



Australian Paper

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MEDIA RELEASE

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\$90 million boost for Australian paper recycling

Australian Paper announced today that parent company Nippon Paper has approved construction of a \$90 million waste paper recycling plant at their Maryvale Mill in Victoria's Latrobe Valley. The plant will generate 50,000 tonnes of premium recycled pulp each year, diverting up to 80,000 tonnes of wastepaper from Australian landfill; equivalent to more than 16 billion sheets of A4 office paper every year.

"Australian Paper is delighted to confirm this important investment in sustainable manufacturing following an extensive feasibility study. The Maryvale recycling plant will secure Australian Paper's position as the market leader in premium recycled paper and is a positive initiative for our local environment, jobs and the community," said Mr Jim Henneberry, CEO, Australian Paper.

The plant will triple Australian Paper's usage of recycled fibre and will enable the development of an innovative range of new Australian made recycled office, printing, envelope and stationery papers. The \$90 million recycling plant will begin construction shortly, with production to commence from early 2014.

"We are proud of this investment in sustainable Victorian manufacturing and would like to acknowledge the strong support we have received from a broad range of stakeholders including our customers, unions, the Latrobe City Council, environmental groups, and a range of business and community stakeholders. In particular, we thank the State and Commonwealth Governments and Low Carbon Australia for their support and for sharing our vision to make this investment possible," Mr Henneberry said.

An Economic Impact Report prepared by Western Research Institute calculates that Australian Paper's total operations supported around 6,000 FTE jobs and contributed over \$750 million to the Australian economy in 2011. Including flow-on impacts, the recycling plant will support more than 950 full time equivalent (FTE) jobs during construction and around 250 FTE jobs on-going. Construction and ongoing operations of the plant will also drive around \$160 million in combined value to the economy. The plant will be closely integrated with the existing Maryvale Mill to optimise energy and transport efficiencies.

Mr Henneberry said today that the plant will allow the company to offer Australian customers a much broader range of premium recycled papers with the highest environmental credentials in the Australasian region.

"This will further differentiate our products from the imported paper out of Indonesia, China and Thailand that do not share the same local environmental, social and economic benefits as our Australian manufactured papers," Mr Henneberry said.

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