

Wools of New Zealand Shareholder Communication No. 37
15 August 2014

From the Chief Executive

– Ross Townshend

NEW Camira Laneve Lamb's Wool Contract 2015

Following the very successful 2014 Laneve lamb's wool contract, Wools of New Zealand is offering growers the opportunity to supply into the 2015 lamb's wool contract.

The volume required has increased significantly from the 2014 contract but with similar specifications:

- Priority to WNZ shareholders and supporters or historical suppliers to the Camira contract
- WNZ integrity program accredited farms
- Full traceability from fabric back to farm
- Appropriate pesticide declarations
- 0.0% VM, with some 0.1% and 0.2% (with price steps)
- Good colour: y-z 0.0 to 1.0 max
- 28 to 30 micron
- Similar stepped prices to 2014 to be advised.

We are working through contract and payment terms which will be published by Friday 29th August. We will also send you the terms of our newly developed loyalty commitment programme.

We have a particular interest in early season supply (before Christmas), which helps with VM and colour so we seek your earliest commitment.

We recommend growers plan their farming operations to comply with this contract, as management decisions in the next few weeks will be key to meeting the pesticide and VM parameters particularly relating to tailing or docking practices.

This is a great opportunity for growers and a major step forward for your company in line with our strategy of securing enduring relationships with valued quality customers such as Camira.

Wool Freight

A reminder that any wool delivered to scour that has come directly from farm needs to note this on the Specification Sheet that accompanies the delivery. This will ensure the freight consolidation charge is not applied.

Lower South Island Supplier Liaison Officer Role

Applications for this position close this coming Monday, 18 August at 5pm. This part time role covers relationships with our shareholders and supporters throughout the lower South Island. For more information or to register your interest, please contact our Shareholder Relations Manager Brent Melville at 021 876 636 or email a covering note and your CV to brent.melville@woolnz.com

Market Report

The North Island auction on 14 August comprised 8,315 bales of which there was a clearance of 95%.

The market was solid over the bulk of the offering which comprised mainly Crossbred Early Shorn and Second Shear types. Exporters are still under some pressure to cover committed shipments in the short term, enabling the market to remain firm.

Good colour Fine Crossbred Fleece was strong with no change on a limited offering.

Fine Crossbred Early Shorn and Second Shear 33 to 36 micron, 3-5 inch and 3-4 inch eased 1.5-2.5%. A limited offering of Coarse Crossbred Fleece remained firm.

Coarse Crossbred Early Shorn and Second Shear 36 micron and coarser 3-5 inch and shorter were firm except 2-3 inch which were 1-2% dearer.

Crossbred oddments compared to last North Island sale on the 24 July 2014 were generally unchanged. Next sale on 21 August comprises approximately 10,200 bales from the South Island only.



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

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

General: 0800 OURWOOL 0800 687 9665

Email: info.nz@woolsnz.com

www.ourwool.co.nz