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MEDIA RELEASE

Quality Wool agrees to acquire Western Wool Marketing

SOUTH Australian-based wool brokering, country buying, exporting and livestock business, Quality Wool, and Olam Australia today announced that Quality Wool has agreed to acquire New South Wales (NSW), Victorian and Queensland wool broker, Western Wool Marketing.

Owned by Queensland Cotton, a wholly owned subsidiary of Olam Australia, Western Wool Marketing has stores throughout NSW and Victoria. It supports growers as far north as Longreach in Queensland, down to the Central West and Riverina in NSW, and as far south as Gippsland in Victoria.

Quality Wool has company-owned stores at Port Adelaide, Naracoorte and Jamestown in SA, as well as at Geelong, Bendigo, Ballarat and Benalla in Victoria.

Managing Director of Quality Wool, Mark Dyson, said the business was a strategic fit with Quality Wool's existing operations, extending its network in Victoria as well as NSW, where it already had a strong presence in the western region.

"We look forward to welcoming Western Wool Marketing staff to our team, building on the company's marketing services and providing support to sheep and wool growers and further expanding the Quality Wool brand throughout the eastern states," Mr Dyson said.

Olam Australia Executive Director and Country Head, Bob Dall'Alba, said the sale of Western Wool Marketing to Quality Wool was in line with Olam's global strategy of unlocking intrinsic value and pursuing growth opportunities selectively, while exiting non-core operations.

He added: "Olam has been a keen participant within the Australian wool industry. However, given Olam's strategy to optimise our Natural Fibres business, and the fact that Olam's wool business has been a niche operation restricted to Australia, we decided to exit the business with the sale of Western Wool Marketing to achieve the best strategic and economic outcome for our company."

The acquisition is expected to be completed later this month, subject to customary conditions.

Quality Wool

Established in 1991, privately-owned Quality Wool has grown steadily with increasing grower support to become a strong, diversified agribusiness also offering livestock marketing as well as warehousing and logistics services.

With the addition of Western Wool Marketing, Quality Wool becomes one of Australia's largest, independent, family-owned and operated wool companies.

Olam Australia

Olam Australia is a wholly owned subsidiary of Olam International Limited, a leading agri-business operating across the value chain in 65 countries. Olam International commenced operations in Australia following its takeover of Queensland Cotton in 2007. Since this time, Olam Australia has grown and diversified and now operates an integrated supply chain for five key products – cotton, almonds, pulses, grains and dairy – delivering these to more than 500 customers worldwide.

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