

Jun 2019 Cotton Forward trades at \$AUD 612.00/bale

Mercari eSEF executes first electronic Riemann Cotton OTC forward trade on licensed Australian swap platform

SYDNEY, AUSTRALIA: November 27, 2018 Commodity broker Southern Aurora Markets today facilitated Australia's first electronic Riemann Cotton OTC Forward trade on the licensed Australian Swap platform, Mercari eSef.

Mercari eSEF is a licensed Over-The-Counter (OTC) platform that, in addition to being fully regulated, brings transparency to both derivative and physical trades.

The first electronic Riemann Cotton OTC Forward trade was recorded on Mercari eSEF after an Australian seller, transacted with one of Australia's major cotton merchants, total volume was 1,000 bales.

Mr Brian Price, Director of Mercari, is confident the growing demand in the Australasian region for transparency, efficiency and audit capabilities in the OTC markets will translate into a strong uptake by users of the fully-licensed Australian Swap OTC platform.

"This trade on Mercari eSEF of Australia's first electronic Riemann OTC Cotton forward contract is significant for OTC trading in Australasia and for commodity producers and consumers, which now have a fully transparent and regulated platform by which to lock in future prices and hedge their product price risk."

The Mercari eSEF OTC platform operates under an Australian Market License. The platform allows for trading in the key asset classes of commodity, energy and environmental products, including coal, environmental certificates and Riemann Ag products (Cotton, Wool, Beef, Lamb, and Wheat).

Gary Booth, co-founder of Southern Aurora Markets, said of being the first company to trade a Riemann Cotton OTC forward on Mercari eSEF, "we are pleased to have the opportunity to participate in the Riemann Cotton OTC forward market and consider liquid forward markets as essential in providing certainty to Australian and other global Cotton suppliers and buyers."

Bill Shires, the head of cotton at Southern Aurora Markets, who transacted the trade said this first trade has gone very smoothly and we look forward to helping build liquidity within the regulated electronic OTC market place.

“We are pleased to facilitate this pioneering trade via the Mercari eSEF, and are pleased to be able to offer customers the ability to execute transactions through a transparent, and fully regulated trading platform.”

Scott Still, Group Executive Market Development, on behalf of both Mercari and Riemann Agriculture, confirm the FEX group’s commitment to supporting Australian agriculture and developing risk management products to manage agricultural price risk exposures.

He also advised interested parties can obtain more information on the following websites, www.mercari.com.au and www.riemann.com.au or to contact him directly.

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For further information please contact:

Mr Scott Still, Riemann Agriculture
Email: s.still@fex.com.au
Telephone: +61 2 8024 5200

About Mercari eSEF

Mercari eSEF operates licensed and regulated electronic markets for over the counter (OTC) products. Mercari holds both an [Australian Market License](#) and [Australian Financial Services License](#).

New regulations and increasing oversight are transforming OTC (derivatives) market, adding new levels of operational complexity and reporting requirements across the contract lifecycle. Mercari’s aspiration is to facilitate this transition by providing orderly, transparent and efficient electronic OTC market venues and services to professional and wholesale investors.

The Mercari eSEF offering addresses customer expectation for a comprehensive OTC derivatives solution which can be used to navigate the rapidly changing regulatory and operational environment.

Mercari eSEF allows both direct and broker assisted trade support and execution
www.mercari.com.au

About Riemann

Agricultural Risk Management Products

Riemann Agricultural Services (“Riemann”) is an Australian company that creates and designs tradeable financial and non-financial products for the agricultural markets.

Since 2012 Riemann has been an important contributor to the agricultural industries goal of enabling agricultural market participants (growers, producers and others in the agriculture value chain) to have access to forward price transparency and relevant risk management products to best manage their forward agricultural price risk exposures.

Riemann licensed financial products are now available for trade on electronic regulated platforms which operate under an Australian Market License that allows for the offering and trading of these agricultural financial products.

www.riemann.com.au