

Wools of New Zealand Shareholder Communication No. 15  
11 October 2013

## From the CEO

### Roadshow

It was great to catch up with a large number of our shareholders and supporters during our 17 roadshow meetings over the past two weeks.

- 550 attendees.
- 80% shareholders.
- Very encouraging to see a real level of interest in our strategy and our progress to date.
- Feedback to our presentations was overwhelmingly positive.
- More than 95% interest in our direct to scour sales options through our service agreement with NZ Wools Services International (NZWSI) (detail below).
- 90% interest in the 2013/14 Camira Lambs wool contracts (detail below).

A special vote of thanks to my co-presenters, particularly Cheryl Kindness, Development Director with Camira Fabrics UK, who committed two weeks of her valuable time, providing true insight into the importance of partnership, quality, market focus (pull) and global reach. Cheryl genuinely connected with growers emphasising the need for consistent volumes of quality wool supplied to meet the requirements of their customers.

[www.camirafabrics.com/blog/development-director-goes-down-under](http://www.camirafabrics.com/blog/development-director-goes-down-under)

For an insight into the roadshow presentations have a look at the summary presentation on our website at:

[www.ourwool.co.nz/assets/PDFs/Grower.pdf](http://www.ourwool.co.nz/assets/PDFs/Grower.pdf)

### Roadshow Winners

Congratulations to Malcom Harding of Ngaruawahia (Cambridge meeting) and Greg Anderson of Fairlie (Pleasant Point meeting), both lucky winners of Wools of New Zealand branded Icebreaker jerseys.

### Direct Farm to Scour Sales Options

Wools of New Zealand are pleased to offer its shareholders and supporters the option to efficiently move their wool directly from farm to scour through a service agreement with New Zealand Wool Services International. Details of how to access the process, sales options and required documentation can be found at [www.ourwool.co.nz/sales-options](http://www.ourwool.co.nz/sales-options)

#### Camira Lambswool Contracts for 2014

Wools of New Zealand has now secured a contract to supply Laneve lambs' wool to Camira Fabrics for 2014, the fourth year in succession (as discussed on the roadshows).

Quality lamb's wool is required to meet the specifications which include full traceability, Integrity Program accredited suppliers, Vegetable Matter 0.0%, pesticide-free and treated post-farm to comply with the stringent EU Eco-label requirements. Growers who meet these specs can contract at \$6.10 kg clean, comparably attractive based on the \$5.35 kg clean last season. Final details of the terms of the contract will be advised as soon as possible and offered first to shareholders then to committed suppliers.

In the meantime, and with some urgency, we would advise you to talk to your vet/vet supplier about treatments to be applied at tailing/docking to ensure your lambs meet the pesticide-free specification.

We intend to set-up a 'virtual discussion group' where we draw on the experience of successful growers from previous years to provide guidance relating to pre-shearing management, shearing and shed hand clip preparation and other helpful information to maximise quality (especially VM free), meet spec and maximise your returns.

The Camira contract is validation of the WNZ Laneve brand program working with one of the world's top fabric companies. Looking forward and as further validation we have agreed with Camira to enter discussions on a rolling three year basis, incorporating a stable pricing mechanism for a wider range of wools.

## Annual General Meeting

The Wools of New Zealand AGM will be held at the **Heartland Hotel, Croyden, Gore at 12 noon on 20 November 2013**. For more information, Formal Notice of Meeting, Agenda, Directors Nominations and to download a proxy application, please go to [www.ourwool.co.nz/AGM](http://www.ourwool.co.nz/AGM).

## WNZ Communications

We endeavour to provide short sharp messages relating to commercial opportunities for our shareholders and supporters as regularly as possible. We would strongly encourage you to open and read WNZ email so you're not missing out. For those not on email we post hard copies but our preference is to get you all on email so please advise us your email address if we don't already have it.

Ross Townshend  
CEO, Wools of New Zealand

## Auction Results

New Zealand Wool Services International reported the following from this week's wool sale:

Underlying demand has helped hold wool prices over the past several weeks with this week's South Island offering of 79,090 bales firming again and 93% clearance.

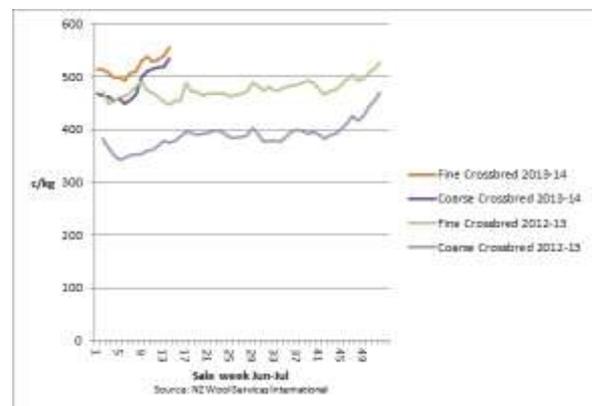
Mid Micron Fleece 24.5 to 25.5 were 2-5% dearer with 26 to 31.5 generally firm overall.

Compared to the 3 October sale, Fine Crossbred and Shears 3 to 5 and 2 to 4 inches were 3-6% dearer with 2 to 3 inches, 2-4 % dearer.

Coarse Crossbred Full Fleece were firmer with 3 to 5 inch shears 1-3% firmer, 3 to 4 and 2 to 4 inches, 3-5% stronger and 2 to 3 inches up 1%.

Next sale on 17 October comprises approximately 6,000 bales from the North Island which is 25% down on rostered volumes.

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## Contact Us

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

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