

Wools of New Zealand Shareholder Communication No. 12
30 August 2013

September Roadshows

As you receive this, I am visiting our international operations, touching base with clients and attending wool tradeshows.

I look forward to meeting many of you at our roadshows which kick off in Wellsford on 23 September. You will be receiving an invitation to attend a roadshow presentation – where we will update you on our progress in local and international markets as well as opportunities for you to share in current and future returns.

I am pleased also to have as co-presenters Cheryl Kindness, Development Director of Camira Fabrics and Steven Parsons, head of Market Development and Innovation at Wools of New Zealand, based in Ilkley, UK. I would urge you to attend – bring your partner, friends and in fact anyone with an interest in the future of strong wool.

To confirm your attendance at any of the below presentations simply contact Angela Waghorn via email on angela.waghorn@woolsnz.com or phone 0800 ourwool (0800 687 9665).

I look forward to seeing you there.

Ross Townshend
CEO, Wools of New Zealand

AGM

The AGM will be held on Wednesday 20 November at the Heartland Hotel Croydon, Gore. Further details to be advised closer to the time.

A Great Example of Innovation in Wool

Local industrial designer Daniel McLaughlin has developed a sustainable suitcase made from discarded wool and bio-resin, providing business travellers with an eco-friendly luggage while offering hard-knocked farmers added value to their supply chain.

McLaughlin, who received support from Wools of New Zealand in sourcing reclaimed fibre from the textile industry, was recently awarded £5,000 by the international James Dyson Foundation for his prototype creation. The organisation, which is dedicated to design and engineering causes, recognised the potential of his creation at the Royal College of Arts (RCA) show in London, where McLaughlin was one of the graduates in the thesis project exhibit.

The hard-case luggage called Terracase combines wool from old carpets together with bio-resin sourced from rapeseed oil. McLaughlin explored the properties of these materials and developed a novel way of manufacturing that combined them to create a durable and green consumer product.

Compared to nylon, wool is more energy efficient, requiring only one-eighth of the energy used to produce nylon. Currently, wool waste typically goes to insulation manufacturers due to the material's good thermal properties. However, it is considered as a 'downcycled' resource or waste that has been turned into a new product, albeit of lesser quality and functionality.

For McLaughlin's design, this is not the case. His biowool composite 'upcycles', or increases the value of the discarded wool from old carpets. The material is not only strong, but also biodegradable. He used CAD or computer-aided design technology to create Terracase and conducted finite element analysis (FEA) to test its durability, subjecting it to various drop and handling scenarios.

Steven Parsons, market development and innovation manager at Wools of New Zealand, said in his blog, "We could see the potential for hundreds of applications for Daniel's work and offered to assist with sourcing re-claimed fibre from the textile industry."

"This is the beginning of a whole new era for innovation with wool. By moving into new product categories where there are no preconceived ideas about how wool is used and what its value might be, we can start imagining the customer experience and design far more exciting products."



Market Intelligence

New Zealand Wool Services International reported the following from the 22 August sale.

Apart from a small selection of finer Crossbred Hogget Fleece which eased in value, the balance of the 7,260 bales of wool on offer at the South Island sale improved with some Merino Wools lifting significantly.

The clearance of 90% of the offering is attributed to export shipping requirements and elevated interest from China.

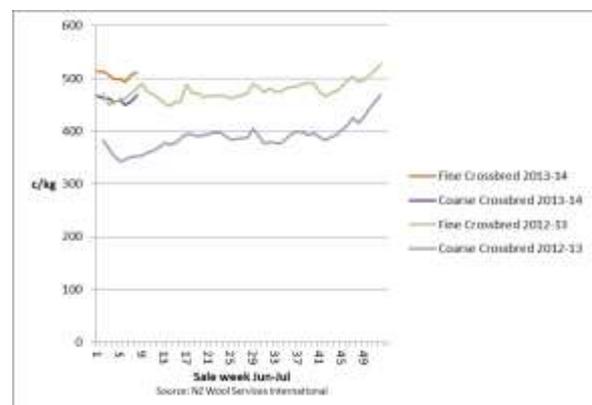
21 Micron Merino Fleece was firm to 3% dearer with 21.5 to 23 micron strongly contested, lifting 10-13% on the last sale. Mid Micron Fleece 24 to 28.5 micron was up to 3% dearer with 29 to 31.5 micron 1.5% firmer.

Fine Crossbred Full Fleece 32 to 33 micron received minimal attention, dropping by 2.5- 6% with 34 and 35 micron lifting 1-2%. Fine Crossbred Shears was 1% firmer. Coarse Crossbred Fleece was 1- 2% dearer while Early Shorn and Second Shear was 1 -2.5% stronger.

Combing Oddments remained firm with shorter oddments ranging from firm to 2.5% dearer.

The next sale is on 5 September, with approximately 9,600 bales from the North Island.

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Roadshow Schedule

NORTH ISLAND		
Monday, 23 September	St John Ambulance Station, 98a Rodney Street, Wellsford	11:00 am
	Riverside of Cambridge, 7 Williamson Street, Cambridge	5:00 pm
Tuesday, 24 September	Millennium Hotel, Cnr Eruera and Hinemaru Street, Rotorua	11:00 am
	Central Park Motor Inn, 5/7 Maata Street, Taumarunui	5:00 pm
Wednesday, 25 September	Shakee Pear Café, Pioneer Village, 3912 Mountain Road, Stratford	11:00 am
	Huntermville Town Hall, Bruce Street, Huntermville	5:00 pm
Thursday, 26 September	Hawke's Bay Opera House, 101 Hastings Street South, Hastings	11:00 am
	Gisborne Conference Centre, 6 Reads Quay, Gisborne	5:00 pm
Friday, 27 September	Copthorne Solway Park, High Street, Masterton	5:00 pm

SOUTH ISLAND		
Monday, 30 September	Mossburn Railway Hotel, 16 York Street, Mossburn	11:00 am
	Heartland Hotel Croydon, 100 Waimea Street, Gore	5:00 pm
Tuesday, 1 October	Outram Hotel, 23 Holyhead Street, Outram	11:00 am
	Kingsgate Hotel Brydone, 115 Thames Street, Oamaru	5:00 pm
Wednesday, 2 October	Poplars, 891 Pleasant Point Highway, Pleasant Point	11:00 am
	Russley Golf Club, 428 Memorial Avenue, Christchurch	5:00 pm
Thursday, 3 October	Tapawera Hotel, 84 Main Road, Tapawera	11:00 am
	Woodbourne Tavern, 78 High Street, Renwick	5:00 pm

Contact Us

As always, please feel free to contact us if you wish to discuss anything.

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Email: ask@ourwool.co.nz