want your Shares to be sold under the Small Holding Sale Facility, this form must be signed as follows in the space provided:

Joint holding: where the holding is in more than one name all of the securityholders must sign.

Power of Attorney: to sign under Power of Attorney, you must have already lodged that document with Computershare Investor Services Pty Limited ("Computershare"). Alternatively, attach a certified copy of the Power of Attorney to this form when you return it. When signing under a Power of

Deceased Estate: all executors must sign and, if not already noted by the registry, a certified copy of Probate or Letters of Administration must accompany this form.

Companies: this form must be signed by either 2 Directors or a Director and a Company Secretary. Alternatively, where the company has a Sole Director and, pursuant to the Corporations Act, there is no Company Secretary, or where the Sole Director is also the Sole Company Secretary, that Director may sign alone. Delete titles as applicable.

Attorney, the attorney states that they have not received a notice of revocation of the Power of Attorney.

Individual or Securityholder 1

Director

Securityholder 2

Director/Company Secretary

Securityholder 3

Sole Director and Sole Company Secretary

D Contact Details

Please provide your telephone number and a contact name in case we need to contact you about this form.

Area Code Daytime Phone Number Contact Name



Privacy Statement

Personal information is collected on this form by Computershare, as registrar for PaperlinX, for the purpose of effecting your instructions in relation to the Small Holding Sale Facility, maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal information may be disclosed to PaperlinX and its professional advisers, to our related bodies corporate, to external service companies such as print or mail service providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Computershare, or you would like to correct information that is inaccurate, incorrect or out of date, please contact Computershare. You may elect not to receive marketing material by contacting Computershare. You can contact Computershare using the details provided on the front of this form or e-mail privacy@computershare.com.au

Lodgement Instructions

If you wish to retain your Shares, this Notice of Retention of Small Shareholding must be completed and received by Computershare at one of the addresses set out below **by no later than 5.00pm (Melbourne time) on 10 November 2004**. It is your responsibility to allow sufficient time to meet the closing date. A reply paid envelope is enclosed for posting within Australia.

Your Notice of Retention of Small Shareholding form must be sent to:

Computershare Investor Services Pty Limited	OR	Computershare Investor Services Pty Limited
GPO Box 52		Yarra Falls
MELBOURNE VIC 8060		452 Johnston Street
		ABBOTSFORD VIC 3067

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All correspondence to:
Computershare Investor Services Pty Limited
GPO Box 52 Melbourne
Victoria 8060 Australia
Enquiries (within Australia) 1800 232 867
(outside Australia) 61 3 9415 4021
Facsimile 61 3 9473 2529
web.queries@computershare.com.au
www.computershare.com



SAMPLE CUSTOMER
SAMPLE STREET
SAMPLE STREET
SAMPLE STREET
SAMPLE STREET
SAMPLETOWN TAS 7000

Holder Identification Number (HIN)



X 1234567890 IND

Use a **black** pen.
Print in **CAPITAL** letters
inside the grey areas.

A B C

1 2 3

Where a choice is required,
mark the box with an 'X'

X

Top-Up Facility - Buy Instruction Form

IMPORTANT: Use this form only if you wish to buy more ordinary shares ("Shares") in PaperlinX Limited ("PaperlinX")

A Existing number of Shares

Number of Shares held as at 7.00am (Melbourne time) on 7 September 2004:

XXXXXXXXXX

B Instruction to Buy Additional Shares

Please place an "X" in the box next to the amount of additional Shares that you wish to purchase under the Top-Up Facility. You may only apply for A\$1,000 or A\$2,000 worth of Shares.

A\$1,000 or A\$2,000

Make your cheque or bank draft payable to "Computershare Investor Services Pty Limited - PPX Top-Up Trust Account" in Australian dollars and cross it "Not Negotiable". Your cheque or bank draft must be drawn on an Australian bank. The amount of your cheque must correspond with the amount crossed in section B. Complete the cheque details in the boxes below.

Cheques will be processed on the day of receipt. Sufficient cleared funds must be held in your account as cheques returned unpaid may not be re-presented and may result in your instruction being rejected. Pin (do not staple) your cheque(s) to this form where indicated. Cash will not be accepted. Receipt for payment will not be forwarded.

