

Wools of New Zealand Shareholder Communication No. 35
28 July 2014

From the Chief Executive

Laneve Carpet Wool Contract Update

We are currently not accepting any more wool for Spec A (2" to 4") as we have filled current contracts for this spec to end August. The remaining three Laneve forward contracts remain open, in particular we are seeking good volumes of Spec B on the back of good demand from China.

Laneve contracts include:

Spec B 3" to 5" y-z	<2.5 VM0.1%max 35 to 39 micron \$5.75/kg clean
Spec C 3" to 5" y-z	<7 VM0.1%max 35 to 39 micron \$5.40/kg clean
Spec D 4" to 6" y-z	<2.5 VM0.1%max 35 to 39 micron \$5.75/kg clean

Note that volumes are limited so contracts will be processed on a "first-come-first-served basis" for delivery to scour from 1 July to 31 August. Payment terms remain as 60 days from receipt of wool.

Work at Wools of New Zealand

To advise that George Affleck has decided to leave Wools of New Zealand for family and business reasons. We wish her all the best for the future.

We are now recruiting a new SLO for the Lower South Island. This is a part time position (approx. 12 hours per week) involving dealing with shareholder and supporter enquiries, encouraging contract and Direct to Scour supply and representing WNZ in the Lower South Island.

The role, which is open to anybody with an interest in New Zealand's strong wool sector, covers the lower South Island and it is envisaged that the successful candidate will live south of the Waitaki River. WNZ will provide all necessary training and support.

For more information or to register your interest, please contact Brent Melville at 021 976 636 or email a covering note and your CV to brent.melville@woolsnz.com by 8 August 2014.

Direct to Scour

Whakatu Scour has advised that they have now caught up with weighing, lotting up and coring and so this week should be a busy one providing you with the best price option for each wool type received over the past month. We thank you for your patience.

While on the subject, some reminders around bale quality for D2S:

- Scour will only accept full bales and preferably minimal bin bales. If bin bales are delivered please ensure they have like-for-like length and similar colour.
- Please don't send any bales under 100 kg – costs associated with freight and handling are just too excessive. In future carriers will be instructed to return fadges to the grower at your cost.
- If in doubt, sort long with long, short with short and similar colours in one bale.
- Please ensure you utilise WNZ spec sheets only (versus other brokers or merchants) as wool can get lost or end up in the wrong place.

We will need to start applying considerable discounts to any lines that we struggle to use as a commercial mix as we don't and cannot re-class.

Please contact us if you haven't yet received your WNZ tally book, spec book and D2S process wall-chart or you require more.

Ross Townshend

Bentley does it with Wools of New Zealand



New Zealand wool is synonymous with integrity and quality; that's why it's used in the most prestigious locations.

Wools of New Zealand, a sponsor of the Society of British and International Design (SBID) Design Awards, is committed to supporting best design practice and excellence in design and is an organisation of growing relevance and influence on interior designers. The organisation is focused on promoting its growers' wool into markets that are switched on to quality, style innovation and sustainability. That is why there are many synergies between Wools of New Zealand and SBID.

New Zealand wool can be found in prestigious locations worldwide, from palaces and pop stars' mansions to banks and automobiles. Bentley uses New Zealand wool in its Mulsanne range and in certain showrooms. In the Bentley, the carpet can be matched to or contrasted with the chosen hide colour. The bespoke Wilton carpet is made exclusively for Bentley by M.I.D Carpets, for whom the fibre has to be right every time. The colour is paramount and they have to create very delicate white and clean pastel shades.

Mark Van Koningsveld of M.I.D says: "New Zealand Wool's superior quality enables extensive design, colour and pattern flexibility that our customers demand for exclusive installations like Bentley showrooms and the Bentley Mulsanne automobile. Its' natural ability to 'bounce back' and to not 'ugly out' ensures lasting good looks."

(Article extracts published with permission from Society Journal, UK, vol3, Issue 2, 2014). For full article check out:

www.issuu.com/sbid/docs/sbid-society_magazine_vol3_issue_2

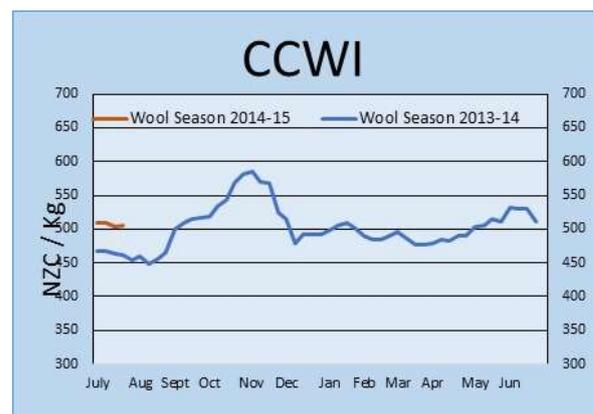
Market Report

Last week's North Island wool offering remained reasonably stable. Of the 8,500 bales on offer 90% sold.

Full length coarse fleece were firm to 2% dearer. Coarse shears, which made up 55% of the offering, were firm to 2% cheaper. Fine crossbred shears were firm to 4% easier. Long oddments were firm to 3% dearer with short oddments firm.

Good competition with China, Australia and Western Europe principals, supported by India, Middle East and the United Kingdom.

Next sale on 31 July comprises approximately 9,600 bales from the South Island.



Contact Us

Please contact your regional Supplier Liaison Officer (SLO) directly if you wish to discuss anything.

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