



# Investment Overview

## Queensland Wool Processors Pty Ltd

### Our Wool. Our Industry. Our Future.

QWool is more than just a world-class manufacturing project. It is a market opportunity for the Australian wool industry to back itself and “Go Beyond Greasy” regaining control of its future by returning early-stage processing to regional Australia and enabling access to alternative markets.

### Reversing 30 Years of Gradual Decline

The wool industry was Australia’s economic miracle, providing one of the highest living standards in the world for over 100 years. However, the wool industry slowly **ceded its manufacturing capability to Chinese processors** and lost its competitive edge and global market leading position. The industry’s confidence – and its wool clip – has been in terminal decline ever since.

With a Total Addressable Market (TAM) of AU\$1 billion, the global wool processing sector is **primed for an Australian-led disruption opportunity**.

A pathway exists to undertake early-stage processing (scouring) in **Australia**, continue processing (top making) in **Vietnam** and sell a **premium, value-added product** to the local spinners garment industry – totally **bypassing Chinese processors**.

QWool was established to pursue this opportunity.

Figure 1. Render of QWool Blackall Scour – Wool Store



### The QWool Vision

QWool has a multi-stage development vision for the wool industry:

Stage 1a. A **modern 14 M kg (greasy) scour in Blackall**, Queensland

Stage 1b. **Matching tops plant in Vietnam** (likely HCMC Region)

Stage 1c. Potential **partnership with an existing industry participant**

On successful completion of the 3 elements of Stage 1, QWool’s strategic growth plan includes:

Stage 2. **Additional scour in Northern New South Wales** with matching expansion of tops plant in Vietnam

Stage 3. **Additional scour in Southern New South Wales** with matching expansion of tops plant in Vietnam

Stage 4. **Potential additional scour in South Australia or Western Australia** with matching expansion of tops plant in Vietnam

Upon completion of Stage 4, QWool will **value-add up to 30% of the Australian wool clip**. The remaining 70% of wool will benefit from increased competition for greasy wool.

The QWool vision **aligns with the Australian and Queensland Government strategic initiatives** to re-develop **sovereign manufacturing capabilities**, particularly agricultural value adding and regional development.

Realising QWool’s development vision will require up to \$850 million in total capital, as outlined in Table1 below.

Table 1. Cumulative Capital Requirements (\$M AUD)

	Total Capacity (Greasy equiv.)	Equity	Commercial Debt	Concessional Debt	Total
Stage 1	14 M kg	\$62	\$37	\$151	\$250
Stage 2	28 M kg	\$111	\$67	\$272	\$450
Stage 3	42 M kg	\$160	\$97	\$393	\$650
Stage 4	56 M kg	\$210	\$127	\$513	\$850

Notes:  
Concessional finance options potentially available to QWool include: Export Finance Australia (EFA), National Reconstruction Fund (NRF), Northern Australia Infrastructure Facility (NAIF) and Bpifrance Assurance Export (BPA).

Scan to download QWool’s Information Memorandum



### Limited Investment Opportunity

QWool is offering a limited opportunity between 1 million and 1.6 million shares at \$1.00 per share, to raise funds to complete due diligence activities for a Final Investment Decision (FID), ahead of commencing Stage 1 Operations in Australia and Vietnam. The offer will close no later than 27 March 2026, unless otherwise agreed by the QWool Board.

Table 2. Summary of use of funds

Item	Minimum \$1,000,000	Maximum \$1,600,000
Step 1. Blackall Scour Plant Due Diligence	\$300,000	\$400,000
Step 2. Vietnam Tops Plant Due Diligence	\$250,000	\$500,000
Step 3. Potential partnership Due Diligence		\$100,000
Step 4. Corporate Development Expenses	\$350,000	\$600,000
TOTAL	\$1,000,000	\$1,600,000

### Stage 1 Key Performance Metrics

QWool anticipates the following key metrics from Stage 1a+b:

Table 3. Indicative Financial Performance Stage 1a+b

Indicator	Preliminary Outcome
Total revenue (\$M AUD)	\$51.1
EBITDA (\$M AUD)	\$21.9
Gross Profit Margin	48.2%
EBITDA Margin	42.9%
Return on Equity	15.3%
IRR (15 years)	17.6%
Return on Assets (NPAT)	3.7%
Return on Assets (EBIT)	9.2%
P/E Ratio Per Share	7.1

Note: This analysis excludes Stage 1c (strategic partnership). Separate due diligence is required to understand the financial implications of this opportunity.