Failure to comply with these instructions may result in your Buy Instruction Form being rejected.

Drawer	Cheque Number	BSB Number	Account Number	Amount of cheque
				A\$

C Sign Here - This section must be signed for your instructions to be executed.

By signing and returning this form and attaching a cheque for payment of the amount nominated in section B above, I/we confirm that I/we:

- agree to all of the terms and conditions of the Top-Up Facility (the "Terms and Conditions") as enclosed with this form;
- agree to purchase Shares up to the amount specified in section B; and
- give the warranties, acknowledgements and agreements set out in the Terms and Conditions.

Signature Instructions

If you wish to participate in the Top-Up Facility, this form must be signed as follows in the space provided:

Joint holding: where the holding is in more than one name all of the securityholders must sign.

Power of Attorney: to sign under Power of Attorney, you must have already lodged that document with Computershare Investor Services Pty Limited ("Computershare"). Alternatively, attach a certified copy of the Power of Attorney to this form when you return it. When signing under a Power of

Attorney, the attorney states that they have not received a notice of revocation of the Power of Attorney.

Deceased Estate: all executors must sign and, if not already noted by the registry, a certified copy of Probate or Letters of Administration must accompany this form.

Companies: this form must be signed by either 2 Directors or a Director and a Company Secretary. Alternatively, where the company has a Sole Director and, pursuant to the Corporations Act, there is no Company Secretary, or where the Sole Director is also the Sole Company Secretary, that Director may sign alone. Delete titles as applicable.

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Director	Director/Company Secretary	Sole Director and Sole Company Secretary





SAMPLE CUSTOMER
SAMPLE STREET
SAMPLE STREET
SAMPLE STREET
SAMPLE STREET
SAMPLETOWN TAS 7000

Holder Identification Number (HIN)



I 1234567890 IND

Use a black pen.
Print in CAPITAL letters
inside the grey areas.

A B C

1 2 3

Share Sale Facility - Sale Instruction Form - Chess

IMPORTANT: Use this form only if you wish to sell **all** your ordinary shares ("Shares") in PaperlinX Limited ("PaperlinX")

A Existing number of Shares

Number of Shares held as at 7.00am (Melbourne time) on 7 September 2004:

XXXXXXXXXX

B Sponsoring broker authorisation

If you would like to sell your entire shareholding through the Share Sale Facility, you must complete this form and send it to your sponsoring broker for stamping. By sending this form to your sponsoring broker you are instructing your sponsoring broker to stamp this form and to immediately forward it to Computershare Investor Services Pty Limited ("Computershare"), as the share registry for PaperlinX, in accordance with the lodgement instructions set out on this form. **Computershare will not process your Sale Instruction Form unless it has been stamped by your sponsoring broker.** By affixing its stamp here your sponsoring broker hereby approves the removal of your Shares from your CHESS holding to satisfy your sale instruction request.

**BROKERS STAMP
AUTHORISED**

C Sign Here - This section must be signed for your instructions to be executed.

By signing and returning this form, I/we:

- agree to all of the terms and conditions of the Share Sale Facility (the "Terms and Conditions") as enclosed with this form;
- give the warranties, acknowledgements and agreements set out in the Terms and Conditions; and
- irrevocably authorise each of PaperlinX, Computershare and the Broker to transmit a message that initiates a holding adjustment in relation to the Shares held in my/our CHESS holding, or to take any other action that has the effect of deducting securities from my/our CHESS holding, for the purpose of sale under the Share Sale Facility.

