

MIDWAY LIMITED

(ASX: MWY)

ASX and Media Release

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Midway secures an 8% increase in export woodfibre price for 2018

Midway Limited, (**Midway** or the **Company**) Australia's largest woodfibre processor and exporter, has secured a significant increase in the hardwood woodchip export price to Japan for calendar year 2018.

As a result of the new price agreement, Japanese buyers will pay Midway \$US164.50 per Bone Dry Tonne back-dated to 1 January 2018, which is an increase of USD12.50 or 8.2% on the 2017 calendar year. This Japanese price rise follows similar price increases negotiated with Midway's Chinese customers in the first half of FY18.

The Chief Executive of Midway Limited, Tony Price was happy with the price rise, which represents the second successive annual price increase and is a key part of the strong growth in revenue and profitability forecast for the second half of the 2018 financial year.

"This significant price rise for Japanese sales, which represents 35 per cent of total Midway export woodchip sales, reflects the strong market price for hardwood pulp globally, continued growth in demand from China and tightening of fibre supply in the region," Mr Price said.

"The consecutive annual price increases reverses the previous trend of falling hardwood woodchip prices since the last price peak in 2011 and highlights the much better global supply and demand balance supporting a stronger industry outlook."

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About Midway Limited

Midway Limited is a leading Australian forestry company with headquarters in Geelong, with majority shareholdings in South West Fibre Pty Ltd (SWF) based in the Green Triangle, and Queensland Commodity Exports Pty Ltd (QCE) based in Brisbane. Founded in 1980, Midway is primarily involved in the production and export of high quality wood fibre to producers of pulp, paper and associated products in the Asian region. For further information, visit www.midwaylimited.com.au.