

WINPAR HOLDINGS LIMITED  
A.C.N. 003 035 523

G.P.O. Box 4248  
Sydney  
New South Wales 2001  
7 November 2006

Mr. Scott Evans  
General Manager  
Newcastle Stock Exchange Limited

Dear Mr. Evans

This is to advise you that Winpar Holdings Limited has received a proposal from another party which may lead to a merger between Winpar and that other party. The proposal is at a preliminary stage only.

The Board of Winpar is presently having discussions with the other party, and will keep the market informed if the matter proceeds further.

Yours sincerely

Gordon B. Elkington  
Secretary