



ASX Announcement

TOTAL PAGE/S: 2

23 September 2024

## Wellard secures unencumbered title to the M/V Ocean Drover and starts strategic review.

Wellard Limited ("**Wellard**") (ASX:WLD) is pleased to inform shareholders that it has reached an agreement which will secure full and unencumbered ownership of the M/V Ocean Drover ("**Drover**"), after agreeing to pay KPMG Singapore ("**KPMG**"), the liquidators of Ruchira Ships Limited (In Liquidation) ("**Ruchira**"), US\$5 million. Ruchira is the registered owner of the Drover who defaulted on the reconveyance of unencumbered title to Wellard originally due to take place on 30 June 2023.

Wellard Executive Chairman John Klepec said the Wellard board decided that the payment provides certainty of vessel ownership to Wellard and its shareholders.

*"We have taken a commercial approach avoiding lengthy and expensive litigation that we would have taken to enforce our rights. The extensive negotiations have resulted in a fair and reasonable outcome for the parties involved and was a major focus of Wellard management," Mr Klepec said.*

This resolution has enabled the board to commence a strategic review of the Company to determine the best path forward for Wellard and its shareholders, as the Company will become a single-ship business, following the sale of the M/V Ocean Ute<sup>1</sup>, which was completed on 3 September 2024.

*"The review will assess a range of considerations, including the long-term future of the Company and its assets, the current and future commercial environment, the most appropriate company structure, and how to maximise returns to shareholders from the Drover," Mr Klepec said.*

As per previous announcements, the ownership of the Drover became an issue in June 2023 when Ruchira was unable to complete reconveyance of title for the vessel to Wellard, as Ruchira's lender, United Overseas Bank Limited ("**UOB**"), would not discharge a mortgage it had registered over the Drover.

UOB subsequently appointed KPMG as Ruchira's liquidator.

---

<sup>1</sup> Announced to ASX on 1 July 2024

---

Throughout the process, Wellard has maintained full operational control of the Drover under an ongoing, long-term bareboat charter.

The Drover is trading consistently in the currently high-demand routes between South America and Turkey. It has been chartered until May 2025.

## PROCESS & TIMING

The reconveyance of unencumbered title to the Drover is expected to take place by the 14<sup>th</sup> October 2024.

This announcement has been authorised by the Board of Wellard Limited.

### For further information:

#### Company

Executive Chairman  
John Klepec  
Phone: + 61 8 9432 2800

#### Media

FTI Consulting, Cameron Morse  
Phone: + 61 8 9485 8888  
Mobile: + 61 (0) 433 886 871