



ASX Announcement

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20 August 2019

**Sale of M/V Ocean Swagman
to Heytesbury for US\$22M to proceed**

Wellard Limited (ASX:WLD) (**Wellard** or the **Company**) advises that it will proceed with the sale of the M/V Ocean Swagman to Heytesbury Holding Company Pty Ltd (**Heytesbury**) for US\$22M. The transaction also includes a bareboat charter of the vessel back from Heytesbury to Wellard immediately upon completion of the sale which is expected to complete on or before 30 September.

The approval of the board of Trim Shipping SA, a subsidiary of Nova Marine Carriers SA of Lugano, Switzerland (**Nova**), was not received by the deadline of 19 August 2019, and accordingly that condition precedent for a sale to Nova for US\$25.2M has not been fulfilled.

Wellard has been working productively with Heytesbury to complete the necessary documentation, and expects to agree terms for the Memorandum of Agreement for the vessel sale, and the Bareboat Charter in coming days.

Heytesbury has confirmed conditions precedent, including financing, due diligence, and vessel inspection have all been achieved.

Remaining conditions include finalising a satisfactory standstill with Wellard's noteholders, Wellard shareholder approval of the sale and lease-back (see below), bank consents, key shareholder support and meeting Singapore law requirements.

As previously advised, Heytesbury is a 11.42% shareholder of Wellard and is therefore a related party. Wellard will now prepare and lodge a Notice of Shareholder Meeting at which it will seek approval for the Heytesbury transactions. An Independent Expert's report is being finalised and will be included in the Notice of Meeting.

Shareholders and the market will receive the Notice of Meeting in due course.

Details of the Heytesbury transaction were announced to the market on 4 July 2019, and details of the Trim / Nova transaction were announced to the market on 6 August 2019.

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