



Mesbon China Nylon Limited (“MES”)

Australian Stock Exchange Announcement

Friday 13th June 2008

The Manager
Companies Announcements Officer
Australian Stock Exchange
Electronic Lodgement

Dear Sir/Madam

Market Release of New Products

Following successful Research & Development and positive market feedback, Mesbon is pleased to advise that the company will be launching two new products - namely, DTY Dope Dyed Yarn and Nylon-Polyester Bi-component Yarn.

Mesbon will be promoting DTY Dope Dyed Yarn and Nylon-Polyester Bi-component Yarn as the preferable option for the manufacturing of industrial gloves. These two new products, when used independently and together, will replace the current staple of nylon or polyester yarn used in the making of industrial gloves. The new process will also reduce the yarn cost in glove-making. Mr Zhehao Shen, the CEO of Mesbon said: "The roll-out of these new products validates our investment in continuous R&D efforts and strengthens our commitment to product innovation and collaboration across our customers and end user base in the textile industry." Mesbon is carrying further market research to promote the wider applications of these two new products.

DTY Dope Dyed Yarn uses a powder coating dyeing process that takes place when nylon yarns are spun. This pre-dyeing process allows nylon yarns to be made to customised colours. This environmentally friendly process is preferred to the liquid dyeing process currently used. The process also reduces the colouring cost for glove manufacturers that require coloured yarns for safety and marking features. Mesbon has already secured encouraging orders and enquiries from a number of buyers of yarns and industrial glove manufacturers.

The Nylon-polyester Bi-component yarn is an interwoven yarn of polyester core with exterior nylon yarn. This Bi-component yarn has the exterior resemblance of nylon with the desirable nylon's attributes (i.e colour-fastness, lustrous appearance and non-fading) but at substantially lower material cost as the polyester forms its core. Using this nylon-polyester bi-component yarn with the DTY Dope Dyeing process, Mesbon is able to produce quality yarn with all the attributes of premium nylon but with cost savings.

The sales for these two products will not initially be significant compared to Mesbon's overall lines of product but this is expected to grow through promotions and wider market acceptance. Through these new products, Mesbon has demonstrated its capability to produce new products for the growing niche textile markets.

For further information please contact:



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