## Market Opportunity – Wool Tops

With a Total Addressable Market (TAM) of AU\$1 billion, the global wool processing sector is primed for an Australian-led disruption opportunity.

- **China is the largest buyer of greasy wool** in the world (66% of all greasy wool traded is purchased by China).<sup>1</sup>
- **75% of China’s greasy wool imports are from Australia** (118 M Kg).<sup>1</sup>
- China processes and **re-exports wool tops made from Australian wool** to worsted wool spinners in 3<sup>rd</sup> countries (35 M Kg).<sup>1</sup>
- The largest buyers of Chinese wool tops are in **Italy, Germany, Japan, South Korea**, Turkey, **Vietnam**, India, Portugal, Mexico, Bulgaria, Thailand, Romania.<sup>1</sup>
- The opportunity exists to supply 3<sup>rd</sup> country wool top buyers directly, **bypassing Chinese wool scours** and capturing considerable market value for the Australian wool industry.
- Note: Exported wool tops from China are often adulterated by blending high-quality Australian and lower-quality Mongolian and Chinese wool. The garment industry knows the quality difference and desire unadulterated access to 100% Australian merino wool.

### Verified by Independent Research

Research commissioned by Wool Producers Australia (WPA)<sup>2</sup> has identified a number of alterative export markets for Australian wool. Vietnam was selected as the preferred market.

WPA has confirmed Vietnam has approximately 20 million Kg of installed spinning capacity.<sup>3</sup> Local spinners import 98% of all wool tops from China.<sup>1</sup>

- Data sources:
- (1) World Bank, “World Integrated Trade Solution – WITS”, 2023.
  - (2) Wool Producers Australia, “Ensuring a sustainable future for Australia’s wool supply chain - Industry Action Plan”, 2024.
  - (3) Wool Producers Australia, “Wool Trade Policy Office Report July”, 2025.

## Re-imagining the wool supply chain

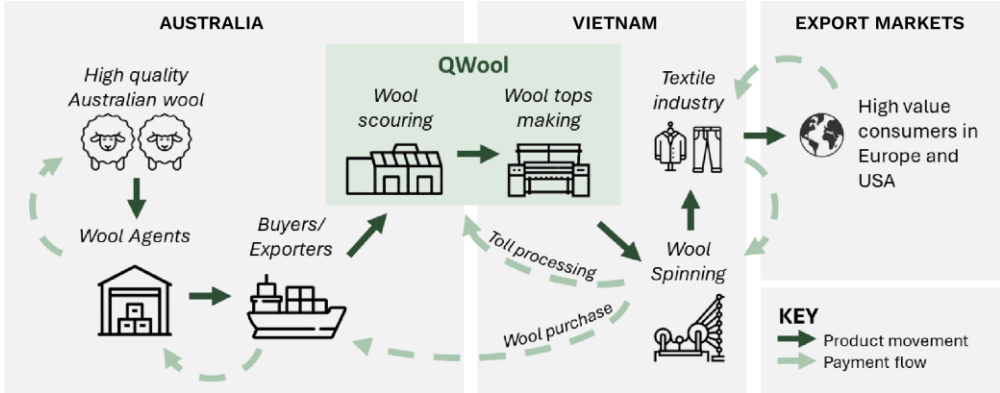
By reaching further into the wool supply chain, the Australian wool industry can **diversify its markets**, **reduce logistics costs**, **capture additional value** that allows a return domestic processing.

QWool was formed to pursue this opportunity.

