



press release

8 December 2009

ENVI Carbon Neutral Paper to continue.

PaperlinX's recent announcement that, following a comprehensive ten month review of the opportunities for its Tasmanian paper manufacturing operations, it has decided to close its Wesley Vale operation and part of the operations at Burnie, but is continuing to explore a sale of the remaining operations at Burnie as an alternative to its complete closure.

The exit will occur in two stages, with the first expected to be completed by the end of March 2010, and the second expected to be completed by the end of June 2010.

Stage one will involve the closure of the number 4 paper machine at Burnie (B4) and the number 11 and 12 machines at Wesley Vale (WV11 and WV12) by the end of March 2010. The Conversion Department of the Wesley Vale Mill will remain operational until all work in progress is converted (expected to take 4-6 weeks post closure of WV12). Actual closure dates will be determined following discussions with relevant stakeholders including customers.

Stage two will involve either the sale of the balance of the Burnie Mill, including the number 10 paper machine (B10) and converting operations, or closure, which is expected to complete by the end of June 2010. PaperlinX continues to explore the potential for a sale with discussions ongoing.

All ENVI grades made on the Burnie 10 machine and at Australian Paper's Shoalhaven mill will however continue to be available for purchase. These include ENVI Recycled 50/50, ENVI Recycled Super Smooth, ENVI Recycled Linen and ENVI Laser - all available from Dalton Paper and all certified Greenhouse Friendly™ by the Department of Climate Change.

Because the Australian Government's Department of Climate Change's Greenhouse Friendly™ certification of ENVI Coated is based on the carbon footprint of the Tasmanian mill production life-cycle, ENVI Coated cannot be continued if not made in Tasmania.

ENVI Coated will be available from Dalton until stocks deplete which is expected May 2010.

For further information please contact a Dalton representative on 1800 Dalton or visit www.dalton.com.au

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