



24 October 2006

Trevor Flugge to Retire from AWS Board at the AGM

Ref: AWS1606

In preparation for Australian Wool Services' Annual General Meeting on November 15, it has been brought to our attention that Trevor Flugge's three year term of office as a Board Director expires at the end of the forthcoming AGM.

Mr Flugge had previously indicated that he would not be seeking continuation of his membership of the Board once AWS and Australian Wool Innovation were integrated.

As the integration process with AWI is proceeding positively, Mr Flugge believes it would not be in the interests of the company to seek re-election for what could be a relatively short period. As a result, he will retire due to the effluxion of time at the end of the AGM.

AWS Board membership and arrangements have been part of the integration discussions between the Chairmen of AWS and AWI. Given the integration discussions, the AWS Board has maintained Board member numbers at the minimum of 4 since March 2006, not appointing new Board members unless necessary. Under the Constitution, the AWS Board can appoint a member to its Board. "The Board has found an excellent candidate in Mr Philip Attard to replace Mr Dieter Vollstedt, whose term expires at the AGM", says Mr Walker. "An election will be held at the forthcoming AGM to confirm Mr Attard's Board position. I will also be seeking re-election at the AGM. However, the Board is not yet in a position to announce a replacement for Mr Flugge. We will announce the replacement Board Director at the AGM".

Mr Walker acknowledged Mr Flugge's tremendous contribution to AWS. "Mr Flugge's extensive business and agriculture experience has been crucial to AWS and its Board since our inception in 2001. He was our Chairman from November 2003 until March 2006 and I thank him for his leadership and contribution."

AWS' Annual General Meeting will be held at the Armidale Ex-Services Club at 9:30am on November 15.

For further information:

Peter J. J. McKeown

General Counsel and Company Secretary

Phone: 61 (0)3 9341 9308

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