Figure 2: Current wool supply chain



Figure 3: Potential wool supply chain



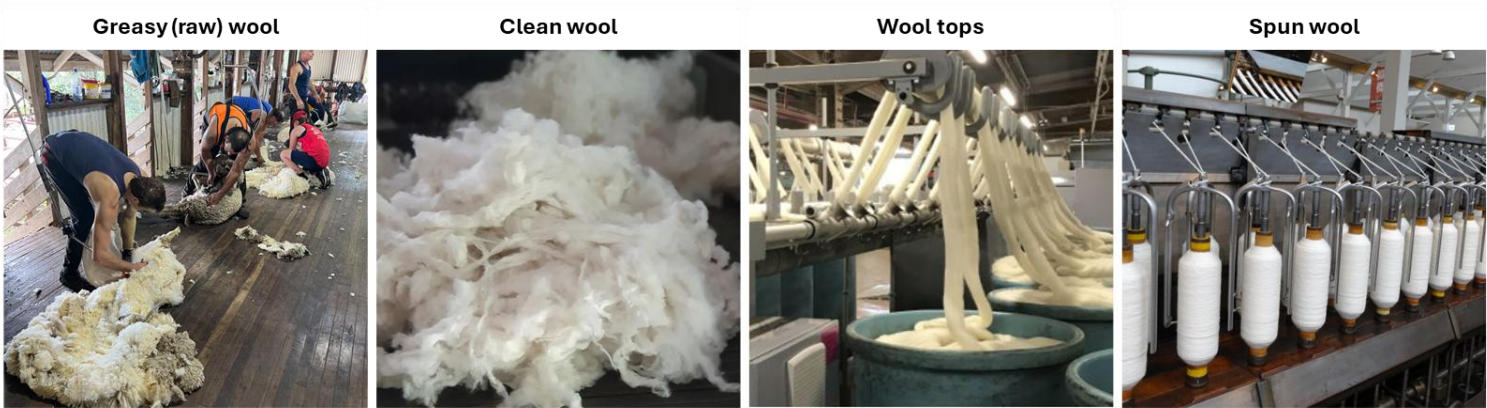
## Detailed use of funds – Overview

The amount being raised under this Information Memorandum is a minimum of \$1 million, up to \$1.6 million.

Table 4. Breakdown of the use of funds

Item	Details	Minimum	Maximum
<b>Step 1: Blackall Scour Plant</b>			
Finalisation of items required for the Final Investment Decision (FID) of Stage 1(a) of the QWool project, the Blackall wool scour	<ul style="list-style-type: none"><li>Engineering design and estimate</li><li>All required approvals and fees</li><li>Debt raising costs</li><li>Equity raising costs</li><li>Off-Take agreements</li></ul>	\$300,000	\$400,000
<b>Step 2: Vietnam Tops Plant</b>			
Bankable feasibility for Stage 1(b) of the project, the Vietnam top making plant (incorporating consideration of a stage 2(b) expansion	<ul style="list-style-type: none"><li>Preliminary design and estimates</li><li>Establishment of Vietnam entities</li><li>“Build to Suit” feasibility evaluation</li><li>Government negotiations and preliminary approvals</li></ul>	\$350,000	\$500,000
<b>Step 3: Partnership development</b>			
Detailed investigation of a potential industry partnership or investment to support industry transformation Stage 1(c)	<ul style="list-style-type: none"><li>Initial due diligence costs</li></ul>		\$100,000
<b>Step 4: Corporate Development</b>			
Corporate Development expenses	<ul style="list-style-type: none"><li>Legal and Accounting Services</li><li>Salaries (CEO and CFO)</li><li>Board costs</li><li>Other travel costs</li><li>Admin overheads</li></ul>	\$350,000	\$600,000
<b>Total</b>		<b>\$1,000,000</b>	<b>\$1,600,000</b>

Figure 4. Wool products at different stages of wool processing



## Don’t miss out on this limited opportunity!

For more information, contact:

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To download a copy of the Information Memorandum (incl Share Application Form), visit [www.qwool.com.au/investment](http://www.qwool.com.au/investment)