

10th. January 2011

Dear Powers Customer,

REMINDER

Re: Price Rise Notification effective 1st February 2011

Back in December 2008 we notified you of a pending price rise effective February 2009. The core driver of this price rise was the devaluation of the Australian to the USD and Euro.

The past 2 years we have seen a complete reversal of these currency woes, in particular the USD supporting our position to hold our prices for this period.

Unfortunately most of our input costs have increased significantly during this period namely, packing expenses which have increased by around 6.5% over the last 14 months. International freight has also increased by around 9% (even more for dangerous goods like adhesives) over the last 12 months. Parallel to this we have also seen a 35% increase in 1022 grade carbon steel wire rod prices.

Accordingly we must apply a price rise **effective 1st. February 2011**. Some 2 years since our last!

Effective 1st February 2011:

- All drill bits and accessories 5%
- All adhesives and sealants including foams 7%
- Mungo Nylon Fasteners 5%
- Blue-Tip ScrewBolts and TRDAC's 0%
- All other fasteners including Trak-It (C3,C4, W3 & consumables) 5%
- All carbon and SS steel screws 5%

Please note that Blue-Tip ScrewBolts and TRDAC's have incurred **no increase** since these are a boron steel based part and have not experienced the raw material increases unlike regular carbon steel.

Our Powers representatives will work with you on specific discounts where further pricing negotiations are needed. Our priority being to make sure our business continues to grow with you as a premium supplier to your company.

2011 Addendum and Product Update

Please find attached a product update and information sheet on all those items that did not make the last powers Buyers Guide. This provides all the basic information as well as a list price for these new items, all of which we hope will provide additional sales opportunities for you into 2011.

Powers Fasteners

A handwritten signature in black ink, appearing to read "Philip Rose", with a small dot at the end.

Philip Rose

Managing Director