

## **ASX RELEASE**

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## COMPLETION OF PULP MILL UPGRADE

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Construction of the Maryvale Mill pulp upgrade is now complete. The new plant has started-up in conjunction with the mandatory site boiler inspections. The first pulp has been produced.

We are now in the optimisation phase which will enable full capacity to be reached in the near future.

The project is expected to contribute around \$30 million of incremental EBIT in the 2009 fiscal year, and an annualised incremental EBIT of \$40–50 million.

On successful completion of the optimisation phase, the mill will:

- Have a 90,000mt per annum increase in production of bleached eucalypt pulp
- Benefit from significant production cost reductions
- Benefit from improved environmental performance
- See an improvement in product quality

Commenting on the upgrade, the Managing Director of PaperlinX, Tom Park, said, "This is a key strategic development for the Maryvale Mill which will provide benefits to all stakeholders. We are very pleased that the project has been completed and that we can now look forward to the contribution that will be made to business returns. It has been a challenging project undertaken during a volatile period. Costs and timing have significantly over-run from our original estimates, but the long term return expectations and strategic rationale have remained sound throughout."

## For further information, please contact:

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## **Editors Note:**

PaperlinX is the world's leading fine paper merchant, with businesses in Australia, New Zealand, Asia, North America and Europe. Through its Australian Paper division, it is also the only Australasian producer of high quality communication papers including Reflex, Australia's leading copy paper, and a major Australian producer of high performance packaging and industrial papers.