

Wools of New Zealand Shareholder Communication No. 43
11 November 2014

From the Chief Executive

STAPLE[®] Commitment Programme

Achieving our vision of being the leading innovative sales and marketing company for New Zealand strong wool means providing certainty of supply to our customers direct from you as growers, allowing planning and confidence of meeting contracts.

This week we are rolling out Wools of New Zealand STAPLE[®], a commitment programme designed as an important tool in reducing price volatility and improving sustained, predictable returns and commercial certainty to our businesses.

We believe it's a first in the New Zealand coarse wool industry.

STAPLE[®] has been structured so our shareholders are the first in line for its benefits, which include:

- Preferential access to WNZ supply contracts
- 5c /kg (clean) rebate on achieving your annual supply commitment of wool, paid not later than
- 31 July 2015 (the first commitment programme covers the Jan-Jun 2015 period to align with the wool season)
- Immediate communication on contract supply options and specifications as they become available
- Participation in the WNZ 'Grower of the Year' Award.

You will be receiving the STAPLE[®] brochure and commitment form in the mail soon. To be part of the commitment programme and stand a

chance to win the WNZ 'Grower of the Year', you need to complete the supply commitment form and send it through to us by 31 December 2014.

If, after reading through the information, you are still unsure as to whether you wish to be a part of this programme, feel free to contact us directly.

Camira Lamb's Wool Contract

I can report an excellent level of interest in this year's Camira Lamb's Wool Contract to date. We extend our appreciation to those grower shareholders who have locked into the contract early. If you haven't yet committed the contract remains open and the wool to be supplied is to the same standards and specifications and prices as 2014, with prices as follows:

- \$6.25/kg clean for 0.0% VM
- \$6.10/kg clean for 0.1% VM (limited quantities)
- \$5.85/kg clean for 0.2% VM (limited quantities).

For further information on terms or to secure a contract contact your local SLO (details below).

South Island Roadshow

RSVPs for the South Island roadshow meetings which start in Tapawera next Monday, 17th November have been slow. We appreciate you have been busy on farm but please make the effort to attend, bring your family or friends and

hear first-hand about initiatives and opportunities for your wool business such as Stable Price Mechanisms and our new STAPLE® commitment programme. Details of the meetings are below.

SOUTH ISLAND

MONDAY, 17 NOVEMBER

TAPAWERA – Kohatu Flat Rock Café, 5087 Motueka HW 11.00am

BLLENHEIM – Scenic Circle Hotel, 65 Alfred St 5.00pm

TUESDAY, 18 NOVEMBER

CHEVIOT – Cheviot Trust Hotel, SH1 11.00am

MT SOMERS – Mt Somers Tavern, 70 Hoods Rd 5.00pm

WEDNESDAY, 19 NOVEMBER

WAIMATE – Waihao Forks Hotel, SH82 11.00am

PALMERSTON – Waihem Lodge Hotel, 13 Runbrake St 5.00pm

THURSDAY, 20 NOVEMBER

OUTRAM – Outram Rugby Club, 102 Formby St 11.00am

GORE – Heartland Hotel Croydon, 100 Waimea St 5.00pm

FRIDAY, 21 NOVEMBER

MOSSBURN – Mossburn Community Centre, Devon St 9.00am

Notice of Annual General Meeting

A reminder also that the Wools of New Zealand AGM will be held at the Horseshoe Room, Farriers Bar & Eatery, Masterton at 11am on Monday, 24 November 2014. For more information and to download a proxy please go to www.ourwool.co.nz/AGM.

To confirm your attendance at any of these presentations or the AGM please contact Avril Jordan via email on avril.jordan@woolsnz.com, phone 0800 ourwool (0800687 9665) or your local SLO.

Ross Townshend

Market Report

Last week's wool sale saw targeted buying with mixed results but an overall firm tone. Of the 5,400 bales on offer 85% sold. Full length, sound merino fleece was 2-4% dearer, with off lines and shorter, tender wools trending cheaper.

Mid micron fleece 24, 25, 29 and 30 microns were as much as 4% cheaper with 25.5-27.5 microns remaining firm. Fine crossbred fleece

was 3.5-4% dearer with 3-5 and 3-4 inches 1-3.5% more expensive. Fine crossbred shorter shears firmed 1%. Coarse crossbred full fleece and 3-5 inches were 3.5-4% dearer while shears 3-4 inches firmed slightly with shorter types unchanged. Long oddments remained firm with shorter types firm to 2.5% dearer. Next sale on 13 November comprises approximately 5,700 bales from the North Island.



Contact Us

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

Upper North Island – Hannah Coop
027 390 0483. hannah.coop@woolsnz.com

Lower North Island – Wayne Baxter
021 529 506. wayne.baxter@woolsnz.com

Upper South Island – Brent Melville
021 876 636. brent.melville@woolsnz.com

Lower South Island – Bridget Russell
027 220 4737. bridget.russell@woolsnz.com

General: 0800 OURWOOL 0800 687 9665

Email: info.nz@woolsnz.com

www.ourwool.co.nz