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MEDIA RELEASE

Tuesday, 18 December 2007

BOARD OF MERINO PTY LTD APPOINTS VOLUNTARY ADMINISTRATORS

The Board of Merino Pty Ltd has today appointed John Cronin and Jamie Harris of the independent restructuring and corporate advisory firm, McGrathNicol as voluntary administrators of the company.

Merino is the fourth largest manufacturer of paper tissue and associated products in Australia and also operates a paper converting mill. Merino's brands include 'Merino', 'Bouquets', 'Elite' and 'Earthwise'.

Merino is a privately owned company established in 1939. Merino operates two manufacturing sites in Crestmead, Queensland and Seven Hills, New South Wales.

Mr Cronin, partner of the Brisbane office of McGrathNicol said, "*his immediate priority was to review the options available for the company and to determine the best course of action for stakeholders, including employees and creditors*".

"Continued support from Merino's employees, unions, suppliers and customers is vital to maintaining operations and business value. Over the next few days we will be communicating with all key stakeholders" said Mr Cronin.

It is expected that a meeting of creditors will be held next Thursday, 27 December 2007.

McGrathNicol is a leading independent advisory firm specialising in Corporate Advisory, Forensic, Transaction Services and Corporate Recovery. McGrathNicol has approximately 240 staff with offices in all major Australian cities.

For further information:

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