

STOCK EXCHANGE RELEASE

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MARYVALE MILL BACK IN OPERATION

Operating units at Australian Paper's Maryvale Mill are back in operation following the recent month long shut which was a key part of the final stages of the pulp mill upgrade project started in 2005.

This 4th shutdown was the most complex and a critical part of the Pulp Mill Project. We now have the recovery boilers, chemical plants and pulping processes upgraded in preparation for the new bleach plant. We are seeing operational benefits from this and previous shuts.

The project has one further shorter shut to go when the new ECF (elemental chlorine free) bleach plant will begin operation. This will improve quality, safety and costs, and provide 90,000 tonnes of additional pulp per year.

Commenting on the project, Jim Henneberry, Executive General Manager of Australian Paper, said "This project continues to be challenging, though we are pleased to have completed this most recent and important milestone. The project will provide sound returns, providing many operational, environmental and product benefits."

In addition to this shutdown the new wood yard is in commissioning and the handover process to Price has commenced.

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Editors Note:

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