



Overview

Riemann is offering risk management products to the wool industry.

- > Riemann Wool OTC Forwards and OTC Options are cash settled against the Australian Wool Exchange (AWEX*) nominated Micron Price Guides (MPG) (Mid price of the North & South MPG's).
- > These are broad based risk management products that can be used for hedging and trading Australian wool, including option contracts designed to provide efficient hedging strategies.
- > These financial products are available for trading on the Mercari market which holds an Australian Market Licence under the Corporations Act and is regulated by the Australian Securities and Investments Commission (ASIC) - offering a fair, orderly and transparent market place.
- > Promoting real-time price discovery and transparency, Mercari trading system supports the hedging and trading needs of the wool industry.
- > Maturity dates extend out up to three wool clips, and coincide with key wool auction dates.

Users

Riemann Wool products can be used by:

- > Wool Producers
- > Wool Brokers
- > Wool Exporters
- > Banks and Finance Institutions
- > Professional Investors
- > Hedge Funds

Benefits

The benefits of Riemann Wool products include:

- > Licenced and regulated marketplace
- > Independent and transparent market for buyers and sellers
- > Producers, exporters and investors have easy access to risk management tools
- > Unlike futures contracts, participants are not subject to margin requirements

(*Australian Wool Exchange (AWEX) as a public company limited by guarantee to manage and administer wool marketing arrangements in the Australian wool industry. www.awex.com.au)

Contract Specifications

Wool OTC Forwards

Product	An OTC cash settled forward based on the Australian Wool Exchange (AWEX) nominated Micron Price Guides (MPG) (Mid price of the Regional Market Indicators for North & South MPG's)
Type	Financial Product
Minimum Size	2,000 Kgs
Minimum increments	500 Kgs
Pricing Unit	A\$ Cents per Kg clean
Maturity Dates	Maturity dates coincide with key wool auctions dates; Weekly (Wednesday) for the first 3 months, Bi-monthly (2nd and 4th Wednesday) for the following 6 months, and Monthly (2nd Wednesday) thereafter
Trading Hours	10:00am to 4.30pm Monday to Friday
Credit Rules	Bilateral Counterparty Credit prior to trading
Settlement	Cash Settled (T + 3)
Index Provider	Australian Wool Exchange
Index Calculation	Mid price of the Regional Market Indicators for North & South MPG's
Terms of Trade	www.mercari.com.au/termsoftrade.pdf
Participants	Wholesale Clients only (Corporations Act 2001 s761G)

Wool OTC Options

Product	An OTC cash settled option based on the Australian Wool Exchange (AWEX) nominated Micron Price Guides (MPG) (Mid price of the North & South MPG's)
Type	Financial Product
Pricing Unit	A\$ Cents per Kg clean
Trading Hours	10:00am to 4.30pm Monday to Friday
Strike Price	Put and Call strikes as required
Option Premium	Payable within 3 business days
Index Calculation	Mid price of the Regional Market Indicators for North & South MPG's

Riemann

For more information on our wool products, visit www.riemann.com.au or contact a member of our team at products@riemann.com.au or on +61 2 8024 5200.

Although every attempt has been made to ensure the accuracy of the information within this brochure, Riemann explicitly assumes no responsibility for any errors or omissions. Any examples shown in this brochure are hypothetical situations, used for explanation purposes only, and should not be considered investment advice or the results of actual market experience nor do they constitute the solicitation of the purchase or sale of any product. Appropriate independent advice should be obtained or parties should conduct their own investigation and analysis before making any investment decision.

All matters pertaining to rules and specifications herein are made subject to and are superseded by the official Operating Rules specific to the trading of products mentioned in this brochure.

Derivatives are a leveraged investment. Financial Derivatives trading is not suitable for all investors, and involves the risk of loss.

Riemann Agricultural Services Pty Ltd (ACN 129 594 761)