Signature Instructions

If you wish to participate in the Share Sale Facility, this form must be signed as follows in the space provided:

<p>Joint holding: where the holding is in more than one name all of the securityholders must sign.</p> <p>Power of Attorney: to sign under Power of Attorney, you must have already lodged that document with Computershare. Alternatively, attach a certified copy of the Power of Attorney to this form when you return it. When signing under a Power of</p>	<p>Deceased Estate: all executors must sign and, if not already noted by the registry, a certified copy of Probate or Letters of Administration must accompany this form.</p> <p>Companies: this form must be signed by either 2 Directors or a Director and a Company Secretary. Alternatively, where the company has a Sole Director and, pursuant to the Corporations Act, there is no Company Secretary, or where the Sole Director is also the Sole Company Secretary, that Director may sign alone. Delete titles as applicable.</p>
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Individual or Securityholder 1

Director

Securityholder 2

Director/Company Secretary

Securityholder 3

Sole Director and Sole Company Secretary



All correspondence to:
Computershare Investor Services Pty Limited
GPO Box 52 Melbourne
Victoria 8060 Australia
Enquiries (within Australia) 1800 232 867
(outside Australia) 61 3 9415 4021
Facsimile 61 3 9473 2529
web.queries@computershare.com.au
www.computershare.com



SAMPLE CUSTOMER
SAMPLE STREET
SAMPLE STREET
SAMPLE STREET
SAMPLE STREET
SAMPLETOWN TAS 7000

Securityholder Reference Number (SRN)



I 1234567890 IND

Use a black pen.
Print in CAPITAL letters
inside the grey areas.

A B C

1 2 3

Share Sale Facility - Sale Instruction Form - Issuer

IMPORTANT: Use this form only if you wish to sell all your ordinary shares ("Shares") in PaperlinX Limited ("PaperlinX")

A Existing number of Shares

Number of Shares held as at 7.00am (Melbourne time) on 7 September 2004:

XXXXXXXXXX

B Sign Here - This section must be signed for your instructions to be executed.

By signing and returning this form, I/we confirm that I/we:

- agree to all of the terms and conditions of the Share Sale Facility (the "Terms and Conditions") as enclosed with this form; and
- give the warranties, acknowledgements and agreements set out in the Terms and Conditions.

Signature Instructions

If you wish to participate in the Share Sale Facility, this form must be signed as follows in the space provided:

Joint holding: where the holding is in more than one name all of the securityholders must sign.

Power of Attorney: to sign under Power of Attorney, you must have already lodged that document with Computershare Investor Services Pty Limited ("Computershare"). Alternatively, attach a certified copy of the Power of Attorney to this form when you return it. When signing under a Power of

Deceased Estate: all executors must sign and, if not already noted by the registry, a certified copy of Probate or Letters of Administration must accompany this form.

Companies: this form must be signed by either 2 Directors or a Director and a Company Secretary. Alternatively, where the company has a Sole Director and, pursuant to the Corporations Act, there is no Company Secretary, or where the Sole Director is also the Sole Company Secretary, that Director may sign alone. Delete titles as applicable.

Attorney, the attorney states that they have not received a notice of revocation of the Power of Attorney.

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Director	Director/Company Secretary	Sole Director and Sole Company Secretary

C Contact Details

Please provide your telephone number and a contact name in case we need to contact you about this form.

Area Code	Daytime Phone Number	Contact Name



Privacy Statement

Personal information is collected on this form by Computershare, as registrar for PaperlinX, for the purpose of effecting your instructions in relation to the Share Sale Facility, maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal information may be disclosed to our related bodies corporate, to PaperlinX and its professional advisers, to the Broker, to external service companies such as print or mail service providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Computershare, or you would like to correct information that is inaccurate, incorrect or out of date, please contact Computershare. You may elect not to receive marketing material by contacting Computershare. You can contact Computershare using the details provided on the front of this form or e-mail privacy@computershare.com.au

Lodgement Instructions

If you wish to participate in the Share Sale Facility, this Sale Instruction Form must be completed and received by Computershare at one of the addresses set out below **by no later than 5.00pm (Melbourne time) on 10 November 2004**, subject to the closing time being extended or shortened in accordance the Terms and Conditions. It is your responsibility to allow sufficient time to meet the closing date. A reply paid envelope is enclosed.

Your Sale Instruction Form must be sent to:

Computershare Investor Services Pty Limited
GPO Box 52
MELBOURNE VIC 8060

OR

Computershare Investor Services Pty Limited
Yarra Falls
452 Johnston Street
ABBOTSFORD VIC 3067